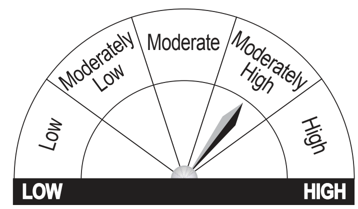
CANARA ROBECO
Mutual Fund

SCHEME INFORMATION DOCUMENT

CANARA ROBECO CONSERVATIVE HYBRID FUND

(Conservative Hybrid Fund - An open-ended hybrid scheme investing predominantly in debt instruments)

This product is suitable for investors who are seeking*	RISKOMETER
• Income/Capital appreciation over medium term to long term. • IInvestment predominantly in debt and money market instruments and small portion in equity	 Investors understand that their principal will be at Moderately High Risk

*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

Continuous offer for Units at NAV based prices

Name of the Mutual Fund
Canara Robeco Mutual Fund

Name of the Asset Management Company
Canara Robeco Asset Management Company Ltd.

Name of the Trust
Canara Robeco Mutual Fund

Investment Manager: Canara Robeco Asset Management Co. Ltd.
CIN No: U65990MH1993PLC071003
Construction House, 4th Floor, 5, Walchand Hirachand Marg,
Ballard Estate, Mumbai - 400 001.
Tel.: 6658 5000 Fax: 6658 5012 / 13. www.canararobeco.com

The particulars of the Scheme have been prepared in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations 1996 (herein after referred to as SEBI (MF) Regulations) as amended till date, and filed with SEBI, along with the Due Diligence Certificate from the AMC. The units being offered for public subscription have not been approved or recommended by SEBI nor has SEBI certified the accuracy or adequacy of the Scheme Information Document.

This Scheme Information Document sets forth concisely the information about the Canara Robeco Mutual Fund that a prospective investor should know before investing. Before investing, investors should also ascertain about any further changes to this Scheme Information Document after the date 29th June, 2020 of this document from the Mutual Fund/ Investor Services Centres/Web site/Distributors or Brokers.

The investors are advised to refer to the Statement of Additional Information (SAI) for details of Canara Robeco Mutual Fund, Tax and Legal issues and general information on www.canararobeco.com.

SAI is incorporated by reference (is legally a part of the Scheme Information Document). For a free copy of the current SAI, please contact your nearest Investor Service Centre or log on to our website.

The Scheme Information Document should be read in conjunction with the SAI and not in isolation.

This Scheme Information Document is dated 29th June, 2020

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HIGHLIGHTS/SUMMARY OF THE SCHEME

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<tr><td>Name of the Scheme</td><td>Canara Robeco Conservative Hybrid Fund</td></tr>
<tr><td>Type/Category</td><td>Conservative Hybrid Fund - An open-ended hybrid scheme investing predominantly in debt instruments</td></tr>
<tr><td>Investment Objective</td><td>To generate income by investing in a wide range of Debt Securities and Money Market instruments of various maturities and small portion in equities and Equity Related Instruments. However, there can be no assurance that the investment objective of the Scheme will be realized.</td></tr>
<tr><td>Plan & Options Available</td><td>Regular Plan
(a) Growth Option
(b) Dividend Option
- Monthly Dividend Reinvestment
- Monthly Dividend Payout
- Quarterly Dividend Reinvestment
- Quarterly Dividend Payout

Direct Plan
a) Growth Option
b) Dividend Option
- Monthly Dividend Reinvestment
- MonthlyDividend Payout
- Quarterly Dividend Reinvestment
- Quarterly Dividend Payout

Both Regular Plan & Direct Plan shall have a common portfolio.

Default option
In case of valid applications received without indicating any choice of options, it will be considered as option for Growth Option and processed accordingly.
In case of valid applications received without indicating any choice of option under Dividend Option, it will be considered as option for Dividend Reinvestment Option and processed accordingly.
In case of dividend option, if the investor does not clearly specify the choice of Monthly Dividend option / Quarterly Dividend option, it will be treated as a Monthly Dividend option.

In case of valid applications received the default plan will be captured based on below table
<table>
<tr><th>Scenario</th><th>Broker Code Mention by the Investor</th><th>Plan Mentioned by the Investor</th><th>Default Plan to be captured</th></tr>
<tr><td>1.</td><td>Not mentioned</td><td>Not mentioned</td><td>Direct Plan</td></tr>
<tr><td>2.</td><td>Not mentioned</td><td>Direct</td><td>Direct Plan</td></tr>
<tr><td>3.</td><td>Not mentioned</td><td>Regular</td><td>Direct Plan</td></tr>
<tr><td>4.</td><td>Mentioned</td><td>Direct</td><td>Direct Plan</td></tr>
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<tr><td>8.</td><td>Mentioned</td><td>Not mentioned</td><td>Regular Plan</td></tr>
</table>
In cases of wrong/ invalid/ incomplete ARN codes mentioned on the application form, the application shall be processed under Regular Plan. The AMC shall contact and obtain the correct ARN code within 30 calendar days of the receipt of the application form from the investor/ distributor. In case, the correct code is not received within 30 calendar days, the AMC shall reprocess the transaction under Direct Plan from the date of application without any exit load.</td></tr>
</table>

Minimum Application Amount	Lumpsum: Rs 5000 and in multiples of Re 1 thereafter Subsequent purchases: Minimum amount of Rs 1000 and multiples of Re 1 thereafter **SIP** For Any date/monthly frequency – Rs 1000 and in multiples of Re 1 thereafter For quarterly frequency – Rs 2000 and in multiples of Re 1 thereafter **STP** For Daily/Weekly/Monthly frequency – Rs 1000 and in multiples of Re 1 thereafter For quarterly frequency – Rs 2000 and in multiples of Re 1 thereafter **SWP** For monthly frequency – Rs 1000 and in multiples of Re 1 thereafter For quarterly frequency – Rs 2000 and in multiples of Re 1 thereafter Minimum redemption Amount : Rs 1000 and in multiples of Re 1 thereafter
Benchmark	**CRISIL Hybrid 85+15-Conservative Index** The Trustees reserve the right to change the benchmark if due to a change in market conditions, a different index appears to be providing a more appropriate basis for comparison of fund performance or if the indicated benchmark ceases to exist or undergoes a substantial change that renders it an ineffective base for performance comparison and analysis.
Applicable NAV for Sale of Units / Switch In	(i) For applicable NAV and allotment of units in respect to sale of units in the schemes with amount **less than Rs.2 lakhs,** it shall be ensured that: a. For applications received up to 3 p.m, along with instruments payable at par at the place of receipt, closing NAV of the same day on which the application is received shall be applicable. b. For applications received after 3 p.m, along with instruments payable at par at the place of receipt, closing NAV of the next business day shall be applicable. c. For applications received with outstation instruments not payable at par at the place of receipt, closing NAV of the day of realization of the instruments shall be applicable. d. For applications received on non-business day along with instruments payable at par at the place of receipt, closing NAV of the next business day shall be applicable (ii) For applicable NAV and allotment of units in respect to sale of units in the schemes with amount **equal to or more than Rs.2 lakhs,** it shall be ensured that: a. For applications received up to 3 p.m on a day and funds for entire amount of subscription/ purchase as per application are credited to the Bank account of the scheme before 3 p.m – the closing NAV of the day shall be applicable. b. For applications received after 3 p.m. on a day and funds for entire amount of subscription/ purchase as per application are credited to the Bank account of the scheme before 3 p.m. of the next business day - the closing NAV of the next business day shall be applicable. c. irrespective of the time of receipt of application, where funds for entire amount of subscription/ purchase as per application are credited to the Bank account of the scheme before 3 p.m. on any subsequent business– the closing NAV of such subsequent business day shall be applicable. d. In case multiple applications are received for subscriptions/purchase/switch in for an aggregate investment amount equal to or more than Rs. 2 lakhs on any day , then such applications shall be consolidated at a Permanent Account Number (PAN) level. In case of application by individual in joint names, such consolidation of investment shall be based on PAN of the first unitholder. Such consolidation shall be done irrespective of the number of folios under which the investor has invested or and irrespective of source of funds, mode, location and time of application and payment. Accordingly, the applicable NAV for such investments shall be the NAV of the day on which funds are credited to bank account before the cut off time. In case the funds are cleared on separate days, then the applicable NAV shall be the respective NAV(s) of the Business day(s) on which the funds are credited to bank account.
Applicable NAV for Repurchase of Units / Switch Out	a) For applications received up to 3 p.m., same day's closing NAV shall be applicable. b) For applications received after 3 p.m., closing NAV of the next business day shall be applicable. The Trustees reserve the right to amend the cut off timings subject to SEBI regulations for the smooth and efficient functioning of the Scheme/s

Load Structure	Kindly refer to the section "Load Structure" on page No. 74
Liquidity	Being an Open-Ended Scheme, Units may be purchased or redeemed on every Business Day at NAV based prices, subject to provisions of entry/exit load, if any. The AMC reserves the right to reject further subscription/ application for units of the Scheme on an on-going basis, depending on the prevailing market conditions and to protect the interest of the Investors. Such change will be notified to the Investors by display of notice at various investor service centres of the AMC and on its website. Units can be redeemed (i.e. sold back to the Mutual Fund) on or Switched out (i.e. to another scheme of the Mutual Fund or Option(s) offered within the Scheme, if any) every Business Day, at the Applicable NAV subject to applicable Load, if any. The Units of the Scheme will not be listed on any exchange, for the present. The Fund will, under normal ircumstances dispatch redemption cheques within 10 Business Day from the date of acceptance of the redemption request at any of the official point(s) of ransaction(s).
NAV Disclosure/ Portfolio Disclosure	**NAV Disclosure** The Direct Plan under the Scheme will have a Separate NAV. The AMC will allot the Units within 5 (five) Business Days from the date of closure of New Fund Offer Period and will calculate and disclose the first NAV of the Scheme within 5 (five) Business Days from the date of allotment. The AMC will calculate the NAV of the Scheme on a daily basis. The AMC shall prominently disclose the NAVs of the Scheme under a separate head on the website of the Fund (www.canararobeco.com) and on the website of AMFI (www.amfiindia.com) before 11.00 p.m. on every Business Day (on or before 10.00 a.m. on the next Business Day for Fund of Fund Schemes). If the NAVs are not available before the commencement of business hours on the following day due to any reason, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAVs. Further the Mutual Fund / AMC will extend facility of sending latest available NAVs of the Scheme to the Unit holders through SMS upon receiving a specific request in this regard. Also, information regarding NAVs can be obtained by the Unit holders / Investors by calling or visiting the nearest investor service center. **Portfolio Disclosure** The Mutual Fund/AMC shall disclose portfolio (along with ISIN) of the Scheme as on the last day of the month / half year on website of Mutual Fund (www.canararobeco.com) and on the website of AMFI (www.amfiindia.com) within 10 days from the close of each month/ half-year respectively in a user-friendly and downloadable spread-sheet format. In case of Unitholders whose e-mail addresses are registered, the Mutual Fund / AMC shall send via e-mail both the monthly and half-yearly statement of Scheme portfolio within 10 days from the close of each month/ half-year respectively. Further, the Mutual Fund/AMC shall publish an advertisement in the all India edition of at least two daily newspapers, one each in English and Hindi, every half-year disclosing the hosting of the half-yearly statement of the Scheme portfolio on the website of the Mutual Fund (www.canararobeco.com) and on the website of AMFI (www.amfiindia.com). Unit holders may request for a physical or electronic copy of the scheme portfolio through SMS, telephone, email, written request or by choosing the relevant option under the scheme application forms (applicable for new subscribers). Such copies shall be provided to the unit holders free of cost.
Transaction Charges	The AMC shall deduct the Transaction Charges on purchase / subscription of Rs. 10,000/- and above received from first time mutual fund investors and investor other than first time mutual fund investors through the distributor (who have opted to receive the transaction charges for this Scheme type) as under:

	First Time Mutual Fund Investor: Transaction charge of Rs 150/- for subscription of Rs. 10,000 and above will be deducted from the subscription amount and paid to the distributor of the first time investor. The balance of the subscription amount shall be invested. **Investor other than First Time Mutual Fund Investor:** Transaction charge of Rs.100/- per subscription of Rs 10,000 and above will be deducted from the subscription amount and paid to the distributor of the investor. The balance of the subscription amount shall be invested. However, transaction charges in case of investments through Systematic Investment Plan (SIP) shall be deducted only if the total commitment (i.e. amount per SIP installment x No. of installments) amounts to Rs. 10,000/- or more. The transaction Charges shall be deducted in 3-4 installments. **Transaction charges shall not be deducted for :** • Purchases /subscriptions for an amount less than Rs. 10,000/-; • Transaction other than purchases/ subscriptions relating to new inflows such as Switch/ STP/, etc. • No transaction charges will be deducted for any purchase/subscription made directly with the Fund (i.e. not through any distributor. • Transactions carried out through the stock exchange mode.
Option to Hold Units in demat mode	Investors shall have an option to subscribe to/ hold the units in electronic (demat) form in accordance with the guidelines/procedural requirements as laid by the Depositories (NSDL/CDSL) from time to time. In case of SIP, units will be allotted based on the applicable NAV as per provisions of Scheme Information Document and will be credited to demat account of the investors on weekly basis (upon realization of funds). However, Special Products/Facilities such as Systematic Withdrawal Plan, Systematic Transfer Plan and Switching facility offered by Mutual Fund shall be available for unitholders under the scheme in case the units are held/opted to beheld in physical (non-demat) mode. Investors intending to hold units in electronic (demat) form will be required to have beneficiary account with a Depository Participant (DP) (registered with NSDL / CDSL) and will be required to indicate, in the application form, the DP's name, DP ID Number and the Beneficiary account number of the applicant held with the DP at the time of subscribing to the units. Applicants must ensure that the sequence of the names as mentioned in the application form matches with that of the beneficiary account held with the DP. Names, PAN details, KYC details etc. mentioned in the Application Form will be verified against the Depository records. If the details mentioned in the application form are found to be incomplete / incorrect or not matching with the depository records, the application shall be treated as application for physical (non-demat) mode and accordingly units will be allotted in physical (non demat) mode, subject to it being complete in all other aspects. Unitholders who have opted to hold and thereby allotted units in electronic (demat) form will receive payment of redemption / dividend proceeds into bank account linked to their Demat account. In case, the Unitholder desires to hold the Units in a Dematerialized /Rematerialized form at a later date, the request for conversion of units held in physical (non-demat) mode into electronic (demat) form or vice-versa should be submitted along with a Demat / Remat Request Form to their Depository Participant(s). Investors should ensure that the combination of names in the account statement is the same as that in the demat account. The allotment of units in demat form shall be subject in terms of the guidelines / procedural requirements as laid by the Depositories (NSDL/CDSL) from time to time.Further, the units held in electronic (demat) form will be transferable in accordance with provisions of Depositories Act, 1996 and the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as may be amended from time to time.
Listing	As the repurchase facility is provided on an ongoing basis, at NAV related prices, the units of the Schemes are not proposed to be listed on any stock exchange

I. INTRODUCTION

A. RISK FACTORS

Standard Risk Factors:

I. Mutual Fund Investments are subject to market risks, read all scheme related documents carefully.

II. Mutual Funds and securities investments are subject to market risks and there can be no assurance or guarantee that the objectives of the Scheme will be achieved.

III. Investment in Mutual Fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.

IV. As the price / value / interest rates of the securities in which the Scheme invests fluctuate, the value of your investment in the Scheme/s may go up or down.

V. The past performance of the Sponsors/AMC/Mutual Fund does not guarantee future performance of the Scheme/s.

VI. The Name of the scheme(s) do not in any manner indicate either the quality of the Scheme, its future prospects or returns.

VII. Canara Bank and ORIX Corporation Europe N.V (formerly Robeco Groep N. V.), being the Sponsors, are not responsible or liable for any loss resulting from the operation of the Scheme/s beyond the initial contribution of Rs. 10 Lacs made by it towards setting up Canara Robeco Mutual Fund.

VIII. The present scheme (s) is not a guaranteed or assured return scheme .

Scheme specific Risk Factors

Some of the specific risk factors related to the Scheme(s) include, but are not limited to the following:

I. **Risks associated with investment in Equity and Equity related instruments**

Equity and equity related securities are volatile and prone to price fluctuations on a daily basis. The liquidity of investments made in the Scheme may be restricted by trading volumes and settlement periods. Settlement periods may be extended significantly by unforeseen circumstances. The inability of the Scheme to make intended securities purchases, due to settlement problems, could cause the Scheme to miss certain investment opportunities. Similarly, the inability to sell securities held in the Scheme portfolio would result at times, in potential losses to the Scheme, should there be a subsequent decline in the value of securities held in the Scheme portfolio. The liquidity and valuation of the Scheme's investments due to its holdings of unlisted Securities may be affected if they have to be sold prior to the target date for divestment. All investments involve risks and there can be no guarantee against loss resulting from an investment in any share of the Scheme, nor can there be any assurance that the Scheme's investment objective will be attained in respect of its overall performance. In certain circumstances the right of the investors of the Scheme may be suspended. Consequently, the NAVs of units issued under the Scheme may be adversely affected.

Further, the Equity and Equity Related Instruments are risk capital and are subordinate in the right of payment to other securities including debt securities, the value of the Scheme investments may be affected by interest rates, currency exchange rates, changes in law / policies of the government, taxation laws and political, economic or other developments which may have an adverse bearing on individual Securities, a specific sector or all sectors. Investments in equity and equity related securities involve a degree of risk and investors should not invest in the equity Schemes unless they can afford to take the risk of losing their investment.

The Fund Manager of the Scheme may invest in the Securities of smaller, lesser-known companies. These investments may involve greater risk and the possibility of greater portfolio price volatility than investing in larger, more mature or better-known firms. Amongst other reasons for the greater price volatility of Securities of small companies and unseasoned stocks are the less certain growth prospects of smaller firms, the lower degree of liquidity of the markets for such stocks, and the greater sensitivity of small companies to changing economic conditions. For example, these companies are associated with higher investment risk than that normally associated with larger firms due to the greater business risks of Small size and limited product lines, markets, distribution channels and financial and managerial resources. Such Securities, including those of newer or recently restructured companies or those which may have experienced financial difficulties, may be more volatilein price than larger capitalized stocks

Securities which are not quoted on the stock exchanges are inherently illiquid in nature and carry a larger liquidity risk in comparison with securities that are listed on the exchanges or offer other exit options to the investors, including put options. The AMC may choose to invest in unlisted securities that offer attractive yields within the regulatory limit. This may however increase the risk of the portfolio. Additionally, the liquidity and valuation of the Scheme investments due to its holdings of unlisted securities may be affected if they have to be sold prior to the target date of disinvestment

The value of the Scheme investments may be affected by factors affecting capital markets generally, such as price and volume volatility in the stock markets, interest rates, currency exchange rates, foreign investments, changes in government policy, political, economic or other developments and closure of the stock exchanges.

Investment made in unlisted equity or equity-related securities may only be realisable upon listing of these securities.

Trading volumes, settlement periods and transfer procedures may restrict liquidity of investments in equity and equity related securities. Different segments of the Indian financial markets have different settlement periods and such periods 6may be extended significantly by unforeseen circumstances. The length of the settlement may affect the Scheme in the event the Scheme has to meet large number of redemption.

II. **Risks associated with investments in Fixed Income Securities**

Price-Risk or Interest - Rate Risk: Fixed income securities such as government bonds, corporate bonds debentures, and money market instruments and derivatives run price - risk or interest - rate risk. Generally, when interest rates rise, prices of existing fixed income securities fall and when interest rates drop, such prices increase. The extent of fall or rise in the prices depends upon the coupon and maturity of the security is a function of the existing coupon, days to maturity and the increase or decrease in the level of interest rates. It also depends upon the yield level at which the security is being traded.

Re - investment Risk: Investments in fixed income securities may carry re - investment risk as interest rates prevailing on the interest or coupon payment or maturity due dates may differ from the original coupon of the bond. Consequently, the proceeds may get invested at a lower rate.

Liquidity or Marketability Risk: This refers to the ease with which a security can be sold at or near to its valuation yield-to-maturity (YTM). The primary measure of liquidity risk is the spread between the bid price and the offer price quoted by a dealer. Liquidity risk is today characteristic of the Indian fixed income market.

Pre-payment Risk: Certain fixed income securities give an issuer the right to call back its securities before their maturity date, in periods of declining interest rates. The possibility of such prepayment may force the fund to reinvest the proceeds of such investments in securities offering lower yields, resulting in lower interest income for the fund.

Basis Risk: The underlying benchmark of a floating rate security or a swap might become less active or may cease to exist and thus may not be able to capture the exact interest rate movements, leading to loss of value of the portfolio.

Spread Risk: In a floating rate security the coupon is expressed in terms of a spread or mark up over the benchmark rate. In the life of the security this spread may move adversely leading to loss in value of the portfolio. The yield of the underlying benchmark might not change, but the spread of the security over the underlying benchmark might increase leading to loss in value of the security.

Liquidity Risk: The liquidity of a bond may change, depending on market conditions leading to changes in the liquidity premium attached to the price of the bond. At the time of selling the security, the security can become illiquid, leading to loss in value of the portfolio

Credit Risk: In simple terms this risk means that the issuer of a debenture / bond or a money market instrument may default on interest payments or in paying back the principal amount on maturity. Even when there is no default occurs, the price of a security may go down because the credit rating of an issuer goes down. It must, however is to be noted that where the Scheme has invested in Government securities, there is no credit risk to that extent.

Liquidity Risk on account of unlisted securities: The liquidity and valuation of the Scheme investments due to their holdings of unlisted securities may be affected if they have to be sold prior to their target date of divestment. The unlisted security can go down in value before the divestment date and selling of these securities before the divestment date can lead to losses in the portfolio.

Settlement Risk: Fixed income securities run the risk of settlement which can adversely affect the ability of the fund house to swiftly execute trading strategies which can lead to adverse movements in NAV.

Different types of securities in which the scheme would invest as given in the Scheme Information Document carry different levels and types of risk. Accordingly the scheme's risk may increase or decrease depending upon its investment pattern. e.g. corporate bonds carry a higher amount of risk than Government securities. Further even among corporate bonds, bonds, which are AA rated, are comparatively more risky than bonds, which are AAA rated.

III. **Risk associated with investing in Derivatives**

As and when Scheme trades in the derivatives market, there are risk factors and issues concerning the use of derivatives that investors should understand. Derivative products are specialized instruments that require investment techniques and risk analysis different from those associated with stocks and bonds. The use of a derivative requires an understanding not only of the underlying instrument but also of the derivative itself. Derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the portfolio and the ability to forecast price or interest rate movements correctly. There is a possibility that loss may be sustained by the portfolio as a result of the failure of another party (usually referred as the "counter party") to comply with the terms of the derivatives contract. Other risk in using derivatives include the risk of mispricing or improper valuation of derivatives and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.

Thus, derivatives are highly leveraged instruments. Even a small price movement in the underlying security could have a large impact on their value. Derivatives can provide disproportionate gains as well as disproportionate losses to the investor. Execution of such strategies depends upon the ability of the Fund Manager to identify such opportunities. Identification and execution of the strategies to be pursued by the Fund Manager involve uncertainty and decision of Fund Manager may not always be profitable. No assurance can be given that the Fund Manager will be able to identify or execute such strategies. The risk associated with the use of derivatives is different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments. Derivatives may be riskier than other types of investments because they may be more sensitive to changes in economic or market conditions than other types of investments and could result in the losses that significantly exceed the Scheme's original investment. Certain derivatives may give rise to a form of leverage. Due to the low margin deposits normally required in trading financial derivative instruments, an extremely high degree of leverage is typical for trading in financial derivative instruments. As a result, the Scheme may be more volatile than if the Scheme had not been leveraged because the leverage tends to exaggerate the effect of any increase or decrease in the value of the Sc7heme's portfolio. A relatively small price movement in a derivative contract may result in substantial losses to the investor.

Derivatives are also subject to the risk that changes in the value of a derivative may not correlate perfectly with the underlying asset, rate or index. The use of derivatives for hedging or risk management purposes or to increase income or gain may not be successful; resulting in losses to the Scheme and the cost of such strategies may reduce the Scheme's returns and increase the Scheme's potential for loss.

The Scheme may use derivatives to hedge market and currency risk, and for the purposes of efficient portfolio management. The use of derivatives may expose the Scheme to a higher degree of risk. In particular, derivative contracts can be highly volatile, and the amount of initial margin is generally small relative to the size of the contract so that transactions are geared.

The price at which credit default swaps trades may differ from the price of the credit default swaps' referenced security. In adverse market conditions, the basis (difference between the spread bonds and the spread of credit default swaps) can be significantly more volatile than the credit default swaps' referenced securities.

Trading in derivatives has the following risks:

a) An exposure to derivatives in excess of the hedging requirements can lead to losses.

b) An exposure to derivatives can also limit the profits from a genuine investment transaction.

c) Efficiency of a derivative market depends on the development of a liquid and efficient market for underlying securities.

d) **Particular Risks of Exchange Traded Derivative Transactions**

The securities exchange on which the shares of the Scheme may be listed may have the right to suspend or limit trading in all securities which it lists. Such a suspension would expose the Scheme to losses and delays in its ability to redeem shares of the Scheme.

e) **Stock Market Fluctuations**

Investors may note that the value of their investment may fall as well as rise and they may get back less than they originally invested. The value of equity securities may go down as well as up in response to the performance of individual companies and general market conditions.

f) **Dividends**

The Scheme may distribute not only investment income, but also realised capital gains or capital. Where capital is distributed, this will result in a corresponding reduction in the value of shares of the Scheme, and a reduction in the potential for long-term capital growth.

g) **Warrants**

The Scheme may invest in warrants, the values of these warrants are likely to fluctuate more than the prices of the underlying securities because of the greater volatility of warrant prices.

h) **Futures and Options**

The Scheme may use options and futures on securities, indices and interest rates for the purpose of efficient portfolio management.

Transactions in futures and options carry a high degree of risk. A relatively small market movement will have aproportionately larger impact which may work for or against the investor. The placing of certain orders which are intended to limit losses to certain amounts may not be effective because market conditions may make it impossible to execute such orders.

i) **Listing**

In case the shares of the Scheme are listed, the exchanges on which those shares are listed will have no responsibility for the contents of any prospectus issued by the Scheme or will make no representations as to its accuracy or completeness and expressly disclaim any liability whatsoever for any kind of loss arising from or in reliance upon any part of any such prospectus.

IV. **Risk associated with Investing in Foreign Securities**

For investments in American Depository Receipts (ADRS) / Global Depository Receipts (GDRs) and such other offshore investments (as and when permitted), the market values of which depend generally on factors such as multi-currency, multi-market situations, political / economic factors and international regulations.

Currency Risk: Investment in other currencies involve currency risks. The Scheme's exposure in foreign securities, income distributions etc. may be adversely affected due to change in the exchange rates of such foreign currencies in relation to Indian Rupee.

Interest Rate Risk: The pace and movement of interest rate cycles of various countries, can differ significantly leading to an exposure in their interest rates.

Credit Risk: Though the investments in overseas securities are subject to credit risks, this is substantially reduced as investments are made only in rated securities as stipulated under the regulations.

V. **Risk factors associated with Creation of Segregated Portfolio**

Investor holding units of segregated portfolio may not able to liquidate their holding till the time recovery of money from the issuer. Security comprising of segregated portfolio may not realise any value.Listing of units of segregated portfolio in recognised stock exchange does not necessarily guarantee their liquidity. There may not be active trading of units in the stock market. Further, trading price of units on the stock market may be significantly lower than the prevailing NAV.

VI. **Risk associated with investing in Securitized Debt**

The Scheme may invest in domestic securitized debt such as Asset Backed Securities (ABS) or Mortgage Backed Securities (MBS). ABS are securitized debts where the underlying assets are receivables arising from various loans including automobile loans, personal loans, loans against consumer durables, etc. MBS are securitized debts where the underlying assets are receivables arising from loans backed by mortgage of residential / commercial properties.

At present in Indian market, following types of loans are securitized

a) Auto Loans (cars / commercial vehicles / two wheelers)
b) Residential Mortgages or Housing Loans
c) Consumer Durable Loans
d) Personal Loans
e) Corporate Loans

In terms of specific risks attached to securitization, each asset class would have different underlying risks. Residential Mortgages generally have lower default rates than other asset classes, but repossession becomes difficult. On the other hand, repossession and subsequent recovery of commercial vehicles and other auto assets is fairly easier and better compared to mortgages. Asset classes like personal loans, credit card receivables are unsecured and in an economic downturn may witness higher default. A corporate loan / receivable, depend upon the nature of the underlying security for the loan or the nature of the receivable and the risks correspondingly fluctuate.

The rating agencies define margins, over collateralization and guarantees to bring risk in line with similar AAA rated securities. The factors typically analyzed for any pool are as follows:

a) Assets securitized and Size of the loan: This indicates the kind of assets financed with the loan and the average ticket size of the loan. A very low ticket size might mean more costs in originating and servicing of the assets.

b) Diversification: Diversification across geographical boundaries and ticket sizes might result in lower delinquency

c) Loan to Value Ratio: Indicates how much % value of the asset is financed by borrower's own equity. The lower this value the better it is. This suggests that where the borrowers own contribution of the asset cost is high; the chances of default are lower.

d) Average seasoning of the pool: This indicates whether borrowers have already displayed repayment discipline. The higher the number, the more superior it is.

The other main risks pertaining to Securitised debt are as follows:

1. **Prepayment Risk:** This arises when the borrower pays off the loan sooner than expected. When interest rates decline, borrowers tend to pay off high interest loans with money borrowed at a lower interest rate, which shortens the average maturity of ABSs. However, there is some prepayment risk even if interest rates rise, such as when an owner pays off a mortgage when the house is sold or an auto loan is paid off when the car is sold.

2. **Reinvestment Risk:** Since prepayment risk increases when interest rates decline, this also introduces reinvestment risk, which is the risk that the principal can only be reinvested at a lower rate.

3. **Risks associated with Short Selling:** Purchasing a security entails the risk of the security price going down. Short selling of securities (i.e. sale of securities without owning them) entails the risk of the security price going up there by decreasing the profitability of the short position. Short selling is subject to risks related to fluctuations in market price, and settlement/liquidity risks. If required by the Regulations, short selling may entail margin money to be deposited with the clearing house and daily mark to market of the prices and margins. This may impact fund pricing and may induce liquidity risks if the fund is not able to provide adequate margins to the clearing house. Failure to meet margin requirements may result in penalties being imposed by the exchanges and clearing house.

VII. **Risks Associated with investing in Money Market Instruments**

- Investments in money market instruments would involve a moderate credit risk i.e. risk of an issuer's inability to meet interest and principal payments.

- Money market instruments may also be subject to price volatility due to factors such as changes in interest rates, the general level of market liquidity and market perception of creditworthiness of the issuer of such instruments.

- The NAV of the Units, to the extent that the corpus of the Scheme is invested in money market instruments, will be affected by changes in the level ofinterest rates. When interest rates in the market rise, the value of a portfolio of money market instruments can be expected to decline.

VIII. **Risk associated with Securities Lending**

Securities lending may involve the risk of default on the part of the borrower. However, this is unlikely to happen if the stock lending is carried out for stocks which are in dematerialised form and through an authorised stock lending scheme, subject to appropriate Regulations. The Investment Manager perceives such situations to be exceptional in nature. Although the Stock Market in India is still developing, considering the good demand for listed / quoted Equity Shares of reputed companies, the Scheme(s) may choose to meet repurchase needs through temporary borrowings, within the permissible limits.

X. **Other Risks**

In the event of substantial investment by the Sponsor/s, or its associates in the Scheme(s), any redemption by these entities may have an impact on the performance of the Scheme(s)

Canara Robeco Mutual Fund will not be responsible for any loss of tax benefits in the event of winding up of the Scheme(s) or for any amendments in the tax laws that may affect the tax benefits available under the Scheme(s). The tax benefits are based on the present laws and rules in force.

B. **REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME**

The Scheme/Plan shall have a minimum of 20 investors and no single investor shall account for more than 25% of the corpus of the Scheme/Plan. However, if such limit is breached during the NFO of the Scheme, the Fund will endeavor to ensure that within a period of three months or the end of the succeeding calendar quarter from the close of the NFO of the Scheme, whichever is earlier, the Scheme complies with these two conditions. In case the Scheme / Plan(s) does not have a minimum of 20 investors in the stipulated period, the provisions of Regulation 39(2)(c) of the SEBI (MF) Regulations would become applicable automatically without any reference from SEBI and accordingly the Scheme/Plan shall be wound up and the units would be redeemed at applicable NAV. The two conditions mentioned above shall also be complied within each subsequent calendar quarter thereafter, on an average basis, as specified by SEBI. If there is a breach of the 25% limit by any investor over the quarter, a rebalancing period of one month would be allowed and thereafter the investor who is in breach of the rule shall be given 15 days notice to redeem his exposure over the 25 % limit. Failure on the part of the said investor to redeem his exposure over the 25 % limit within the aforesaid 15 days would lead to automatic redemption by the Mutual Fund on the applicable Net Asset Value on the 15th day of the notice period. The Fund shall adhere to the requirements prescribed by SEBI from time to time in this regard.

C. **SPECIAL CONSIDERATIONS**

- Prospective investors should study this Scheme Information Document and Statement of Additional Information carefully in its entirety and should not construe the contents hereof as advise relating to legal, taxation, financial, investment or any other matters and are advised to consult their legal, tax, financial and other professional advisors to determine possible legal, tax, financial or other considerations of subscribing to or redeeming Units, before making a decision to invest / redeem / hold Units.
- Neither this Scheme Information Document, Statement of Additional Information nor the Units have been registered in any jurisdiction. The distribution of this Scheme Information Document or Statement of Additional Information in certain jurisdictions may be restricted or totally prohibited due to registration requirements and accordingly, persons who come into possession of this Scheme Information Document or Statement of Additional Information are required to inform themselves about and to observe any such restrictions and / or legal compliance requirements.
- The AMC, Trustee or the Mutual Fund have not authorized any person to issue any advertisement or to give any information or to make any representations, either oral or written, other than that contained in this Scheme Information Document or the Statement of Additional Information or as provided by the AMC in connection with this offering. Prospective Investors are advised not to rely upon any information or representation not incorpo rated in the Scheme Information Document or Statement of Additional Information or as provided by the AMC as having been authorized by the Mutual Fund, the AMC or the Trustee.
- Mutual Fund, their Trustee, AMC, their directors ,their employees & Sponsors shall not be liable for any of the tax consequences that may arise, in the event that the Scheme is wound up for the reasons and in the manner provided in 'Statement of Additional Information ('SAI')'.
- Redemption due to change in the fundamental attributes of the Scheme or due to any other reasons may entail tax consequences. Mutual Fund, their Trustee, AMC, their directors, their employees & Sponsors shall not be liable for any such tax consequences that may arise due to such redemptions.
- The liquidity of the Scheme's investments inherently restricted by trading volumes and settlement periods. In the event of an inordinately large number of redemptions or of a restructuring of the Scheme's investment portfolio, there may be delays in the redemption of units. Please refer to the section on "Right to limit redemption".
- The value of the Scheme/s investments may be affected by factors affecting capital markets generally, such as price and volume volatility in the stock markets, interest rates, currency exchange rates, foreign investments, changes in government policy, political, economic or other developments and closure of the stock exchanges. The NAV of the Scheme will be sensitive to changes in Interest /Bank / Prime Lending Rates. In case of investment in Money Market Instruments and in Central / State Govt. Securities by the Scheme, an increase in the Interest / Bank / Prime Lending Rates will impact the market value of existing investments leading to decrease in the Scheme's NAV.

- Debt securities are subject to the risk of an issuer's inability to meet principal and interest payments on the obligations (Credit Risk). Debt securities may also be subject to price volatility due to such factors as interest sensitivity, market perception or creditworthiness of the issuer and general market liquidity (Market Risk). While it is the intention of the Investment Manager to invest primarily in highly rated debt securities, the Scheme may from time to time invest in higher yielding, lower rated securities but not below investment grade and also in un-rated securities subject to provisions and restrictions laid down by SEBI, which would enhance the degree of risk. Changes in Government Policy in general and changes in tax benefits applicable to mutual funds may impact the returns to investors in the Scheme. The NAV of the scheme may be affected by the changes in the general market conditions, factors and forces affecting capital market in particular, level of interest rates, various market related factors, settlement periods and transfer procedures. If a Unit Holder invests in the schemes and acquire a substantial portion of the scheme units. The repurchase of units by the Unit Holder may have an adverse impact on the units of the schemes, because the timing of such repurchase may impact the ability of other Unit holders to repurchase their units.
- The tax benefits described in this SID and SAI are as available under the present taxation laws and are available subject to relevant conditions. The information given is included only for general purpose and is based on advice received by the AMC regarding the law and practice currently in force in India as on the date of this Scheme Information Document and the Unit holders Investors should be aware that the relevant fiscal rules or their interpretation may change. As is the case with any investment, there can be no guarantee that the tax position or the proposed tax position prevailing at the time of an investment in the Scheme will endure indefinitely. In view of the individual nature of tax consequences, each Investor is advised to consult his/her own professional tax advisor.
- The NAV of the scheme may be affected by the changes in the general market conditions, factors and forces affecting capital market in particular, level of interest rates, various market related factors, settlement periods and transfer procedures.
- If a Unit holder invests in the schemes and acquire a substantial portion of the scheme units. The repurchase of units by the Unit Holder may have an adverse impact on the units of the schemes, because the timing of such repurchase may impact the ability of other Unit holders to repurchase their units.
- The AMC and/ or its Registrars & Transfer Agent (RTA) reserve the right to disclose/share Unit holder's details of folio(s) and transaction details there under with the following third parties:

  a) RTA, Banks and/or authorized external third parties who are involved in transaction processing, dispatching etc., of the Unitholder's investment in the Scheme;

  b) Distributors or sub-brokers through whom the applications are received for the Scheme;

  c) Any other organizations for compliance with any legal or regulatory requirements or to verify the identity of the Unitholders for complying with anti-money laundering requirements.
- The AMC may consider the overall level of risk of the portfolio, invest in lower rated / un-rated securities, offering higher yields as well as zero coupon securities that offer attractive yields. This may increase the absolute risk of the portfolio.
- Any disruption in the normal functioning of the Debt market or extreme illiquidity in any one of the Scheme's Securities, may affect the ability of The Fund Manager to buy or sell freely in the market. In the event of a large number of repurchase requests, the time taken by the Scheme for repurchase may become significant.
- It may be noted that no prior intimation/indication would be given to investors when the composition asset allocation pattern of the Scheme undergo changes within the permitted band as mentioned in this document. In the event of substantial investment by the Sponsors and its associates in the scheme of the Mutual Fund, redemption of units by these entities may have an impact on the performance of the Scheme.
- Investors should study this Scheme Information Document carefully in its entirety and should not construe the contents hereof as advice relating to legal, taxation, investment or any other matters. Investors may, if they wish, consult their legal, tax, investment and other professional advisors to determine possible legal, tax, financial or other considerations of subscribing to or redeeming Units, before making a decision to invest/redeem Units. Canara Robeco Mutual Fund will not be responsible for any loss of tax benefits in the event of winding up of the Scheme or for any amendment in tax laws that may affect the tax benefits available under the Scheme. The tax benefits are based on the present laws and rules in force.

- The Mutual Fund may disclose details of the Investor's account and transactions thereunder to those intermediaries whose stamp appears on the application form. In addition, the Mutual Fund may disclose such details to the bankers / its agents, as may be necessary for the purpose of effecting payments to the Investor. Further, the Mutual Fund may disclose details of the Investor's account and transactions thereunder to any Regulatory/ Statutory entities as per the provisions of law.
- The AMC sub-advises Robeco, Hongkong for Indian Securities pursuant to No Objection issued by SEBI vide its letter dated 29th June, 2011. The AMC is also the Portfolio Manager pursuant to Certificate of Registration INP000003740 dated 5th July, 2016 granted by SEBI.
- Controls and safeguards prescribed under the Regulation for managing the other business activities of AMC as mentioned above are being adhered to and there is no conflict of interest in managing the Schemes of the Fund and the said business activities of AMC. The AMC will ensure that any potential conflicts between other business activities and the Mutual Fund will be adequately addressed by (a) compliance with the requirements under Regulation 24(b) of the SEBI (Mutual Funds) Regulations,1996 which require that the AMC cannot undertake any activity which is in conflict with the activities of the mutual fund; (b) ensuring that the fund manager(s) of each scheme of the Mutual Fund, will not play any role in the day-today operations of the other business activities, and the key investment team of the other business activities is not involved with the activities of the Mutual Fund; and (c) ensuring that there is no interse transfer of assets between the Mutual Fund and any account of the investor under Portfolio Management Services.
- Redemption due to change in the fundamental attributes of the Scheme or due to any other reasons may entail tax consequences. The Trustee, AMC, Mutual Fund, their directors or their employees shall not be liable for any such tax consequences that may arise due to such Redemptions.
- Pursuant to the provisions of Prevention of Money Laundering Act, 2002, if after due diligence, the AMC believes that any transaction is suspicious in nature as regards money laundering, on failure to provide required documentation, information, etc. by the unit holder the AMC shall have absolute discretion to report such suspicious transactions to FIU - IND and / or to freeze the folios of the investor(s), reject any application(s) / redemptions / allotment of units.

Know Your Customer (“KYC”): The need to ‘Know Your Customer’ is vital for the prevention of money laundering. The Trustees / AMC may seek information or obtain and retain documentation used to establish identity. It may re-verify identity and obtain any missing or additional information for this purpose. The Trustees / AMC shall have absolute discretion to reject any application, or prevent further transactions by a Unit holder, if after due diligence, the Investor / Unit holder / a person making the payment on behalf of the Investor does not fulfill the requirements of the ‘Know Your Customer’ or the Trustees / AMC believes that the transaction is suspicious in nature as regards money laundering. In this behalf the Trustees / AMC reserves the right to reject any application and / or effect a mandatory Redemption of Units allotted to the Unit holder. If after due diligence, the Trustees / AMC believes that any transaction is suspicious in nature as regards money laundering, the AMC shall report any such suspicious transactions to competent authorities under PMLA and rules / guidelines issued thereunder by SEBI and / or the RBI, furnish any such information in connection therewith to such authorities and take any other actions as may be required for the purposes of fulfilling its obligations under PMLA and rules / guidelines issued thereunder by SEBI and / or RBI without obtaining the prior approval of the Investor / Unit holder / any other person.

D. DEFINITIONS

In this Scheme Information Document (SID), the following words and expressions shall have the meaning specified herein, unless the context otherwise requires:

ADRs & GDRs	ADRs are negotiable certificates issued to a specified number of shares (or one share) in a foreign stock that is traded on a U.S. exchange. ADRs are denominated in US$. GDRs are negotiable certificates held in the bank of one country representing a specific number of shares of a stock traded on exchange of another country.
AMC Fees	Investment Management fee charged by the AMC to the Scheme.
AMFI Certified Stock Exchange Brokers	A person who is registered with AMFI as Mutual Fund Advisor and who has signed up with Canara Robeco Asset Management Company Limited and also registered with BSE & NSE as Participant.
ARN Holder/AMFI Registered Distributors	Intermediary registered with Association of Mutual Funds in India (AMFI) to carry out the business of selling and distribution of mutual fund units and having AMFI Registration Number (ARN) allotted by AMFI.
Applicable NAV	The NAV applicable for purchase or redemption or switching of Units based on the time of the Business Day on which the application is accepted.
Applicant	Applicant means a person who applies for allotment of units of schemes of Canara Robeco Mutual Fund (CRMF) in pursuance of this Scheme Information Document.
Asset Management Company OR AMC OR Investment Manager	Canara Robeco Asset Management Company Ltd. (CRAMC) incorporated under the provisions of the Companies Act, 1956 and approved by Securities and Exchange Board of India to act as the Asset Management Company for the scheme(s) of Canara Robeco Mutual Fund.
Allotment Date	The date on which the units of Canara Robeco Scheme (s) are allotted to the successful appli- cants from time to time and includes allotment made pursuant to the New Fund Offer.
Business Day	A day not being: (1) A Saturday and Sunday; or (2) A day on which Banks in Mumbai and/or the Reserve Bank of India are closed , or (3) A day on which there is no RBI clearing/settlement of securities; or (4) A day on which both the Stock Exchanges, Mumbai and the National Stock Exchange of India Limited are closed, whether or not the banks are open; or (5) A day on which Purchase and Redemption of Units is suspended or a book closure period is announced by the Trustee / AMC; or (6) A day on which normal business cannot be transacted due to storms, floods, bandhs, strikes or such other events as the AMC may specify from time to time. Provided that the days when the banks in any location where the AMC's branch offices are located, are closed due to a local holiday, such days will be treated as non Business Days at such branches for the purposes of accepting fresh subscriptions. However, if the branch offices in such locations are open on such local holidays, then redemption and switch requests will be accepted at those branches, provided it is a Business Day for the Scheme on an overall basis. Notwithstanding the above, the AMC reserves the right to change the definition of Business Day and to declare any day as a Business Day or otherwise at any or all branch offices.
Canara Bank	Canara Bank, a body corporate constituted under the provisions of the Banking Companies (Acquisition and Transfer of Undertaking) Act, 1970 and having its Head Office at 112, J. C. Road, Bangalore, 560002 and one of the sponsor of the fund

Custodian	The custodian to Canara Robeco Scheme (s) appointed from time to time.
Derivative	Derivative includes (i) a security derived from a debt instrument, share, loan whether secured or unsecured, risk instrument or contract for differences or any other form of security; (ii) a contract which derives its value from the prices, or index of prices, or underlying securities.
Depository	Depository as defined in the Depositories Act, 1996 (22 of 1996).
Depository Participant	'Depository Participant' means a person registered as such under subsection (1A) of section 12 of the Securities and Exchange Board of India Act, Series XVIII92.
Direct Plan	Direct plan is a separate plan for investors who purchase/subscribe units in Schemes directly i.e. investments not routed through a distributor
Dividend	Income distributed by the Mutual Fund on the Units.
Entry Load or Sales Load	Load on Sale / Switch in of Units.
Exit Load or Redemption Load	Load on Redemption / Switch out of Units
Foreign Securities	ADRs / GDRs/ equity / debt securities of overseas companies listed on the recognized stock exchanges overseas/ or such other related securities as may be specified by SEBI and/or RBI from time to time
FPI	Foreign Portfolio Investor Foreign Portfolio Investor (FPI) as defined under Regulation 2(1)(h) of Security Exchange Board of India (Foreign Portfolio Investors) Regulations 2014, as amended from time to time.
Fund	Canara Robeco Mutual Fund
Fund Manger	Person/s managing the scheme
Gilt/Govt. Securities	Securities created and issued by the Central Government and/or a State Government (including Treasury Bills) or Government Securities as defined in the Public Debt Act, 1944, as amended or re-enacted from time to time.
Investor Service Centers" or "ISCs	Designated Branches or Offices of Canara Robeco Asset Management Company Limited or such other centres / offices as may be designated by the AMC from time to time.
Investment Management Agreement	The agreement dated June 8, 2000 entered into between Canara Robeco Mutual Fund and Canara Robeco Asset Management Company Limited, as amended from time to time.
Load	In the case of Redemption / Switch out of a Unit, the sum of money deducted from the Applicable NAV on the Redemption / Switch out and in the case of Sale/ Switch in of a Unit, a sum of money to be paid by the prospective investor on the Sale / Switch in of a Unit in addition to the Applicable NAV.
Market Capitalization	Market value of the listed company, which is calculated by multiplying its current market price by number of shares outstanding.
MIBOR	Mumbai Inter-bank Offered Rate
Money Market Instuments	Includes commercial papers, commercial bills, treasury bills, Government securities having an unexpired maturity up to one year, call or notice money, certificate of deposit, usance bills, and any other like instruments as specified by the Reserve Bank of India from time to time.
NAV	The term Net Asset Value (NAV) appearing in this SID means the Net Asset Value per unit of the respective scheme (s) of the Canara Robeco Mutual Fund.

NRI	A Non-Resident Indian or a person of Indian origin residing outside India.
Official Points of Acceptance	Places, as specified by AMC from time to time where application for subscription / redemption / switch will be accepted on ongoing basis.
Person	The word "person" shall include a body corporate, group of individuals, trusts and other association of persons whether incorporated or not.
Person of Indian Origin	A citizen of any country other than Bangladesh or Pakistan, if (a) he at any time held an Indian passport; or (b) he or either of his parents or any of his grandparents was a citizen of India by virtue of Constitution of India or the Citizenship Act, 1955 (57 of 1955); or (c) the person is a spouse of an Indian citizen or person referred to in sub-clause (a) or (b).
	Reserve Bank of India, established under the Reserve Bank of India Act 1934, as amended from time to time.
RBI Regulation	Rules, regulations, guidelines or circulars as notified by RBI from time to time.
Redemption / Repurchase	Redemption of Units of the Scheme as permitted.
Regulatory Agency	Government of India, SEBI, RBI or any other authority or agency entitled to issue or give any directions, instructions or guidelines to the Mutual Fund
Repo Related Person(s)	Sale of Securities with simultaneous agreement to repurchase them at a later date A person investing on behalf of a minor in consideration of natural love and affection or as a gift.
Registrar and Transfer Agent	KFin Technologies Private Limited currently acting as registrar to the Scheme, or any other registrar appointed by the AMC from time to time
Reverse Repo	Purchase of Securities with a simultaneous agreement to sell them at a later date.
ORIX Corporation Europe N.V.	ORIX Corporation Europe N. V. (formerly Robeco Groep N. V.) is established in 1929 having its Corporate Office at Weena 850, 3014 DA Rotterdam, The Netherlands is one of the Sponsors of the Fund.
Statement of Additional Information or "SAI"	The document issued by Canara Robeco Mutual Fund containing details of Canara Robeco Mutual Fund, its constitution, and certain tax, legal and general information. SAI is legally a part of the Scheme Information Document.
Settler	Canara Bank
Segregated Portfolio	A portfolio, comprising of debt or money market instrument affected by a credit event, that has been segregated in a mutual fund scheme
Sponsors	The Sponsors of the Fund, namely Canara Bank and ORIX Corporation Europe N. V. (formerly Robeco Groep N. V.)
Stock Lending	Lending of securities to another person or entity for a fixed period of time, at a negotiated compensation in order to enhance returns of the portfolio.
Statement of Account	A non-transferable statement indicating the number of units held by the investor on a particular date.
Switch	Simultaneous applications by a unit holder for repurchase / redemption of units held by him under one of the Schemes (or a plan under the same Scheme) of Canara Robeco Mutual Fund with authorization to the Investment Manager to apply the repurchase/redemption proceeds, for the purchase of fresh/additional units of another Scheme (or under another plan of the Scheme of which he is a unit holder) of Canara Robeco Mutual Fund, which is open for subscription at the time when the applications are made.

Stock Exchange	Stock Exchange means a Stock Exchange which is for the time being, recognized under the Securities Contracts (Regulation) Act,1956 (42 of 1956).
SEBI	Securities & Exchange Board of India established under the Securities and Exchange Board of India Act, 1992, as amended from time to time.
The Scheme	Scheme means Canara Robeco Conservative Hybrid Fund
Trustees	Trustees mean Canara Bank and other Trustees appointed from time to time and include a Trustee Company, if incorporated.
Trust Deed	Principal Trust Deed (Amended & Restated) dated 26th September 2007.
Tri-party repo	Tri-party repo is a type of repo contract, approved by RBI (developed by Clearing Corporation of India Ltd), where a third entity (apart from the borrower and lender), called a Tri-Party Agent, acts as an intermediary between the two parties to the repo to facilitate services like collateral selection, payment and settlement, custody and management during the life of the transaction
The Regulations	Securities & Exchange Board of India (Mutual Funds) Regulations, 1996, as amended from time to time.
Unit Capital	The aggregate face value of the units issued and outstanding (including fractional units) under Canara Robeco Scheme (s)
Unit	One undivided share of a unit holder in the assets of Canara Robeco Scheme (s).
Unit holder	A person holding units of Canara Robeco Scheme (s) and includes a person who has opted to switch over his investment(s), wholly or partially, from another Scheme or Schemes of the Canara Robeco Mutual Fund to any of the debt oriented schemes mentioned in this Offer Document.
Macaulay duration	The Macaulay duration of a bond is the weighted average maturity of cash flows, which acts as a measure of a bond's sensitivity to interest rate changes. It is a measure of the average life of the bond taking into account the coupon payments as well as the repayment of principal. Expressed in Years or in Days, Macaulay Duration is directly proportional to interest rate risk i.e. Higher the Macaulay duration, higher would be the interest rate risk.

Interpretation:

For all purposes of this Scheme Information Document, except as otherwise expressly provided or unless the context otherwise requires:

- *The terms defined in this Scheme Information document include the plural as well as the singular.*
- *Pronouns having a masculine or feminine gender shall be deemed to include the other.*

The expressions not defined here shall carry the same meaning, assigned to them in the Scheme Information document.

E. **DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY**

It is confirmed that:

a) This Scheme Information Document (SID) has been prepared in accordance with the SEBI (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.

b) All legal requirements connected with the launching of the Scheme as also the guidelines, instructions, etc., issued by the Government and any other competent authority in this behalf, have been duly complied with.

c) The disclosures made in the Scheme Information Document are true, fair and adequate to enable the investors to make a well informed decision regarding investment in the Scheme.

d) The intermediaries named in the Scheme Information Document and Statement of Additional Information are registered with SEBI and till date such registration is valid, as on date.

e) The contents of the SID including figures, data, yields, etc. have been checked and are factually correct.

Date: 29th June, 2020
Place: Mumbai

Signature: Sd/-
Name: Ashutosh Vaidya

Compliance Officer,

Canara Robeco Asset Management Company Ltd.
(Investment Manager for Canara Robeco Mutual Fund)

II. INFORMATION ABOUT THE SCHEME

A. TYPE OF THE SCHEME

Conservative Hybrid Fund - An open-ended hybrid scheme investing predominantly in debt instruments

B. WHAT IS THE INVESTMENT OBJECTIVE OF THE SCHEME?

To generate income by investing in a wide range of Debt Securities and Money Market instruments of various maturities and small portion in equities and Equity related Instruments. However, there can be no assurance that the investment objective of the Scheme will be realized.

C. HOW WILL THE SCHEME ALLOCATE ITS ASSETS?

The Asset Allocation pattern of the Scheme under normal circumstances would be as under:

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Minimum	Maximum	High/Medium/Low
Equity & Equity Related instruments	10	25	High
Debt securities (Including Securitised Debt) with Money Market Instrument	75	90	Medium

Investment by Scheme in Securitised debt is limited to domestic securitized debt and shall not exceed 20% of the net assets as on the date of such investments.

Gross Notional Exposure by the Scheme in derivative instruments, for the purpose of hedging and portfolio rebalancing shall not exceed 30% of the net assets of the Schemes.

Investment by the Schemes in ADRs/GDRs shall not exceed 10% of the net assets of the Scheme as on the date of such investments.

The stock lending done by the Scheme shall not exceed 15% of the net assets of the Scheme as on the date of such lending and that the maximum limit per intermediary shall not exceed 5% of the net assets of the Scheme.

The Scheme may invest in Foreign Securities up to 10% of the net assets of the Scheme (subject to an overall limit of 10% of the net assets of the Fund) as on 31st March each relevant year of the investment.

Subject to the SEBI Regulations, the asset allocation pattern of the schemes indicated above may change from time to time, keeping in view market conditions, market opportunities, applicable regulations and political and economic factors. It must be clearly understood that the percentages stated above are only indicative and not absolute. These proportions can vary depending upon the perception of the Investment Manager; the intention being at all times to seek to protect the interests of the Unit holders. The portfolio would be reviewed periodically to address any deviations from the aforementioned allocations interalia due to market changes. The AMC may from time to time, for a short term, alter the asset composition on defensive consideration and may also invest the funds available in repos, bank deposits in accordance with the provisions of SEBI (Mutual Funds) Regulations, 1996 and the circulars issued by SEBI from time to time.

Pending deployment of the corpus of the Scheme in terms of investment objective, the Fund may invest the corpus of the Scheme in short term deposits in accordance with the guidelines issued by SEBI from time to time.

As per the provisions of SEBI circular dated 28th December, 2018 and 7th November 2019. The AMC, may create segregated portfolio in case of a credit event at issuer level i.e. downgrade in credit rating by a SEBI registered Credit Rating Agency (CRA) below a specified rating level (Subject to guideline specified by SEBI which may change from time to time).

The creation of segregated portfolio shall be optional and at the discretion of Canara Robeco AMC Ltd.

Asset Allocation:

The above asset allocation pattern is not absolute and can vary depending upon the AMC's perception of the markets as well as the general view on interest rates. The asset allocation pattern indicated above may thus be altered substantially on defensive considerations. Subject to the SEBI Regulations, the asset allocation pattern of the schemes indicated above may change from time to time, keeping in view market conditions, market opportunities, applicable regulations and political and economic factors. It must be clearly understood that the percentages stated above are only indicative and not absolute. These proportions can vary depending upon the perception of the Investment Manager; the intention being at all times to seek to protect the interests of the Unit holders. The portfolio would be reviewed periodically to address any deviations from the aforementioned allocations inter alia due to market changes. The AMC may from time to time, for a short term, alter the asset composition on defensive consideration and may also invest the funds available in repos, bank deposits in accordance with the provisions of SEBI (Mutual Funds) Regulations, 1996 and the circulars issued by SEBI from time to time.

Portfolio Rebalancing:

The AMC reserves the right to change the above asset allocation pattern in the interest of the investors depending on the market conditions for a short term period of defensive consideration. In case any deviation from the asset allocation, the fund manager will carry out rebalancing within 30 days. Where the portfolio is not rebalanced within 30 Days, justification for the same shall be placed before the Investment Committee and reasons for the same shall be recorded in writing. The Investment Committee shall then decide on the course of action. However, at all times the portfolio will adhere to the overall investment objectives of the Scheme.

Limits to make Overseas Investments:

The Schemes are permitted under SEBI Circular No. SEBI/IMD/CIR No. 7/104753/07 dated 26th Sept., 2007 to make overseas investments subject to the maximum of US$ 300.00 million per mutual fund, subject to an overall limit of US$ 7.00 billion or such other limit as prescribed by SEBI from time to time.

Subject to approval from RBI/SEBI, the Fund may open foreign currency accounts abroad directly or through its Custodian to facilitate investments and to deal in currency contracts, futures, options for the purpose of hedging the risk of assets. The Fund may also appoint intermediaries, sub- custodians or other agencies for managing and administering such investments.

Exposure to Derivatives:

The Schemes shall follow exposure limits on Derivatives as per the exposure limits permitted under the Regulations as per SEBI Circular No. DNPD/Cir – 29/2005 dated 14th September 2005 and shall be within the limits prescribed by the Board of Trustees. SEBI vide its circular no. DNPD/Cir-29/2005 dated September 14, 2005 permitted mutual funds to participate in derivatives trading subject to the observance of guidelines issued by SEBI. Mutual Funds are permitted to participate in the derivatives market at par with Foreign Institutional Investors (FII). Accordingly, the mutual funds shall be treated at par with a registered FII in respect of position limit in index futures, index options, stock options and stock futures contracts. The Mutual Fund will be considered as trading members like registered FIIs and the schemes of Mutual Funds will be treated as clients like sub-accounts of FIIs. As a part of the fund management process, the AMC may use appropriate derivative instruments in accordance with the investment objectives of the Scheme and as per procedure prescribed under the stated circular.

D. **Where will the scheme invest?**

Subject to the Regulations, the corpus of the Scheme may be invested in all or any one of (but not exclusively) the following securities:

- **Equity and equity related instruments -** including preference shares, convertible bonds and debentures and warrants carrying the right to obtain equity shares.
- **Debt Instruments -** include Govt. of India securities (zero coupon or coupon bearing Bonds), State Govt. Bonds, Bonds issued by local Govt., Govt. Agencies and other statutory bodies (with or without Govt. Guarantee), Bonds of Public Sector Undertakings, Debentures issued by public, private sector undertakings, Financial Institutions with or without ratings, Usance Bills (Bills of Exchange drawn on a term governed by the usage in trade or between the companies involved) and other Domestic Instruments either listed or unlisted.
- **Money Market Instruments -** include Commercial Papers, Commercial Bills, Treasury Bills, Government Securities having an un-expired maturity up to one year, Call or Notice Money, Certificate of Deposit, Usance Bills, Collater alized Borrowing Lending Obligation, Repos & Reverse Repos in Government Securities/Treasury Bills, Bills re-discounting, MIBOR Instruments, alternative investment for the call money market as may be provided by the RBI to meet the liquidity requirements and any other Money market instruments specified by SEBI/RBI from time to time.

- Mutual fund scheme shall not invest in unlisted debt instruments including commercial papers (CPs), other than (a) government securities, (b) other money market instruments and (c) derivative products such as Interest Rate Swaps (IRS), Interest Rate Futures (IRF), etc. which are used by mutual funds for hedging.
- **Foreign Securities –** including ADR / GDR as permitted by the RBI and SEBI.
- **Securitised Debt –** The scheme may invest in domestic securitized debt such as asset backed securities (ABS) or mortgage backed securities (MBS). ABS means securitized debts wherein the underlying assets are receivables arising from personal loans, automobile loans, etc. MBS means securitized debts wherein the underlying assets are receivables arising from loans backed by mortgage of properties which can be residential or commercial in nature. ABS / MBS instruments reflect the undivided interest in the underlying of assets and do not represent the obligation of the issuer of ABS / MBS or the originator of the underlying receivables. The ABS / MBS holders have a limited recourse to the extent of credit enhancement provided. Securitized debt may suffer credit losses in the event of the delinquencies and credit losses in the underlying pool exceeding the credit enhancement provided. As compared to the normal corporate or sovereign debt, securitized debt is normally exposed to a higher level of reinvestment risk.
- **Pass through Certificate (PTC)-** (Pay through or other Participation Certificates) represents beneficial interest in an underlying pool of cash flows. These cash flows represent dues against single or multiple loans originated by the sellers of these loans. These loans are given by banks or financial institutions to corporates. PTCs may be backed,but not exclusively, by receivables of personal loans, car loans, two-wheeler loans and other assets subject to applicable regulations.
- **Derivative -** instruments like index futures, stock futures, index options, stock option, warrants, convertible securities, Interest Rate Futures, Interest Rate Swaps, Forward Rate Agreements, or any other derivative instruments that are permissible or may be permissible in future under applicable regulations.
- **Any other -** like instrument/s as permitted by SEBI/RBI from time to time.

  The securities mentioned above could be listed, unlisted, privately placed, secured, unsecured, rated or unrated and of any maturity. The securities may be acquired through initial public offerings (IPOs), secondary market operations, private placement or rights offers. All investments in securities whether privately placed or otherwise will be in line with SEBI guidelines as applicable and the investment objectives and policies of the Scheme. Investment in unrated securities will be in accordance with SEBI guidelines as applicable.

Investment in other Schemes

The investment by the Scheme in other Mutual Fund Schemes will be in accordance with Regulation 44(1) read with Clause 4 of the VII Schedule to the SEBI (Mutual Funds) Regulations, 1996 according to which:

- The Scheme may invest in another scheme under the same asset management company or in any other mutual fund without charging any fees, provided the aggregate inter scheme investments made by all the Schemes under the same management or in schemes under the management of any other AMC shall not exceed 5% of NAV of the mutual fund.
- The Scheme shall not make any investment in any fund of fund scheme.

Short Term Deposits

Pending deployment of funds of a scheme in terms of investment objectives of the scheme in terms of investment objectives of the scheme, a mutual fund may invest them in short term deposits of schedule commercial banks, subject to such Guidelines as may be specified by the SEBI Board.

a) "Short Term" for parking of funds shall be treated as a period not exceeding 91 days.
b) Such short-term deposits shall be held in the name of the Scheme.
c) The Scheme shall not park more than 15% of the net assets in short term deposit(s) of all the scheduled commercial banks put together. However, such limit may be raised to 20% with prior approval of the Trustees.
d) Parking of funds in short term deposits of associate and sponsor scheduled commercial banks together shall not exceed 20% of total deployment by the Mutual Fund in short term deposits.
e) The Scheme shall not park more than 10% of the net assets in short term deposit(s), with any one scheduled commercial bank including its subsidiaries.
f) The Scheme shall not park funds in short-term deposit of a bank, which has invested in the Scheme. The aforesaid limits shall not be applicable to term deposits placed as margins for trading in cash and derivatives market.
g) AMC(s) shall not charge any investment management and advisory fees for parking of funds in short term deposits of scheduled commercial banks.

Portfolio Turnover:

The Scheme is an open-ended Scheme. It is expected that there would be a number of subscriptions and redemptions on a daily basis. Consequently, it is difficult to estimate with any reasonable measure of accuracy, the likely turnover in the portfolio.

Debt and Money Market in India

The Indian debt market is today one of the largest in Asia and includes securities issued by the Government (Central & State Governments), public sector undertakings, other government bodies, financial institutions, banks and corporates. Government and public sector enterprises are the predominant borrowers in the markets. The major players in the Indian debt markets today are banks, financial institutions, mutual funds, insurance companies, primary dealers, trusts, pension funds and corporates. The Indian debt market is the largest segment of the Indian financial markets. The debt market comprises broadly two segments, viz. Government Securities market or G-Sec market and corporate debt market. The latter is further classified as market for PSU bonds and private sector bonds.

The Government Securities (G-Secs) is the oldest and the largest component (60% share in market cap) of the Indian debt market in terms of market capitalization, outstanding securities and trading volumes. The G-Secs market plays a vital role in the Indian economy as it provides the benchmark for determining the level of interest rates in the country through the yields on the Government Securities which are referred to as the risk-free rate of return in any economy. Over the years, there have been new products introduced by the RBI like zero coupon bonds, floating rate bonds, inflation indexed bonds, etc.

The corporate bond market, in the sense of private corporate sector raising debt through public issuance in capital market, is only an insignificant part of the Indian Debt Market. A large part of the issuance in the non-Government debt market is currently on private placement basis.

The money markets in India essentially consist of the call money market (i.e. market for overnight and term money between banks and institutions), repo transactions (temporary sale with an agreement to buy back the securities at a future date at a specified price), commercial papers (CPs, short term unsecured promissory notes, generally issued by corporates), certificate of deposits (CDs, issued by banks) and Treasury Bills (issued by RBI). In a predominantly institutional market, the key money market players are banks, financial institutions, insurance companies, mutual funds, primary dealers and corporates. In money market, activity levels of the Government and nongovernment debt vary from time to time. Instruments that comprise a major portion of money market activity include but not limited to:

- Overnight Call
- Repo/Reverse Repo Agreement
- Treasury Bills
- Government securities with a residual maturity of < 1 year.
- Commercial Paper
- Certificate of Deposit

Apart from these, there are some other options available for short tenure investments that include MIBOR linked debentures with periodic exit options and other such instruments. Though not strictly classified as Money Market Instruments, PSU / DFI / Corporate paper with a residual maturity of < 1 year, are actively traded and offer a viable investment option.

The market has evolved in past 2-3 years in terms of risk premia attached to different class of issuers. Bank CDs have clearly emerged as popular asset class with increased acceptability in secondary market. PSU banks trade the tightest on the back of comfort from majority government holding. Highly rated manufacturing companies also command premium on account of limited supply. However, there has been increased activity in papers issued by private/foreign banks/NBFCs/companies in high-growth sector due to higher yields offered by them. Even though companies across these sectors might have been rated on a same scale, the difference in the yield on the papers for similar maturities reflects the perception of their respective credit profiles.

The following table gives approximate yields prevailing as on 31/03/2020 on some of the instruments

Instrument	Current Yield Range%
TREPS	0.01-4.50
Repo	0.01-3.00
3m Tbill	4.06
1y Tbill	4.50
10y G Sec	6.14
3m PSU Bank CD	4.85-4.90
3m NBFC CP	5.55
3m Non NBFC CP	5.15-5.25
1y PSU Bank CD	5.50
1y NBFC CP	6.50
1y Non NBFC CP	5.70-5.90
5y AAA Institutional Bond (PSU Bond)	6.45-6.55
10y AAA Institutional Bond (PSU Bond)	7.10-7.15

These yields are indicative and do not indicate yields that may be obtained in future as interest rates keep changing consequent to changes in macro economic conditions and RBI policy. The price and yield on various debt instruments fluctuate from time to time depending upon the macro economic situation, inflation rate, overall liquidity position, foreign exchange scenario etc. Also, the price and yield vary according to maturity profile, credit risk etc.

E. WHAT ARE THE INVESTMENT STRATEGIES?

Investment Focus and strategy:

The funds will be invested in debt and money market securities of different maturities and risk profiles. The funds will be invested in Money Market Instruments (with un-expired maturity less than one year) offering reasonable liquidity and returns, with risk perceived by the Investment Manager and a portion of the funds will also be invested in rated and un-rated corporate bonds and debentures.

As per the guidelines of RBI, Mutual Funds have currently ceased to access the call money market. The Schemes therefore proposes to avail facility of reverse repos / Tri-party Repo to temporarily invest short term liquidity and to meet redemption / repurchase requirements.

Investments will be made in State / Central Government Securities, Treasury Bills :

i) supported by the ability to borrow from the Treasury

ii) supported by sovereign guarantee or of the State Government iii) supported by the Government of India / State Government in any other manner.

Instruments	Credit Risk
Call Money Lending	Low
MIBOR	Low
Central Govt. Securities	Sovereign
State Govt. Securities	Sovereign
Treasury Bills	Sovereign
Trade Bills Rediscounting	Low
Commercial Papers	Low to Medium
Certificate of Deposits	Low
Bonds of PSUs & FIs	Low
Rated Coporate Debentures/ Securitised Dbet	Low to Medium

The Scheme will seek to underwrite issuance of Government Securities if any, to the extent permitted by SEBI / RBI, subject to the prevailing rules and regulations specified in this respect. The Scheme may also participate in their auction from time to time.

There can be no assurance that the investment objective of the Scheme will be realized. It is, however, emphasized that, there is no risk of default of payment of either principal or interest amount in respect of investments made in Government Securities, Treasury Bills under this Scheme.

The Scheme being open ended, some portion of the portfolio may be invested in Money Market Instruments so as to meet the normal repurchase requirements. The remaining investment will be made in securities which are either expected to be reasonably liquid or of varying maturity. However, the NAV of the Schemes may be affected, if the securities invested in are rendered illiquid after investment.

The Investment Manager targets to identify securities which offer optimum level of yield at lower level of risks. Rated debt instruments in which the Scheme invests will be of investment grade as rated by the credit rating agency. The Investment Manager will be guided by the ratings of Rating Agencies such as CRISIL, CARE, ICRA or any other agency approved by SEBI for this purpose. The Investment Manager may also invest in un-rated securities subject to the provisions and restrictions laid down by SEBI.

In addition, the Investment Manager will monitor the macro economic conditions, including the political, economic environment and factors affecting liquidity and interest rates. The Investment Manager would use this analysis to assess the likely direction of interest rates and position the portfolio appropriately to take advantage of the same.

The Scheme, in order to achieve the objectives, will carefully select the debt securities of various maturities and risk profile. Such as Central / State Govt. Securities, Bonds of PSU / FIs, Corporate Debt of both public and private sector undertakings, Certificate of Deposits, Commercial Papers and such other instruments. The securities mentioned above could be listed or un-listed, secured or unsecured, rated or un-rated of varying maturity. The securities may be acquired through IPO, secondary market operations, private placements, rights offer or negotiated deals.

The investments may be made in primary as well as secondary markets. As far as possible, the portfolio will be adequately diversified to reduce the risk of underperformance, arising out of unexpected security-specific factors. The Scheme will also invest in equity and equity related instruments including overseas equity markets such as ADRs / GDRs.

Risk Control Mechanism:

Since investing requires disciplined risk management, in order to protect the interests of investors, the AMC would incorporate adequate safeguards for controlling risks in the portfolio. As a prudent measure, the AMC has broad internal investment norms and investments made through the scheme would be in accordance with the investment objectives of the schemes and provisions of SEBI Regulations. Where required, scheme specific guidelines are also in place.

Equity and Equity Related Instruments

Investments made by the schemes would be in accordance with the investment objectives of the schemes and provisions of SEBI Regulations. Since investing required disciplined risk management, the AMC would incorporate adequate safeguards for controlling risks in the portfolio construction process. The risk control process involves reducing risks through portfolio diversification, taking care however not to dilute returns in the process. The AMC believes that this diversification would help achieve the desired level of consistency in returns. The AMC aims to identify securities, which offer superior levels of yield at lower levels of risks. With the aim of controlling risks, the investment team of the AMC will carry out rigorous in-depth analysis of the securities proposed to be invested in.

While these measures are expected to mitigate the above risks to a large extent, there can be no assurance that these risks would be completely eliminated.

Securitised Debt

As a risk control measure, the Scheme shall make investment in such Securitised Debts which have a minimum rating of P1+ and/or such other equivalent rating for short term papers or AAA and/or such other equivalent rating for long term papers which suits the risk profile of the Scheme.

The ratings AAA or its equivalent , P1+ or its equivalent assigned to instruments reflects highest degree of safety with regard to timely payment of financial obligations and the + sign reflects comparatively better standing within the category. Investments in these instruments with the highest ratings suit the risk profile of the Scheme relating to Debt and Money Market Instruments, the same being "Low to Medium". The investment shall be in those securitized debt instruments which mature on or before the maturity date of the Scheme and the Scheme shall not invest in any Pool of Assets.

Policy relating to Originator(s) – The Scheme shall invest in those Securitised Debt, whose Originator is a Corporate Entity, being a Bank or an NBFC. The Scheme shall invest in the instruments subject to necessary investment limits mentioned under SEBI regulations. Risk may be mitigated by seeking additional credit support (credit enhancement) in order that the instrument(s) may receive the desired level of credit rating. Further, prior to investing in Securitised Debt, it would be ensured that the minimum retention period of the debt and minimum retention percentage by the Originator prior to securitization shall be as prescribed by the RBI guidelines. Any investment in Securitised Debt has to go through an indepen- dent credit appraisal process and no special consideration shall be given to whether the Originator has invested in any Scheme(s) of Canara Robeco Mutual Fund

Level of diversification with respect to the underlying assets, and risk mitigation measures for less diversified investments – The Scheme shall not be investing in any pool of assets. Investment in securitized asset shall only be single loan securitized debt instruments backed by originator as referred above.

Resources and mechanism of individual risk assessment for monitoring investment in securitized debt – Dedicated credit analyst prepares a credit note analyzing the proposal including detailed risk assessment of the underlying. The credit note is recommended by the Head of Fixed income and is approved by the Investment committee. The dedicated credit analyst shall be responsible for timely analyzing the risk and monitoring the performance of such investments made on an ongoing basis and shall report to the investment committee the outstanding position, every quarter.

While these measures are expected to mitigate the above risks to a large extent, there can be no assurance that these risks would be completely eliminated.

Risk Mitigation:

Since investing requires disciplined risk management, the AMC would incorporate adequate safeguards for controlling risks in portfolio construction process. Stock specific risk will be minimized by investing only in those companies that have been thoroughly analyzed by the AMC.

Through adequate diversification of the portfolio, the AMC tries to reduce the risk. Diversification will also be achieved by spreading the investments over a diverse range of industries / sectors. The Scheme, generally does not intend investing in illiquid and unlisted equity related securities. However, if the case merits, the Scheme may invest in such securities adhering to prudential norms on a case to case basis. The investments may be made in primary as well as secondary markets and the portfolio will be adequately diversified.

The Scheme being open ended, some portion of the portfolio may be invested in Money Market Instruments so as to meet the normal repurchase requirements. The remaining investment will be made in securities which are either expected to be reasonably liquid or of varying maturity. However, the NAV of the Scheme may be affected, if the securities invested in are rendered illiquid after investment.

In addition, the Investment Manager will study the macro economic conditions, including the political, economic environment and factors affecting liquidity and interest rates. The Investment Manager would use this analysis to assess the likely direction of interest rates and position the portfolio appropriately to take advantage of the same.

The Scheme may use derivatives instruments like Stock/ Index Futures or Options, Interest Rate Futures, Interest Rate Swaps, Forward Rate Agreements or such other derivative instruments as may be introduced from time to time for the purpose of hedging or portfolio balancing or any other purpose as allowed under the regulations, within the permissible limit of the portfolio, which may be increased as permitted under the Regulations and guidelines from time to time.

As a prudent measure, the AMC has broad internal investment norms and investments made through the scheme would be in accordance with the investment objectives of the schemes and provisions of SEBI Regulations.

Debt Securities

Concentration of risk is mitigated by defining issuer limits. Rigorous in-depth credit evaluation of the issuers will be conducted by the investment team before making investments. As part of credit evaluation, a study on the operating environment, past track record as well as future prospects of the issuer, short as well as long term financial health of the issuer will be carried out. The AMC will be guided by the ratings of accredited agencies such as CRISIL, CARE, ICRA etc. as well as the internal norms for credit exposure. Investments made by the schemes would be in accordance with the investment objectives of the schemes and provisions of SEBI Regulations. Since investing required disciplined risk management, the AMC would incorporate adequate safeguards for controlling risks in the portfolio construction process. The risk control process involves reducing risks through portfolio diversification, taking care however not to dilute returns in the process. The AMC believes that this diversification would help achieve the desired level of consistency in returns. The AMC aims to identify securities, which offer superior levels of yield at lower levels of risks. With the aim of controlling risks, the investment team of the AMC will carry out rigorous in-depth analysis of the securities proposed to be invested in. While these measures are expected to mitigate the above risks to a large extent, there can be no assurance that these risks would be completely eliminated.

Foreign Securities

The Fund may invest in overseas debt / equities / ADR’s / GDR’s with the approval of RBI/SEBI, subject to such guidelines as may be issued by RBI/SEBI. The net assets, distributions and income of the scheme may be affected adversely by fluctuations in the value of certain foreign currencies relative to the Indian Rupee to the extent of investments in these securities. Repatriation of such investment may also be affected by changes in the regulatory and political environments. The scheme’s NAV may also be affected by a fluctuation in the general and specific level of interest rates internationally, or the change in the credit profiles of the issuers.

Securitised Debt

Securitized debt is a form of conversion of normally non-tradable loans to transferable securities. This is done by assigning the loans to a special purpose vehicle (a trust), which in turn issues Pass-Through-Certificates (PTCs). These PTCs are transferable securities with fixed income like characteristics. The risk of investing in securitized debt is similar to investing in debt securities. In addition, securitized debt may also carry prepayment risk and has a relatively higher liquidity risk (the same are explained in the sections that follow). However, if the fund manager evaluates that the additional risks are suitably compensated by the higher returns, he may invest in securitized debt up to the limits specified. The investment shall be in securitized instruments that are rated (AA/ A1+) or its equivalent, by a recognised credit rating agency for the retail pool, and for single loan securitization, limits will be assigned as per the internal credit policy of the Fund.

Policy relating to originators

The originator is the person who has initially given the loan. The originator is also usually responsible for servicing the loan (i.e. collecting the interest and principal payments). An analysis of the originator is especially important in case of retail loans as this affects the credit quality and servicing of the PTC. Originators may be: Banks, Non-Banking Finance Companies, Housing Finance Companies, etc. The fund manager's evaluation will be based on the track record of the originator, delinquencies in the pool and the seasoning of the pool. Other factors that will be considered are loan type, size of the loan, average original maturity of the pool, Loan to Value Ratio, geographical distribution, liquid facility, default rate distribution, credit enhancement facility and structure of the pool.

Risk associated with each kind of originator:

(a) Prepayment risk: MBS and ABS are subject to prepayment risk. When the underlying loans are paid off by the borrower prior to their respective due dates, this is known as a prepayment. It could be triggered on account of various factors particularly in periods of declining interest rates. The possibility of such prepayment may require the scheme to reinvest the proceeds of such investments in securities offering lower yields, thereby reducing the scheme's interest income.

(b) Interest rate risk: MBS carry interest rate risk. Home loan borrowers are provided the facility of refinancing their loans at the prevailing interest rates. A lowering of interest rates could induce a borrower to pay his loan off earlier than the scheduled tenure, whereas if the interest rates move upward, the borrower would tend to hold on to his loan for a longer period, thus increasing the maturity of the bond. The maturity of the bond could therefore shorten or lengthen, depending on the prevailing interest rates.

(c) Credit risk / default risk: MBS and ABS also carry credit or default risk. MBS and structures carry built –in credit enhancement in different forms. However, any delinquencies would result in reduction of the principal amount if the amount available in the credit enhancement facility is not enough to cover the shortfall. Historically, housing loans have had lower default rates than other forms of credit.

(d) Price risk / liquidity risk: MBS and ABS are subject to prepayment risk. Limited volumes of trading in securitized paper in secondary market could restrict or affect the ability of the scheme to re-sell them. Thus, these trades may take place at a discount, depending on the prevailing interest rates.

In case of securitization involving single loans or a small pool of loans, the credit risk of the underlying borrower is analyzed. In case of diversified pools of loans, the overall characteristic of the loans is analyzed to assess the credit risk. Securitization transactions may include some risk mitigants (to reduce credit risk). These may include interest subvention (difference in interest rates on the underlying loans and the PTC serving as margin against defaults), overcollateralization (issue of PTCs of lesser value than the underlying loans, thus even if some loans default, the PTC continues to remain protected), presence of an equity / subordinate tranche (issue of PTCs of differing seniority when it comes to repayment - the senior tranches get paid before the junior tranche) and / or guarantees.

Minimum retention period of the debt by originator prior to securitization

Issuance of securitized debt is governed by the Reserve Bank of India. RBI norms cover the "true sale" criteria including credit enhancement and liquidity enhancements. In addition, RBI has proposed minimum holding period of between nine and twelve months for assets before they can be securitized. The minimum holding period depends on the tenure of the securitization transaction. The Scheme will invest in securitized debt that is in compliance with the regulations.

Minimum retention percentage by originator of debts to be securitized

RBI norms cover the "true sale" criteria including credit enhancement and liquidity enhancements, including maximum exposure by the originator in the PTCs. In addition, RBI has proposed minimum retention requirement of between five and ten percent of the book value of the loans by the originator. The minimum retention requirement depends on the tenure and structure of the securitization transaction. The Scheme will invest in securitized debt that is in compliance with the regulations

Mechanism to tackle conflict of interest when the mutual fund invests in securitised debt of an originator and the originator in turn makes investments in that particular scheme of the fund

The key risk in securitized debt relates to the underlying borrowers and not the originator. In a securitization transaction, the originator is the seller of the debt(s) and the scheme is the buyer. However, the originator is also usually responsible for servicing the loan (i.e. collecting the interest and principal payments). As the originators may also invest in the scheme, the fund manager shall ensure that the investment decision is based on parameters as set by the Investment Committee (IC) of the AMC and IC shall review the same at regular interval.

Resources and mechanism of individual risk assessment for monitoring investment in securitized debt – credit analyst prepares a credit note analyzing the proposal including detailed risk assessment of the underlying. The credit note is recommended by the Head of Fixed Income and is approved by the Investment committee. The credit analyst shall be responsible for timely analyzing the risk and monitoring the performance of such investments made on an ongoing basis and shall report to the investment committee the outstanding position, every quarter.

While these measures are expected to mitigate the above risks to a large extent, there can be no assurance that these risks would be completely eliminated.

Procedure followed for investment decisions:

The Fund Manager of the Scheme is responsible for making buy / sell decisions for the Scheme's portfolio and seeks to develop a well-diversified portfolio taking into account the asset allocation pattern of the scheme along with risks that are associated with such investments. The investment decisions are made on an ongoing basis keeping in view the market conditions and other regulatory aspects.

The Fund Manager is responsible for facilitating investment debate and a robust investment culture. The investment team would hold ongoing meetings as well as additional ad-hoc meetings as needed, to explore the investment thesis. The AMC has constituted an Investment Committee, currently comprising of the CEO, COO, Head of Risk Management, Head of Equities, Head of Fixed Income that meets at periodic intervals. The Investment Committee's role is to formulate broad investment strategies for the Scheme, review the performance of the Scheme and the general market outlook.

It is the responsibility of the AMC to seek to ensure that the investments are made as per the Regulatory guidelines, the investment objective of the Scheme and in the interest of the Unit holders of the Scheme.

The AMC will keep a record of all investment decisions in accordance with the guidelines issued by SEBI.

The AMC and Trustee will review the performance of the scheme in their Board meetings. The performance would be compared with the performance of the benchmark index and with peer group in the industry.

Portfolio Turnover

Purchase and Sale of securities attract transaction costs of the nature of brokerage, stamp duty, custodian transaction charges etc. The portfolio turnover is essential to regularly explore trading opportunities to optimise returns for the Scheme and enable portfolio restructuring when required.

The Scheme will manage its portfolio taking into account the associated risks (such as interest / liquidity / redemption etc.) perceived / expected, so as to minimise the risks by using adequate risk management techniques. The portfolio turnover policy will be aimed at maximising the returns/growth.

The Scheme is an open-ended scheme. It is expected that there would be a number of subscriptions and redemptions on a daily basis. Consequently, it is difficult to estimate with any reasonable measure of accuracy, the likely turnover in the portfolio.

Pursuant to Schedule IX read with Regulation 50 of the SEBI (Mutual Funds) Regulations, 1996, the cost of investments acquired or purchased shall include all such costs incurred for effecting the transaction while the sale proceeds of investment sold or redeemed shall be net of all such costs incurred for effecting the sale transactions and shall form23 part of the purchase or the sale value of investments.

Underwriting:

The Schemes may take up underwriting of other issues subject to the relevant SEBI Regulations and as may be permitted by the Board of Directors of the Investment Manager. Regulation 46 of SEBI (Mutual Funds) Regulations, 1996, states that:

"Mutual Funds may enter into underwriting agreement after obtaining a certificate of registration in terms of the SEBI (underwriters) rules and SEBI (underwriters) Regulations, 1993, authorising it to carry on activities as underwriters:

i. For the purpose of these Regulations, the underwriting obligation will be deemed as if the investments are made in such securities.

ii. The capital adequacy norms for the purpose of underwriting shall be the net assets of the Scheme. Provided that the underwriting obligation of a Mutual Fund shall not at any time exceed the total value of net assets of the Scheme."

Stock/Securities Lending by the Fund:

The Fund may in future carry out stock/securities lending activity under any of its Schemes, in order to augment its income. Stock/securities lending may involve the risk of default such as loss, bankruptcy etc. on the part of the borrower. However, this is unlikely to happen if the stock/securities lending is carried out for stocks/securities which are in dematerialised form and through an authorised stock/securities lending Scheme which is subject to appropriate regulation. Any stock/securities lending done by the Scheme shall be in accordance with any regulations or guidelines regarding the same. The policy to be followed for stock/securities lending shall be approved by the Board of Directors of the Investment Manager as well as by the Board of Trustees.

Hedging and Derivatives

The scheme intends to use derivatives as may be permitted under the Regulations from time to time. The same shall be within the permissible limit prescribed by SEBI (Mutual Fund) Regulations from time to time.

As a part of the fund management process, the AMC may use appropriate derivative instruments in accordance with the investment objectives of the Scheme and in accordance with SEBI Regulations as may be applicable from time to time.

SEBI has also vide circular DNPD/Cir-29/2005 dated 14th September 2005 permitted Mutual Funds to participate in the derivatives market at par with Foreign Institutional Investors (FII). Accordingly, Mutual Funds shall be treated at par with a registered FII in respect of position limits in index futures, index options, stock options and stock futures contracts.

The Fund shall comply with the guidelines issued by SEBI and amendments thereof issued from time to time in derivative trading.

Equity / Equity Related Derivative Instruments:

Index futures are meant to be an efficient way of buying / selling an index compared to buying/selling a portfolio of physical shares representing an index for ease of execution and settlement. Index futures can be an efficient way of achieving the Scheme's investment objective. Index futures may avoid the need for tracking in individual components of the index, which may not be possible at times, keeping in mind the circuit filter system and the liquidity in some of the scrips. Index futures can also be helpful in reducing the transaction costs and the processing costs on account of ease of execution of one trade compared to several trades of shares of an index and will be easy to settle compared to physical portfolio of shares representing an index.

Stock futures could also be used as an alternative to investing in particular stocks comprising an index where either the liquidity is low or the impact cost is high.

Basic Structure of an Index Future

Index Futures are instruments designed to give exposure to the equity market indices. The Stock Exchange, Mumbai and the National Stock Exchange of India Limited have started trading in index futures. The pricing of an index future is the function of the underlying index and short-term interest rates.

Illustration :

Spot Index : 1070

1 month Nifty Future Price on day 1 : 1075

Fund buys 100 lots

Each lot has a nominal value equivalent to 200 units of the underlying index.

Let us say that on the date of settlement, the future price = Closing spot price = 1085

Profits of the Fund = (1085-1075)* 100 lots * 200 = Rs.200,000.

Similarly, the fund can suffer a loss if the future price is lower than the contracted price. Let us say that in the above example, on the date of settlement the future price = Closing Spot Price = 1060.

Loss for the Fund = (1060-1075)* 100 lots * 200 = (Rs.300,000)
Please note that the above example is given for illustration purposes only.

The net impact for the Fund will be in terms of the difference between the closing price of the index and cost price (ignoring margins for the sake of simplicity) plus interest costs on funds that would otherwise be invested in stocks comprising the index. The risks associated with index futures are similar to those associated with equity investments. Additional risks could be on account of illiquidity and/or mispricing of the future at any time during the life of the contract.

Strategy Number No. 1

Using Index Future to increase percentage investment in equities.

The strategy will be used for the purpose of generating returns on idle cash, pending its investment in equities. The Scheme is open ended in nature and subject to daily inflows. There may be a time lag between the inflow of funds and their deployment in equities. If so desired, the AMC would be able to take immediate exposure to equities via index futures. The position in index futures may be reversed in a phased manner, as the funds are deployed in the equity markets.

Example :

The scheme has a corpus of Rs. 50 crores and there is an inflow of Rs. 5 crore in a day. The AMC may buy index futures contracts of a value of Rs. 5 crore. Later as the money is deployed in the underlying equities, the value of the index futures contracts can be suitably reduced.

Portfolio	Event	Equity Portfolio Gain(Loss) Rs. in Crs.	Derivative Gain (Loss) Rs. in Crs.`	Total Portfolio Gain / (Loss) Rs. in Crs
Rs.50 Crore Equity exposure	10% rise in equity	5	Nil	5
Rs. 50 Crore exposure + Rs. 5 Crore long position index futures	10% rise in Equity Price	5	0.5	5.5
Rs.50 Crore Equity exposure	10% fall in Equity price	(5)	Nil	(5)
Rs.50 crore Equity exposure + Rs 5 crore long position index futures	10% fall in Equity price	(5)	(0.5)	(5.5)

RISKS

- The strategy of taking a long position in index futures increases the exposure to the market. The long position is positively correlated with the market. However, there is no assurance that the stocks in the portfolio and the index behave in the same manner and thus this strategy may not be provide gains perfectly aligned to the movement in the index.
- The long position will have as much loss as a gain in the underlying index, e.g. if the index appreciates by 10%, the future value rises by 10%. However, this is true only for futures contracts held till maturity. In the event that a futures contract is closed out before its expiry, the quoted price of the futures contract may be different from the gain/loss due to the movement of the underlying index. This is called the basis risk.
- While futures markets are typically more liquid than the underlying cash market, there can be no assurance that ready liquidity would exist at all points in time, for the Scheme to purchase or close out a specific futures contract.
- Similarly, the fund can use stock futures to reduce the cost of holding in the following manner:
- When stock futures are trading at a discount then the fund can buy stock in futures market instead of buying in the cash market. On expiry of the contract, both prices (spot and future) have to align. On expiry or as and when stocks start trading at a premium in the futures market the transaction can be reversed by selling the stock in futures and buying in the cash market.
- Fund can take advantage of arbitrage opportunities in the futures markets to reduce cost of holding. If stock futures are trading at a discount then the fund can sell its existing holding in cash market and buy in the futures market. The cash realised will earn interest while the overall cost of the holding stock will also come down. On expiry of contract both prices (spot and futures) have to align. On expiry or as and when the stock starts trading at a premium in the futures market, the transaction can be reversed by selling the stock in the futures and buying in the cash markets.

Strategy Number 2

Using Index Futures to decrease percentage investment in equities

Similarly, in the case of a pending outflow of funds where a negative view is taken on the market, the Fund, in order to reduce exposure in equities may 'sell the index forward' by taking a short position in Index Futures. This position can be unwound over a period of time simultaneously selling the equity shares from the investment portfolio of the Scheme. The strategy of taking a short position in the index future is a hedging strategy and reduces the market risk and volatility of the portfolio. However, if the value of the index future rises, then, the fund would be adversely affected due to its short position in index futures.

Example: Assume that a scheme has an equity exposure of Rs. 100 crore. If the Fund Manager wishes to reduce the equity exposure to Rs. 50 crore for a short time, he should sell index futures contracts of Rs. 50 crore.

Portfolio	Event	Equity Portfolio Gain(Loss) Rs. in Crs.	Derivative Gain (Loss) Rs. in Crs.	Total Portfolio Gain / (Loss) Rs. in Crs
Without Hedge Rs.100 crore equity Exposure	10% fall in Equity Price	(10)	Nil	(10)
With Hedge Rs.100 crore equity Exposure	10% fall in Equity Price	(10)	5	(5)
Without Hedge Rs.100 crore equity Exposure	10% rise in Equity price	10	Nil	10
With Hedge Rs.100 crore equity Exposure	10% rise in Equity price	10	(5)	5

50% Hedge – contract value of Rs. 50 crore

The above example demonstrates that the Fund would benefit from the hedged position if the index future moves in the direction as expected by the Fund Manager. Similarly, the Fund would be adversely affected from the hedged position if the index does not move in the direction expected by the Fund Manager.

RISKS

- The strategy of taking a short position in index futures is a hedging strategy and reduces the market risk. The short position is negatively correlated with the market. However, there is no assurance that the stocks in the portfolio and index behave in the same manner and thus this strategy may not be a perfect hedge.
- The short position will have as much loss as a gain in the underlying index. e.g. if the index appreciates by 10%, the future value falls by 10%. However, this is true only for futures contract held till maturity. In the event that a futures contract is closed out before its expiry, the quoted price of the futures contract may be different from the gain/loss due to the movement of the underlying index. This is called the basis risk.
- While futures markets are typically more liquid than the underlying cash market, there can be no assurance that ready liquidity would exist at all points in time, for the Scheme to purchase or close out a specific futures contract.

Strategy Number 3

Portfolio Protection Using Index Put

The purchase of an index put option gives the scheme the option of selling the index to the writer of the put at a predetermined level of the index, called the strike price. If the index falls below this level, the scheme benefits from the rise in the value of the put option.

Similarly, as a stock hedging strategy, the purchase of a put option on the underlying stock would give the scheme the option to sell the stock to the writer of the option at the predetermined strike price. This would lead to a capping of the loss in value of a stock.

Example: Let us assume a scheme with a corpus of Rs. 100 crore. Let us also assume an index of 100. The scheme is fully invested (Rs. 100 crore in equities). The scheme purchases a put option on the index with a strike price of 95 for an assumed cost of Rs. 1 crore. The following table illustrates the portfolio returns:

% change in Index	Index Value	Equity Portfolio Value Rs. In crore A	Option Value Rs. In crore B	Cost of the Put Option Rs. In crore C	Portfolio Value Rs. In Crore (A+B+C)	% returns from portfolio
10	110	110	0	(1)	109	9
5	105	105	0	(1)	104	4
(5)	95	95	0	(1)	94	(6)
(10)	90	90	5	(1)	94	(6)
(15)	85	85	10	(1)	94	(6)

A similar put option can be purchased on any individual stock and the downside can be capped.

RISKS

- The table shows that the portfolio value will not fall below Rs. 94 crore, while the scheme benefits from any increase in stock prices. The table assumes perfect correlation between the equity portfolio and the index. However this may not be the case. Therefore, the minimum portfolio value cannot be assured, but the loss is expected to be lower in a portfolio with a put option on the index, as compared to a normal portfolio.
- The put option would lead to a gain based on the difference between the strike price and the index level at expiration date, if positive. However, in case the option is reversed before the expiration date, the market price received on the sale of the option may be different from the price calculated.
- While liquidity exists in options markets, there can be no assurance that the ready liquidity would exist at all points in time, for the scheme to purchase or close out a specific options contracts.
- In the case of purchase of a stock put, the strategy is a perfect hedge on the expiration date of the put option. On other days, there may be (temporary) imperfect correlation between the share price and the put option, which can potentially take the stock value below the minimum under the hedge.

Similarly, the Fund can use stock futures to reduce the cost of holding in the following manner:

- When stock futures are trading at a discount then the fund can buy in futures market instead of buying in the cash market. On expiry of the contract, both prices (spot and futures) have to align. On expiry or as and when stocks starts trading at a premium in the futures market, the transaction can be reversed by selling the stock in futures and buying in the cash market.
- Fund can take advantage of arbitrage opportunities in the futures markets to reduce cost of holding. If stock futures are trading at a discount then the fund can sell its existing holding in cash market and buy in futures market. The cash realised will earn interest while the overall cost of holding stock will also come down. On expiry of contract both prices (spot and futures) have to align. On expiry or as and when the stock starts trading at a premium in the futures market, the transaction can be reversed by selling the stock in the futures and buying in the cash markets.

Strategy Number 4

The scheme could gain exposure to the equity markets through exchange traded call options. The investment team will evaluate the prevailing premium levels on the call options with tenure suitable to the scheme. The scheme could in such a case implement a buy and hold (passive investment) strategy for the equity index call options held or buy a series of shorter term equity index call options, thus the options strategy may be managed actively.

Example: Let us assume a scheme with a corpus of Rs. 100 crore. Let us also assume an index of 100. The scheme is invested about Rs. 99 crore in equities. The scheme purchases a call option on the index with a strike price of 100 for an assumed cost of Rs. 1 crore. Assuming the equity portfolio rises or falls by the same percentage as the index. The following table illustrates the portfolio returns:

% change in Index	Index Value	Equity Portfolio Value Rs. In crore A	Option Value Rs. In crore B	Portfolio Value Rs. In Crore (A+B)	% returns from portfolio
10	110	108.90	10	118.90	18.90
5	105	103.95	5	108.95	8.95
0	100	99	0	99	-1
(5)	95	94.05	0	94.05	-5.95
(10)	90	89.10	0	89.10	-10.90

A similar call option can be purchased on any individual stock and the upside potential can be augmented.

The rate of participation would depend on prevailing prices of call options and the Amount Available for investment in options.

	Scenario 1	Scenario 2	Scenario 3
Strike price	8100	8200	8300
Premium	1925	1850	1700
Premium as %age of strike price	23.77%	22.56%	20.48%
Amount Available for investment in options (assumed)	17%	17%	17%
Therefore, Rate of Participation is amount invested in options / premium	72%	75%	83%

RISKS

- If the call options expire in the money, but not enough to compensate the premium paid, the returns of the option strategy could be less than the returns of the underlying equity market on maturity.
- Further, if the options expire out of money, the scheme will face a loss to the extent of the premium paid for options. In such case even if the equity market has a positive return during the tenure of the Scheme, the Scheme may not provide positive returns in line with the market.
- There is also a possibility of the call options expiring prior to the maturity of the scheme. In such a case, the returns of the call option portion of the scheme on maturity may not coincide with the returns of the underlying equity market on maturity.
- Further in case of series of shorter term call options, since short dated options would be purchased at different times and at costs prevailing at the time of such purchase, the returns generated by such a strategy could be different from returns of the underlying equity market on maturity and from the returns generated from a buy and hold call options strategy up to the maturity of the scheme

Advantages of Equity Derivatives:

In times of volatility in the equity markets, derivatives provide much needed flexibility to hedge against this volatility. Some of the advantages of specific derivatives products are given below:

- Stock Index Futures can give exposure to the index. Appreciation in Index Investment in Stock Index Futures can give exposure to the index without directly buying the individual stocks, which make up the index. Appreciation in Index stocks can be effectively captured through investment in Stock Index Futures.
- The Scheme can sell futures to hedge against market movements without actually selling the underlying stocks it hold.
- By buying call options on the index, one can participate in the rise in the market, without actually buying individual stocks.
- By buying put options on the index, the Scheme can insulate the portfolio (assuming a perfect co-relation between portfolio and index which may not be the case) from the downside risk at a small cost.

Debt / Debt Related Derivatives

The Scheme may use derivatives in accordance with SEBI Regulations. RBI has issued guidelines on Interest Rate Swaps (IRS) and Forward Rate Agreements (FRA) on July 7, 1999. These products were introduced for developing the nation's Debt Market.

Interest Rates Swaps (IRS)

All swaps are financial contracts, which involve exchange (swap) of a set of payments receivable by one party for another set of payments receivable by another party, usually through an intermediary. An IRS can be defined as a contract between two parties (Counter Parties) to exchange, on particular dates in the future, one series of cash flows (fixed interest) for another series of cash flows (variable or floating interest) in the same currency and on the same principal for an agreed period of time. The exchange of cash flows need not occur on the same date.

Forward Rate Agreements (FRA)

A FRA is an agreement between two counter parties to pay or to receive the difference between an agreed fixed rate (the FRA rate) and the interest rate prevailing on a stipulated future date, based on a notional amount, for an agreed period. In short, in a FRA, interest rate is fixed now for a future period. The special feature of FRAs is that the only payment is the difference between the FRA rate and the Reference rate and hence are single settlement contracts. As in the case of IRS, notional amounts are not exchanged.

The Scheme will use derivative instruments for the purpose of hedging and portfolio balancing. Hedging does not mean maximisation of returns but only reduction of systematic or market risk inherent in the investment.

Basic Structure of an Interest Rate Swap

An interest rate swap is an agreement between two parties to exchange future payment streams based on a notional amount. Only the interest on the notional amount is swapped, and principal amount is never exchanged.

In a typical interest rate swap, one party agrees to pay a fixed rate over the term of the agreement and to receive a variable or floating rate of interest. The counterparty receives a stream of fixed rate payments at regular intervals as described in the agreement and pays the floating rate of interest.

Illustration :

Fixed interest rate : 10% p.a.

Variable Interest Rate : Over-Night MIBOR (variable) Notional Principal : Rs.10 crore

Period of Agreement : 1 year Interest Frequency : Semi-annual

Suppose six month period from the value date of swap to the first payment date is 182 days and the daily compounded over-night MIBOR is say 8% p.a. on that date, the interest streams are as follows :

Fixed Rate Payment :

Rs.10,00,00,000.00 x 182 x 10 / 365 x 100 = Rs.49,86,301.36 Variable Rate :

Rs.10,00,00,000.00 x 182 x 8 / 365 x 100 = Rs.39,89,041.09

In the above example, the fixed rate payer will pay the variable rate payer a net amount of Rs.9,97,260.27 (Rs.49,86,301.36 - 39,89,041.09).

Likewise the second and final payment will depend upon the variable NSE MIBOR for the remaining 183 days and the interest stream of fixed rate for the said period, the difference of which will be settled between the parties at the expiry of the contract.

The above example illustrates the benefits and risks of using derivatives for hedging and optimising the investment portfolio. Swaps have its own drawbacks like credit risk, settlement risk. However, these risks are substantially reduced as the amount involved is interest streams and not principal.

Valuation of Derivative Products

The traded derivatives shall be valued at the closing price provided by the respective stock exchanges.

When a security is not traded on the respective stock exchange on the date of valuation, then the settlement price / any other derived price provided by the respective stock exchange.

The valuation of untraded derivatives shall be done in accordance with the valuation method for untraded investments prescribed in sub clauses (i) and (ii) of clause 2 of the Eighth Schedule to the Securities and

Exchange Board of India (Mutual Funds) Regulations, 1996 as amended from time to time.

Exposure to Derivatives

Losses may arise as a result of using derivatives, but these are likely to be compensated by the gains on the underlying cash instruments held by the Scheme.

Risk associated with Derivatives trading:

The risk associated with index futures is similar to the one with equity investments. Additional risks could be on account of illiquidity and hence mispricing of the futures at the time of purchase. As and when the Scheme trades in the derivatives markets, there are risk factors and issues concerning the use of derivatives. Derivative products are specialised instruments that require investment techniques and risk analyses different from those associated with stocks. The use of a derivative requires understanding of the underlying instrument as well as that of the derivative itself. Derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess risk that a derivative adds to the portfolio and the ability to forecast price movements correctly. There is the possibility that a loss may be sustained by the portfolio as a result of failure of another party (usually referred to as the "counter party") to comply with the terms of the derivatives contract. Other risks associated with trading in derivatives include the risks of mispricing or improper valuation of derivatives and inability of derivatives to correlate perfectly with underlying assets, indices.

The net impact for the Scheme will be in terms of the difference between the closing price of the index and cost price (ignoring margins for the sake of simplicity). Thus, profit or loss for the Scheme will be the difference between the closing price (which can be higher or lower than the purchase price) and the purchase price.

F. FUNDAMENTAL ATTRIBUTES

The Fundamental Attributes of the scheme are as mentioned under, in terms of Regulation 18 (15A) of the SEBI (MF) Regulations:

(i) **Type of a scheme**

Conservative Hybrid Fund - An open-ended hybr id scheme investing predominantly in debt instruments

(ii) **What is the investment objective of the scheme?**

To generate income by investing in a wide range of Debt Securities and Money Market instruments of various maturities and small portion in equities and Equity Related Instruments. However, there can be no assurance that the investment objective of the scheme will be realized

Investment pattern: Kindly refer to the Section II "Information about the Scheme" on page no 20 of this Scheme Information Document"

(iii) **Terms of Issue**

Listing/Redemption/Repurchase of Units: As mentioned in Section III "Units and Offer" on page No.43 of this SID

(iv) **Aggregate fees and expenses**

Please refer to **'Section IV'. 'Fees and Expenses'** on page No.71 of this SID.

In accordance with Regulation 18(15A) of the SEBI (MF) Regulations, the Trustees shall ensure that no change in the fundamental attributes of the Scheme(s) and the Plan(s) / Option(s) there under or the trust or fee and expenses payable or any other change which would modify the Scheme(s) and the Plan(s) / Option(s) there under and affect the interests of Unit holders is carried out unless:

A written communication about the proposed change is sent to each Unit holder and an advertisement is given in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated; and

The Unit holders are given an option for a period of 30 days to exit at the prevailing Net Asset Value without any exit load.

G. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE?

CRISIL Hybrid 85+15-Conservative Index

As approved by the Board of Directors/Trustees, CRISIL Hybrid 85+15-Conservative Index is the Benchmark selected for the Scheme. The benchmark has been chosen as the benchmark on the basis of the investment pattern/objective of the scheme and the composition of the index. Any change in the Benchmark Index for the fund would be actuated only post approval from Board of Directors/Trustees.

However The Trustees reserve the right to change the benchmark due to a change in market conditions, a different index appears to be providing a more appropriate basis for comparison of the Scheme performance or if the indicated benchmark ceases to exist or undergoes a substantial change that renders it an ineffective base for performance comparison and analysis. Any change in the Benchmark Index for the Scheme would be actuated only post appr3oOval from Board of Directors/Trustees.

H. WHO MANAGES THE SCHEME?

Mr. Avnish Jain (For Debt Portfolio) & Mr. Miyush Gandhi (For Equity Portfolio) are the Fund Managers for the Scheme. The details of Fund Managers are as follows:

Name of the Fund Manager	Age	Qualification	Experience (Years)	Other Funds Managed
Mr. Avnish Jain	51	PGDM - IIM, Kolkata and B.Tech (Hons) – IIT Kharagpur	25 years	• Canara Robeco Equity Hybrid Fund* • Canara Robeco Income Fund • Canara Robeco Corporate Bond Fund
Mr. Miyush Gandhi	37	Master of Business Administration, Bachelor of Commerce	12 years	• Canara Robeco Emerging Equities# • Canara Robeco Equity Diversified Fund# • Canara Robeco Infrastructure#

Jointly with Mr. Shridatta Bhandwaldar

^ Jointly with Ms. Suman Prasad

* jointly with Ms. Cheenu Gupta

Mr. Avnish Jain (For Debt Portfolio) & Mr. Miyush Gandhi (For Equity Portfolio) managing the schemes Since 15th June 2018 and 7th October 2013 respectively.

The aggregate investment in the scheme under the following categories:

I. AMC's Board of Directors - NIL

II. Concerned scheme's Fund Manager - NIL

III. Other Key managerial personnel - NIL

I. WHAT ARE THE INVESTMENT RESTRICTIONS?

Pursuant to the "SEBI Regulations", the following investment and other limitations are presently applicable to the Scheme, as the case maybe:

1. The Scheme shall buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relative securities and in all cases of sale, deliver the securities provided that a mutual fund may engage in short selling of securities in accordance with the frame work relating to short selling and securities lending and borrowing specified by the board. Provided further that the mutual fund may enter into derivatives transactions in a recognised stock exchange, in accordance with the guidelines issued by the Board. Provided further that the sale of government securities already contracted for purchase shall be permitted in accordance with the guide lines issued by the Reserve Bank of India in this regard.

2. The securities purchased by the Fund shall be got transferred in the name of the Mutual Fund on account of the concerned Scheme, wherever investments are intended to be of long term nature.

3. The scheme shall not invest more than 10% of its NAV in debt instruments comprising money market instruments and non-money market instruments issued by a single issuer which are rated not below investment grade by a credit rating agency authorised to carry out such activity under the Act. Such investment limit may be extended to 12% of the NAV of the scheme with the prior approval of the Board of Trustees and the Board of directors of the asset management company: Provided that such limit shall not be applicable for investments in Government Securities, treasury bills and collateralized borrowing and lending obligations: Provided further that investment within such limit can be made in mortgaged backed securitised debt which are rated not below investment grade by a credit rating agency registered with the Board: Provided further that the schemes already in existence shall within an appropriate time and in the manner, as may be specified by the Board, conform to such limits.

3a. A mutual fund scheme shall not invest in unlisted debt instruments including commercial papers, except Government Securities and other money market instruments:

    Provided that Mutual Fund Schemes may invest in unlisted non-convertible debentures up to a maximum of 10% of the debt portfolio of the scheme subject to such conditions as may be specified by the Board from time to time:

    Provided further that mutual fund schemes shall comply with the norms under this clause within the time and in the manner as may be specified by the Board:

    Provided further that the norms for investments by mutual fund schemes in unrated debt instruments shall be specified by the Board from time to time

4. The Mutual Fund shall enter into transactions relating to Government Securities only in dematerialised form. The investment within the limit can be made in mortgaged backed securitized debts which are not rated below the investment grade by credit rating agency registered with SEBI.

5. The Mutual Fund under all its Scheme(s) will not own more than 10% of any Company's paid up capital carrying voting rights. Provided, investment in the asset management company or the trustee company of a mutual fund shall be governed by clause (a), of sub-regulation (1), of regulation 7B.]

6. The Scheme shall not advance any loan for any purpose.

7. Pending deployment of funds of a scheme in terms of investment objectives of the scheme in terms of investment objectives of the scheme, a mutual fund may invest them in short term deposits of schedule commercial banks, subject to such Guidelines as may be specified by the SEBI Board.
   a) "Short Term" for parking of funds shall be treated as a period not exceeding 91 days.
   b) Such short-term deposits shall be held in the name of the Scheme.
   c) The Scheme shall not park more than 15% of the net assets in short term deposit(s) of all the scheduled commercial banks put together. However, such limit may be raised to 20% with prior approval of the Trustees.
   d) Parking of funds in short term deposits of associate and sponsor scheduled commercial banks together shall not exceed 20% of total deployment by the Mutual Fund in short term deposits.
   e) The Scheme shall not park more than 10% of the net assets in short term deposit(s), with any one scheduled commercial bank including its subsidiaries.
   f) The Scheme shall not park funds in short-term deposit of a bank, which has invested in the Scheme. The aforesaid limits shall not be applicable to term deposits placed as margins for trading in cash and derivatives market.
   g) AMC(s) shall not charge any investment management and advisory fees for parking of funds in short term deposits of scheduled commercial banks.
8. No mutual fund scheme shall invest more than 10 per cent of its NAV in the equity shares or equity related instruments of any company Provided that, the limit of 10 per cent shall not be applicable for investments in case of index fund or sector or industry specific scheme
9. All investments by a mutual fund scheme in equity shares and equity related instruments shall only be made provided such securities are listed or to be listed
10. Investment in other Schemes : The investment by the Scheme(s) in other Mutual Fund Schemes will be in accordance with Regulation 44(1) read with Clause 4 of the VII Schedule to the SEBI (Mutual Funds) Regulations, 1996 according to which :
   - The Scheme/s may invest in another scheme under the same asset management company or in any other mutual fund without charging any fees, provided the aggregate inter scheme investments made by all the schemes under the same management or in schemes under the management of any other AMC shall not exceed 5% of NAV of the mutual fund.
   - The Scheme/s shall not make any investment in any fund of fund scheme
11. The Scheme/s shall not make any investment in:
   - Any unlisted security of an associate or group company of the sponsor; or
   - Any security issued by way of private placement by an associate or group company of the sponsor; or
   - The listed securities of group companies of the sponsor which is in excess of 25% of the net assets.

11a. No scheme of a mutual fund shall make any investment in any fund of funds scheme.

12. The Fund shall not borrow except to meet temporary liquidity needs of the Fund for the purpose of redemption of units or payment of interest and dividend to the unit holders, provided that the fund shall not borrow more than 20% of the net assets of the individual scheme and the duration of the borrowing shall not exceed a period of 6 months.
13. Transfers of investments from one scheme to another scheme in the same mutual fund shall be allowed only if, -
   - Such transfers are done at the prevailing market price for quoted instruments on spot basis. [Explanation - "spot basis" shall have same meaning as specified by stock exchange for spot transactions.]
   - The securities so transferred shall be in conformity with the investment objective of the Scheme to which such transfer has been made.

14. The cumulative gross exposure through equity/equity related instruments, debt and derivative position shall not exceed 100% of the net assets of the scheme/s and the total exposure to option premium paid shall not exceed 20% of the net assets of the Scheme/s. Other provisions as contained in SEBI circular no CIR/MFD/DF/11/2010 dated 18th August 2010 shall also be complied with.

15. Total exposure of debt schemes of mutual funds in a particular sector (excluding investments in Bank CDs, TREPS, G-Secs, T-Bills, short term deposits of Scheduled Commercial Banks and AAA rated securities issued by Public Financial Institutions and Public Sector Banks) shall not exceed 20% of the net assets of the scheme;

    Provided that an additional exposure to financial services sector (over and above the limit of 20%) not exceeding 10% of the net assets of the scheme shall be allowed only by way of increase in exposure to Housing Finance Companies (HFCs).Further, an additional exposure of 5% of the net assets of the scheme has been allowed for investments in securitized debt instruments based on retail housing loan portfolio and/or affordable housing loan portfolio;

    Provided further that the additional exposure to such securities issued by HFCs are rated AA and above and these HFCs are registered with National Housing Bank (NHB) and the total investment/ exposure in HFCs shall not exceed 20% of the net assets of the scheme.

16. The Fund shall ensure that total exposure of debt schemes of mutual funds in a group (excluding investments in securities issued by Public Sector Units, Public Financial Institutions and Public Sector Banks) shall not exceed 20% of the net assets of the scheme. Such investment limit may be extended to 25% of the net assets of the Scheme with the prior approval of the Board of Trustees (for this purpose, a group means a group as defined under regulation 2 (mm) of SEBI (Mutual Funds) Regulations, 1996 (Regulations) and shall include an entity, its subsidiaries, fellow subsidiaries, its holding company and its associates).

    Further, the investments by debt mutual fund schemes in debt and money market instruments of group companies of both the sponsor and the asset management company shall not exceed 10% of the net assets of the scheme. Such investment limit may be extended to 15% of the net assets of the scheme with the prior approval of the Board of Trustees

    As per the provisions of SEBI circular dated 10th December, 2019 the investments of mutual fund schemes in debt and money market instruments of group companies of both the sponsor and the asset management company of the mutual fund in excess of the limits specified therein, made on or before October 1, 2019 may be grandfathered till maturity date of such instruments. The maturity date of such instruments shall be as applicable on October 1, 2019.

17 A mutual fund scheme may invest in exchange traded commodity derivatives subject to such investment restrictions as may be specified by the Board from time to time.

    Apart from the investment restriction prescribed under regulation , internal risk parameters for limiting exposure to a particular scrip or sector may be prescribe from time to time to respond to the dynamic market conditions and market opportunities.

All investment restrictions stated above shall be applicable at the time of making investment.

Apart from the investment restriction prescribed under regulation , internal risk parameters for limiting exposure to a particular scrip or sector may be prescribe from time to time to respond to the dynamic market conditions and market opportunities.

All investments of the Scheme will be made in accordance with the SEBI Regulations, including Seventh Schedule thereof.

AMC's investments in the Scheme

The AMC may invest in the scheme, such amount, as they deem appropriate. But the AMC shall not be entitled to charge any management fees on this investment in the scheme. Investments by the AMC will be in accordance with Regulation 24(3) of the SEBI (MF) Regulations, 1996 which states that:

"The asset management company shall not invest in any of its schemes unless full disclosure of its intention to invest has been made in the offer document, provided that the asset management company shall not be entitled to charge any fees on its investment in the scheme."

Underwriting by the Scheme

The scheme will not accept underwriting and sub underwriting obligations.

Policy for Inter-scheme Transfers

The Scheme may purchase / sell securities under the Scheme through the mode of Inter-Scheme Transfers, if such a security is under the buy / sell list of this Scheme and is on the sell / buy list of another Scheme under the Fund. Under such circumstances, the transactions will be effected based on the prevailing market price on spot basis and in conformity with Regulations. The valuation of untraded / unquoted securities and debt instruments shall be done in accordance with the general valuation policies of the Fund.

J. HOW HAS THE SCHEME PERFORMED?

Canara Robeco Conservative Hybrid Fund			Benchmark	
Period	**Regular Plan**	**Direct Plan**	**Regular Plan**	**Direct Plan**
Inception Date	24-04-1988			
Last 1 Yr	3.56%	4.60%	6.44%	6.44%
Last 3 Yrs	4.94%	6.05%	6.78%	6.78%
Last 5 Yrs	5.41%	6.59%	7.86%	7.86%
Since Inception	10.01%	8.79%	8.76%	9.25%

The past performance may or may not be sustained in the future. Date as on 31st March, 2020. Returns are based on Returns are based on Growth NAV of Regular Plan of Regular plan (for Direct Plan -Growth option) assuming reinvestment of dividend and are calculated on compounded annualized basis for a period of more than (or equal to) a year and absolute basis for a period less than a year. Inception Date: April 24, 1988. Different plans have a different expense structure. Returns are based on NAV of Regular Plan - Dividend Option.

An illustration:

Assuming, an investor has invested Rs.10, 000/- in the scheme having total expense ratio of 2.00%. The scheme generated a CAGR return of 10% over one year. Therefore,

Investment Amount (Rs.) (A) = 10,000

Scheme Return (1Year) in CAGR (%) (B) = 10%

Return in One Year (Rs.) (C= (A)*(1+B)) = 1,000

Total Expense Ratio (%) (D) = 2.00%

Impact of Total Expense Ratio (Rs.) (E=A*D) = 200

Total Return to the investor (Rs.) (F=C-E) = 800

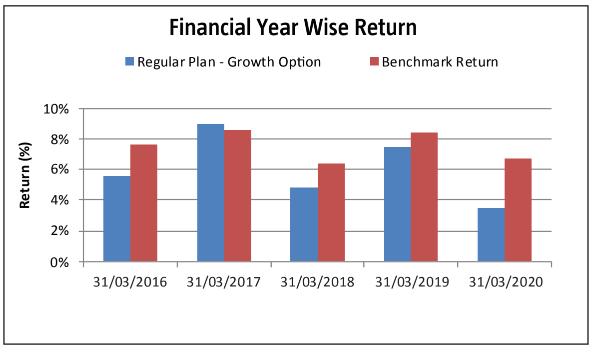
As mentioned in the illustration above, the schemes return to the investor is impacted by 2.00% due to the expense charged.

Please note that the above is an approximate illustration of the impact of expense ratio on the returns, where the Gross NAV has been simply reduced to the extent of the expenses. In reality, the actual impact would vary depending on the path of returns over the period of consideration. Expenses will be charged on daily net assets. These estimates have been made in good faith as per the information available to the Investment Manager based on past experience but the total expenses shall not exceed the limits permitted by SEBI. Types of expenses charged shall be as per the SEBI (MF) Regulations.

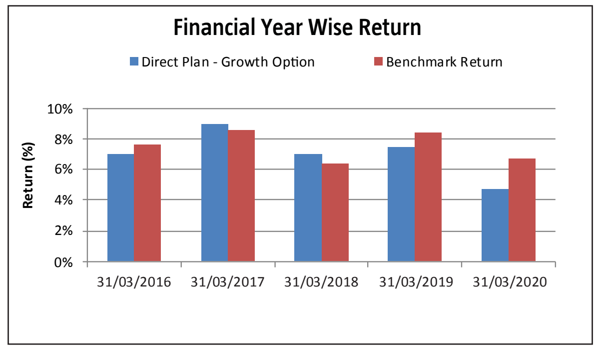
The purpose of the above illustration is to assist the investor in understanding the various costs and expenses that an investor in the scheme will bear directly or indirectly.

As mentioned in the illustration above, the schemes return to the investor is impacted by 2.00% due to the expense charge

Regular Plan



Direct Plan



The past performance may or may not be sustained in future. Graph shows one year performance for both the Plans for respective period.

Scheme's Portfolio Holdings as on March 31, 2020

A. Top 10 Holdings:

Name of the Instruments	% to NAV
7.27% GOI 08-APR-26	14.78%
LIC Housing Finance Ltd	7.50%
Indian Railway Finance Corporation Ltd	5.06%
Housing Development Finance Corporation Ltd	4.81%
REC Ltd	4.75%
Housing Development Finance Corporation Ltd	4.75%
Power Finance Corporation Ltd	4.75%
Aditya Birla Finance Ltd	4.70%
8.49% PUNJAB SDL UDAY 31-MAR-22	3.93%
Reliance Industries Ltd	2.55%

B. Fund Allocation towards various sectors:

Industry Classification	% to NAV
Cblo/Repo/Reverse Repo & Net Current Assets	9.16%
NCDs/Bonds	48.43%
Treasury Bills/ Sovereign	21.24%
Equity	21.18%
GRAND TOTAL	**100%**

C. Portfolio Turnover Ratio: N.A

For scheme's latest monthly portfolio holding visit www.canararobeco.com

K. How this scheme is different from the existing schemes of Canara Robeco Mutual Fund:

Canara Robeco Equity Hybrid Fund	Canara Robeco Conservative Hybrid Fund
Category/Type: Aggressive Hybrid Fund - An open-ended hybrid scheme investing predominantly in equity and equity related instruments	**Category/Type:** Conservative Hybrid Fund - An open-ended hybrid scheme investing predominantly in debt instruments
Investment Objective: To seek to generate long term capital appreciation and/or income from a portfolio constituted of equity and equity related securities as well as fixed income securities (debt and money market securities). However, there can be no assurance that the investment objective of the scheme will be realized	**Investment Objective:** To generate income by investing in a wide range of Debt Securities and Money Market instruments of various maturities and small portion in equities and Equity Related Instruments. However, there can be no assurance that the investment objective of the scheme will be realized.

Asset Allocation (Canara Robeco Equity Hybrid Fund)

Instruments	% of Investible (Indicative) Funds	
	Min	Max
Equity and equity related instruments- (Risk- High)	65%	80%
Debt and money market instruments (Risk- Low to Medium)	20%	35%
REITs/ InvITs - (Risk- Medium to High)	0%	10%

Asset Allocation (Canara Robeco Conservative Hybrid Fund)

Instruments	% of Investible (Indicative) Funds	
	Min	Max
Equity and equity related instruments- (Risk- High)	10%	25%
Debt securities (including Securitized debt) with Money Market Instruments - (Risk- Medium)	75%	90%

Canara Robeco Equity Hybrid Fund	Canara Robeco Conservative Hybrid Fund
Plans/Options: **Regular Plan** Growth Option Monthly Dividend Option (Payout and Reinvestment) **Direct Plan** Growth Option Monthly Dividend Option (Payout and Reinvestment)	**Plans/Options:** **Regular Plan** Growth Option Monthly Dividend Payout / Reinvestment Option Quarterly Dividend Payout/ Reinvestment Option **Direct Plan** Growth Option Monthly Dividend Payout / Reinvestment Option Quarterly Dividend Payout/ Reinvestment Option
Minimum Investment: **Lumpsum:** ₹ 5000 and in multiples of ₹ 1 thereafter. **Subsequent purchases:** Minimum amount of ₹ 1000 and multiples of ₹ 1 thereafter. **SIP:** For Any date/monthly frequency - ₹ 1000 and in multiples of ₹ 1 thereafter. For quarterly frequency - ₹ 2000 and in multiples of ₹ 1 thereafter. **STP:** For Daily/Weekly/Monthly frequency - ₹ 1000 and in multiples of ₹ 1 thereafter. For quarterly frequency - ₹ 2000 and in multiples of ₹ 1 thereafter. **SWP:** For monthly frequency - ₹ 1000 and in multiples of ₹ 1 thereafter For quarterly frequency - ₹ 2000 and in multiples of ₹ 1 thereafter.	**Minimum Investment:** **Lumpsum:** ₹ 5000 and in multiples of ₹ 1 thereafter. **Subsequent purchases:** Minimum amount of ₹ 1000 and multiples of ₹ 1 thereafter. **SIP:** For Any date/monthly frequency - ₹ 1000 and in multiples of ₹ 1 thereafter. For quarterly frequency - ₹ 2000 and in multiples of ₹ 1 thereafter. **STP:** For Daily/Weekly/Monthly frequency - ₹ 1000 and in multiples of ₹ 1 thereafter. For quarterly frequency - ₹ 2000 and in multiples of ₹ 1 thereafter. **SWP:** For monthly frequency - ₹ 1000 and in multiples of ₹ 1 thereafter For quarterly frequency - ₹ 2000 and in multiples of ₹ 1 thereafter.
Benchmark Index: CRISIL Hybrid 35+65-Aggressive Index	**Benchmark Index:** CRISIL Hybrid 85+15-Conservative Index
Fund Manager: For Equity Portfolio : Mr. Shridatta Bhandwaldar / Ms. Cheenu Gupta For Debt Portfolio : Mr. Avnish Jain	**Fund Manager:** For Debt Portfolio : Mr. Avnish Jain For Equity Portfolio : Mr. Miyush Gandhi
Entry Load: Nil** **Exit Load:** For any redemption/switch out upto 10% of units within 1 Year from the date of allotment – Nil For any redemption/switch out more than 10% of units within 1 Year from the date of allotment - 1% For any redemption/switch out after 1 Year from the date of allotment - Nil	**Entry Load:** Nil** **Exit Load:** For any redemption / switch out upto 10% of units within 1 Year from the date of allotment - Nil For any redemption / switch out more than 10% of units within 1 Year from the date of allotment - 1% For any redemption / switch out after 1 Year from the date of allotment - Nil
Monthend AUM# : 2,621.27 Crores **Monthly AVG AUM#** : 2,795.07 Crores	**Monthend AUM#** : 212.72 Crores **Monthly AVG AUM#** : 220.71 Crores
Expense Ratio as on 31st March 2020^ Regular Plan : 2.02% Direct Plan : 0.98%	**Expense Ratio as on 31st March 2020^** Regular Plan : 1.96% Direct Plan : 0.93%

III. UNITS AND OFFERS

This section provides details you need to know for investing in the scheme.

ONGOING OFFER DETAILS

Plans/Options Offered for subscription:

Canara Robeco Conservative Hybrid Fund	**Regular Plan:** a) Growth Option b) Dividend Option • Monthly Dividend Payout/ Reinvestment • Quarterly Dividend Payout/ Reinvestment **Direct Plan:** a) Growth Option b) Dividend Option • Monthly Dividend Payout/ Reinvestment • Quarterly Dividend Payout/ Reinvestment

Regular Plan:

Regular Plan is for investors who purchase /subscribe Units in the scheme through a Distributor.

Direct Plan:

Direct Plan is only for investors who purchase /subscribe Units in the Scheme directly with Canara Robeco Mutual Fund and is not available for investors who route their investments through a Distributor (AMFI registered distributor / ARN Holder).

Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc and no commission for distribution of Units will be paid / charged under Direct Plan.

Growth option

Under this option, no dividends will be declared. The income attributable to units under this option will continue to remain invested and will be reflected in the NAV of the units under this option.

Dividend Payout Option

Dividends, if declared, will be paid (subject to deduction of tax at source, if any) to those Unit holders whose names appear in the Register of Unit holders on the notified record date. The Trustee / AMC reserves the right to change record date from time to time. However, it must be distinctly understood that the actual declaration of dividend and the frequency thereof will inter-alia, depend on the availability of distributable profits as computed in accordance with SEBI (MF) Regulations. The decision of the Trustee in this regard shall be final. There is no assurance or guarantee to Unit holders as to the rate of dividend distribution nor will that dividends be paid regularly. In order to be a Unit holder, an investor has to be allotted Unit against receipt of clear funds by the Scheme/s. On payment of dividends, the NAV will stand reduced by the amount of dividend and dividend tax (if applicable) paid.

Dividend Reinvestment

The unit holders have the option to reinvest the Dividend declared by the Scheme/s. Such unit holders opting to reinvest the dividend receivable by them shall invest in additional units of the Scheme/s. Upon exercising such option, the dividend due and payable to the unit holders will be compulsorily and without any further act by the unit holders reinvested in the Scheme.

The dividends so reinvested shall be constructive payment of dividends to the unit holders and constructive receipt of the same amount from each unit holder, for reinvestment in units.

On reinvestment of dividends, the number of units to the credit of unit holder will increase to the extent of the dividend reinvested divided by the first 'Ex-income Distribution NAV' on the day of reinvestment as explained above.

Dividend reinvested under Canara Robeco Tax Saver would be subject to a locking Period of 3 years from the date of allotment of units

There shall not be any entry load, if any, for the dividends reinvested.

Default Option

In case of valid applications received without indicating any choice of options, it will be considered as option for Growth Option and processed accordingly.

In case of valid applications received without indicating any choice of option under Dividend Option, it will be considered as option for Dividend Reinvestment Option and processed accordingly.

In case of dividend option, if the investor does not clearly specify the choice of Monthly Dividend option / Quarterly Dividend option, it will be treated as a Monthly Dividend option.

In case of valid applications received the default plan will be captured based on below table

Scenario	Broker Code mentioned by the investor	Plan mentioned by the investor	Default Plan to be captured
1	Not mentioned	Not mentioned	Direct Plan
2	Not mentioned	Direct	Direct Plan
3	Not mentioned	Regular	Direct Plan
4	Mentioned	Direct	Direct Plan
5	Direct	Not mentioned	Direct Plan
6	Direct	Regular	Direct Plan
7	Mentioned	Regular	Regular Plan
8	Mentioned	Not mentioned	Regular Plan

In cases of wrong/ invalid/ incomplete ARN codes mentioned on the application form, the application shall be processed under Regular Plan. The AMC shall contact and obtain the correct ARN code within 30 calendar days of the receipt of the application form from the investor/ distributor. In case, the correct code is not received within 30 calendar days, the AMC shall reprocess the transaction under Direct Plan from the date of application without any exit load.

Minimum Amount for Purchase/ Redemption/ Switches

Kindly refer to the section "Scheme Summary" mentioned on page No. 3 in this Scheme Information Document

Special Products/Facilities available

I. Systematic Investment Plan (SIP)

Systematic Investment Plan is a simple and time honoured investment strategy aiding disciplined investing over a period of time.

Investors / Unit holders may enroll for SIP Auto Debit facility through Electronic Clearing Service (Debit Clearing) of the Reserve Bank of India or for SIP Direct Debit Facility / Standing Instruction Facility available with specified Bank(s)/ Branch(s). In order to enroll for SIP Auto Debit facility or Direct Debit Facility or Standing Instruction, an investor must fill-up the SIP Enrolment Form (for investment through Auto-Debit / ECS /Standing Instruction).

The features of Systematic Investment Plan are as under:

Any date/Monthly SIP Minimum amount per SIP	Rs. 1,000.00 and multiple of Re. 1.00 thereafter.
Quarterly SIP Minimum amount per SIP instalment	Rs. 2,000.00 and multiple of Re. 1.00 thereafter.
No. of SIP Installments applicable for both Monthly & Quarterly SIP a) Minimum b) Maximum	Six instalments No Limit
Periodicity	Any date SIP/ Monthly/Quarterly
The facility can be exercised on	For Any date SIP Investors can choose any date, as applicable, of their preference as SIP Debit Date between 1st to 28th of the month. Incase of no date mentioned, the default date considered will be 15th In case the chosen date falls on a Non-Business Day, then the SIP will be processed on the immediate next Business Day. For month and Quarterly frequency - 01st or 5th or 15th or 20th or 25th of every month /quarter (In case, the date fixed happens to be a holiday / non-business day, the cheques shall be deposited / ECS/Auto Debit Facility will be effected on the next business day.)
Applicable NAV and Cut-off time	For applications received before 3 p.m., closing NAV of the current business day shall be applicable. For applications received after 3 p.m., closing NAV of the next business day shall be applicable
Notice Period	Investors are given option to discontinue SIP by giving 15 days notice prior to the due date of the next instalment.

A. Introduction of SIP Top -UP Facility

It is a facility wherein an investor who is enrolling for SIP has an option to increase the amount of the SIP installment by a fixed amount at pre-defined intervals. Thus, an investor can progressively start increasing the amount invested, allowing him/her to gradually increase the investment corpus in a hassle-free manner.

The silent features of the said facility are as follows:

1. SIP Top- UP facility is applicable to an Investor who is enrolling for a new SIP.
2. Minimum Top – up Amount for the said facility will be Rs. 500/- & in multiples thereof. In case the Top –Up amount is not mentioned but the upper limit is included in the application/mandate form, the default top –up amount will be Rs. 500/-.
3. Frequency for the Top up facility :
   a) The said facility is available only for the SIP facility having frequency of Monthly and Quarterly.
   b) The investor can choose a frequency for the Top Up depending on the SIP frequency being opted. In case of a Monthly SIP, the investor can choose either a 'Half-yearly' or 'Annual' based Top-up frequency; while in case of a Quarterly SIP; the available Top-up frequency will only be 'Annual' based.
   c) In case SIP Top-Up frequency is not mentioned, the default frequency will be considered as 'Annual' for both monthly and Quarterly SIP.
4. The facility is available only for the investors who submit "One Time Mandate Form" i.e. NACH/ECS/Direct Debit Form mentioning the Maximum Amount. This will allow an investor to limit the total investment to a maximum amount as decided by the investor while filling up the Mandate Form.
5. Once the SIP Top-Up upper limit is reached, the Top – Up will be discontinued. However, the SIP will continue at the upper limit for the remaining SIP enrolment period. For further clarification, please refer the illustrations as mentioned below.
6. The initial investment under the SIP Top- UP will be subject to minimum SIP investment requirement, as applicable to the eligible schemes from time to time.
7. The Top-up details cannot be modified once enrolled. In order to make any changes, the investor must cancel the existing SIP and enroll for a fresh SIP with Top-up option.
8. SIP Top-up facility shall be available for SIP Investments through ECS (Debit Clearing) / Direct debit facility / NACH facility only.
9. For further details and Forms, investors are requested to refer our website (www.canararobeco.com) or visit nearest sales office of AMC/Investor's Service Center of Registrar viz. KFin Technologies Private Limited. All other terms & Conditions of the said addendum shall remain unchanged.

Illustrations:

1. Illustration 1 for SIP Top-Up (when upper limit is reached):

SIP enrolment period: 1 Jan 2016 to 1 Dec 2021;

Starting Monthly SIP amount : Rs. 10000

Top Up Amount: Rs. 2000

Top Up frequency: Half-Yearly

Top Up limit : Rs. 16000

From date	To date	Monthly SIP Instalment (Rs.)	SIP Top Up Amount (Rs.)	Total Amount of SIP (Rs.)
1-Jan-16	1-Jun-16	10000	NA	10000
1-Jul-16	1- Dec-16	10000	2000	12000
1-Jan-17	1-Jun-17	12000	2000	14000
1-Jul-17	1- Dec-17	14000	2000	16000
1-Jan-18	1-Dec-21	16000	-	16000

2. **Illustration 2 for SIP Top-Up (when upper limit is reached):**

ISIP enrolment period: 1 Jan 2016 to 1 Dec 2021;

Starting Quarterly SIP amount : Rs. 10000

Top Up Amount: Rs. 2000

Top Up frequency: Annually

Top Up limit : Rs. 16000

From date	To date	Quarterly SIP Instalment (Rs.)	SIP Top Up Amount (Rs.)	Total Amount of SIP (Rs.)
1-Jan-16	1-Dec-16	10000	NA	10000
1-Jan-17	1-Dec-17	10000	2000	12000
1-Jan-18	1-Dec-18	12000	2000	14000
1-Jan-19	1-Dec-19	14000	2000	16000
1-Jan-20	1-Dec-20	16000	-	16000

The Trustee / AMC reserves the right to change / modify the provisions mentioned above at a later date.

B. Systematic Investment Plan including Micro SIP

In accordance with AMFI notification and Guidelines issued, investments in mutual fund schemes [including investments in systematic Investment Plan (MICRO SIP)] by investor in a rolling 12-month period or in a financial year i.e. April to March does not exceed Rs 50,000/- (known as "Micro Investment") shall be exempted from the requirement of PAN. However, requirements of Know Your Customer (KYC) shall be mandatory. Accordingly, investors seeking the above exemption for PAN still need to submit the KYC Acknowledgement, irrespective of the amount of investment.

This exemption of PAN requirement is only available to individuals (including NRIs but not PIOs), Minors and Sole proprietary firms. HUFs cannot avail this exemption.

For the purpose of identifying Micro Investment Plans (including micro SIP, the value of investments at the investor level (first holder) will be aggregated based on the unique ID number mentioned on the KYC Acknowledgement and such aggregation shall be done irrespective of the number of folios/ accounts under which the investor is investing.

Investors who wish to enroll for Micro SIP are required to fill in the Micro SIP Enrolment Form available with the ISCs, distributors and also displayed on the website www.canararobeco.com. Investors are advised to read the terms and conditions carefully before enrolment.

All terms and conditions of Systematic Investment Plans (SIPs) shall apply to Micro SIPs. The Trustee reserves the right to change/modify the terms and conditions of Micro SIPs at a later date on a prospective basis.

C. National Automated Clearing House Facility (NACH)

Investors can enroll for investments in Systematic Investment Plan (SIP) through National Automated Clearing House (NACH) Platform. NACH is a centralized system, launched by National Payment Corporation of India (NPCI) for consolidation of multiple Electronic Clearing Service system. NACH facility can be availed only if the Investor's Bank is a participating Bank in NACH Platform and subject to Investors Bank accepting NACH Registration mandate. Registration Forms are available on www.canararobeco.com and at our Branch Offices. For registration under NACH, investors are required to submit registration form and requisite documents at least 31 days prior to the first SIP installment date. Existing Investors, who wish to invest in SIP through NACH will have to cancel the existing ECS/DD mandate and register under NACH. Once registered under this facility, for any modification to the mandate registered, Investors will have to cancel the existing SIP registration and re-register.

D. Pause facility under Systematic Investment Plan (SIP)

It is a facility wherein an investor has an option to stop their SIP temporarily (at a folio level) for a specified number of installments. Instructions for 'Pause' can be given by filling up 'Canara Robeco Mutual Fund - SIP Pause Form'.

The features, terms and conditions for availing the Pause facility are as follows:

1. Following SIPs shall be eligible for pause facility:
   - Online SIP's (ISIP from website and Kfinkart)
   - Offline SIPs registered through NACH, Direct Debit & Auto Debit
   - SIP frequency with Monthly frequency options only

2. Any SIP registered through Channel Partners, MF Utility and Exchange platforms shall not be eligible with pause facility.
3. The SIP shall continue from the subsequent instalment after the completion of Pause period automatically.
4. Pause request under SIP can be for minimum of 1 installment and for maximum of 6 installments.
5. Investor can opt for Pause facility twice during the tenure of a particular SIP.
6. The request for SIP Pause should be submitted at least 10 days prior to the subsequent SIP date.
7. SIP pause facility would be available for SIP opted by the investors, only under Monthly frequency.

The Trustee/AMC reserves the right to change/modify the provisions mentioned above at a later date.

II. Systematic Transfer Plan (STP):

STP is a facility wherein a unit holder of a Canara Robeco Mutual Fund scheme can opt to transfer a fixed amount or capital appreciation amount at regular intervals to another scheme of Canara Robeco Mutual Fund. The amount transferred under the STP from the Transferor scheme to the Transferee scheme, shall be effected by redeeming units of Transferor scheme and subscribing to the units of the Transferee scheme.The features of Systematic Transfer Plan are as under:

The features of Systematic Transfer Plan are as under:

Daily STP Minimum amount per STP instalment	Rs. 1,000 and multiple of Re. 1.00 thereafter per day for a minimum of One Month.
Weekly STP Minimum amount per STP instalment	Rs. 1,000 and multiple of Re. 1.00 thereafter
Monthly STP Minimum amount per STP instalment	Rs. 1,000.00 and multiple of Re. 1.00 thereafter
Quarterly STP Minimum amount per STP instalment	Rs. 2,000.00 and multiple of Re. 1.00 thereafter
Minimum No. of STP Instalments: For Daily Frequency For Weekly Frequency For both Monthly & Quarterly STP	Twenty-Five Instalments Six Instalments Six instalments
Maximum No. of STP Instalments: For Daily Frequency For Weekly Frequency For both Monthly & Quarterly STP	No Limit No Limit No Limit
Periodicity	Daily/ Weekly/ Monthly/Quarterly
The facility can be exercised on	**Daily:** On all Business Days. In case the chosen date falls on a Non-Business Day, then the STP will be processed on the immediate next Business Day. **Weekly:** Transfers will happen only on Mondays by default. In case, Monday being a non-business day, next business day will be considered for Transfer. **Monthly/ Quarterly:** 01st or 5th or 15th or 20th or 25th of every month / quarter. (In case, the date fixed happens to be a holiday / non-business day, the cheques shall be deposited / Auto Debit/Credit Facility will be affected on the next business day.)
Applicable NAV and Cut-off time	Applicable NAV and cut-off time as prescribed under the Regulation shall be applicable.
Notice Period	Investors are given option to discontinue STP by giving 15 days notice prior to the due date of the next instalment.

III. Systematic Withdrawal Plan (SWP):

Investors can use the SWP facility for regular inflows. Withdrawals can be made by informing the AMC or Registrar of the specified withdrawal dates and minimum amount as per the table below. The amount will be converted into units at the applicable repurchase price on that date and will be subtracted from the units with the unit holder. The AMC may close a unit holder's account if the balance falls below the specified minimum amount for the scheme. Unit holders may change the amount indicated in the SWP, subject to the minimum amount specified. The SWP may be terminated on written notice from the unit holder and it will terminate automatically when all the units of the unit holder are liquidated or withdrawn from the account.

The features of Systematic Withdrawal Plan (SWP) are as under:

Monthly SWP Minimum amount per SWP instalment	Rs. 1,000.00 and multiple of Re. 1.00 thereafter.
Quarterly SWP Minimum amount per SWP instalment	Rs. 2,000.00 and multiple of Re. 1.00 thereafter.
Periodicity	Monthly/Quarterly
Dates available for SWP Facility	01st or 5th or 15th or 20th or 25th of every month / quarter. (In case, the date fixed happens to be a holiday / non-business day, the cheques shall be deposited / Auto Debit/Credit Facility will be affected on the next business day.)
No. of SWP Instalments (applicable for both Monthly & Quarterly SWP) a) Minimum b) Maximum	Six instalments No Limit
Applicable NAV and Cut-off time	Applicable NAV and cut-off time as prescribed under the Regulation shall be applicable.
Notice Period	Investors are given option to discontinue SWP by giving 15 days notice prior to the due date of the next instalment.

IV. Switching Options

Unit holders under the Scheme(s) have the option to Switch part or all of their Unit holdings in the Scheme(s) to another scheme(s) established by the Mutual Fund, or within the Scheme(s) from one plan / option to another plan / option (subject to completion of lock-in period, if any) which is available for investment at that time. This Option will be useful to Unit holders who wish to alter the allocation of their investment among the scheme(s) / plan(s) / option(s) of the Mutual Fund in order to meet their changed investment needs. The Switch will be effected by way of a Redemption of Units from the Scheme / Plan and a reinvestment of the Redemption proceeds in the other scheme / plan and accordingly, to be effective, the Switch must comply with the Redemption rules of the Scheme and the issue rules of the other scheme (e.g. as to the minimum number of Units that may be redeemed or issued, Exit etc). The price at which the Units will be switched out of the Scheme(s) will be based on the Redemption Price, and the proceeds will be invested in the other scheme / plan at the prevailing sale price for units in that scheme / plan. No load shall be imposed for switching between the Plans / Options within the Scheme. The Switch request can be made on a pre-printed form or by using the relevant tear off section of the Transaction Slip enclosed with the Account Statement, which should be submitted at / may be sent by mail to any of the ISCs. An Account Statement reflecting the new holding will be dispatched to the Unit holders within Ten Business Days of completion of Switch transaction. The AMC retains the right to charge different Loads on Switching of Units as compared to Sale / Redemption of Units as the case may be.

The AMC reserves the right to impose Loads for Switching between plans within the Scheme or Options within the respective Plans at a future date.

V. Transactions through "Channel Distributors"

Investors may enter into an agreement with certain distributors (with whom AMC also has a tie up) referred to as "Channel Distributors" who provide the facility to investors to transact in units of mutual funds through various modes such as their website / other electronic means or through Power of Attorney in favour of the Channel Distributor, as the case may be. Under such arrangement, the Channel Distributors will aggregate the details of transactions (viz. subscriptions/redemptions/switches) of their various investors and forward the same electronically to the AMC / RTA for processing on daily basis as per the cut-off timings applicable to the relevant schemes. The Channel Distributor is required to send copy of investors' KYC proof and agreement entered into between the investor & distributor to the RTA (one time for central record keeping) as also the transaction documents / proof of transaction authorization as the case may be, to the AMC / RTA as per agreed timelines. In case KYC proof and other necessary documents are not furnished within the stipulated timeline, the transaction request, shall be liable to be rejected. Normally, the subscription proceeds, when invested through this mode, are by way of direct credits to the specified bank account of the Fund. The Redemption proceeds (subject to deduction of tax at source, if any, in case of NRIs) and dividend payouts, if any, are paid by the AMC to the investor directly through direct credit in the specified bank account of the investor or through issuance of payment instrument, as applicable. It may be noted that investors investing through this mode may also approach the AMC / Official Point(s) of Acceptance directly with their transaction requests (financial / non-financial) or avail of the online transaction facilities offered by the AMC. The Mutual Fund, the AMC, the Trustee, along with their directors, employees and representatives shall not be liable for any errors, damages or losses arising out of or in connection with the transactions undertaken by investors/distributors through above mode.

VI. Transactions through Stock Exchange Platform for Mutual Funds

(A) Transaction through Mutual Fund Service System ("MFSS") platform of National Stock Exchange of India Limited ("NSE")

In addition to the existing modes for transactions in the units of the Regular Plan of the scheme, investors can transact through Mutual Fund Service System (MFSS) platform of National Stock Exchange of India Limited (NSE). The Salient features of the facility are as follows:

1. Transaction for this purpose shall include purchase (including registration of SIP) and redemption. Switching of units will not be permitted through this platform.
2. The facility for purchase / redemption of units on MFSS will be available on all business days between 9.00 a.m.to 3.00 p.m. for Schemes other than Liquid and between 9.00 a.m. to 2.00 p.m. for Liquid Scheme, or such other time as may be decided from time to time by the Stock Exchange.
3. Official Point of Acceptance
   - i) All trading members of NSE who are registered with Association of Mutual Funds in India ("AMFI") as Mutual Fund Advisors and empanelled with Canara Robeco Mutual Fund shall be eligible to offer purchase and redemption of units to the investors of the scheme and shall be treated as official point of Acceptance.
   - ii) Clearing Members of registered Stock Exchanges and Depository participants of registered Depositories will also be considered as official point of Acceptance of Canara Robeco Mutual Fund ("CRMF").

4. Clearing members and depository participants shall be required to comply with conditions stipulated in SEBI circular vide reference no. 11/183204/2009 dated November 13, 2009 for stock broker's viz. AMFI /NISM certification, code of conduct prescribed by SEBI for Intermediaries of Mutual Fund.
5. Investors will be required to comply with Know Your Customer (KYC) norms as prescribed by BSE / NSDL /CDSL and Canara Robeco Mutual Fund to participate in this facility.
6. Cut off timing for purchase / redemption of units Time stamping as evidenced by confirmation slip given by stock exchange mechanism will be considered for the purpose of determining applicable NAV and cut off timing for the transactions. The applicability of NAV will be subject to guidelines issued by SEBI from time to time on uniform cut-off time for applicability of NAV.
7. CRMF will not send account statement to unitholders holding units in demat mode. The statement provided by the Depository Participant will be equivalent to account statement.
8. For all the transactions done through the platform separate folio number will be allotted and the bank account, address, nomination details, etc. shall be same as per the demat account of the investor.
9. For any grievances with respect to transactions in BSE StAR MF, the investors / unitholders should approach the Stock Broker or the investor grievances cell of the stock exchange.
10. This facility of transacting in the scheme through stock exchange infrastructure is available subject to such limits, regulations, operating guidelines, terms and conditions as may be prescribed by SEBI / BSE from time to time. The operating guidelines are available at NSE website viz.www.nseindia.com

B. Transaction through BSE StAR MF platform of Bombay Stock Exchange Limited ("BSE")

I. In addition to the existing modes for transactions in the units of the Regular Plan of the scheme, investors can also transact through BSE StAR MF platform of Bombay Stock Exchange Limited ("BSE"). The Salient features of the new facility are as follows:

1. Transaction for this purpose shall include purchase (including registration of SIP), redemption and switch facility.
2. The facility for purchase / redemption of units on BSE StAR MF will be available on all business days between 9.00 a.m.to 3.00 p.m. or such other time as may be decided from time to time.
3. Official Point of Acceptance:
   a. All trading members of BSE who are registered with Association of Mutual Funds in India (AMFI) as Mutual Fund Advisors and empanelled with CRMF shall be eligible to offer purchase and redemption of units to the investors of the scheme and shall be treated as official point of Acceptance.
   b. Clearing Members of registered Stock Exchanges and Depository participants of registered Depositories will also be considered as official point of Acceptance of CRMF. However Depository participants will be permitted to process only redemption requests of units held in demat form.
4. Clearing members and depository participants shall be required to comply with conditions stipulated in SEBI circular vide reference no. 11/183204/2009 dated November 13, 2009 for stock broker's viz. AMFI /NISM certification, code of conduct prescribed by SEBI for Intermediaries of Mutual Fund.
5. Investors will be required to comply with Know Your Customer (KYC) norms as prescribed by BSE / NSDL /CDSL and Canara Robeco Mutual Fund to participate in this facility.
6. Cut off timing for purchase / redemption of units Time stamping as evidenced by confirmation slip given by stock exchange mechanism will be considered for the purpose of determining applicable NAV and cut off timing for the transactions. The applicability of NAV will be subject to guidelines issued by SEBI from time to time on uniform cut-off time for applicability of NAV.
7. CRMF will not send account statement to unitholders holding units in demat mode. The statement provided by the Depository Participant will be equivalent to account statement.
8. For all the transactions done through the platform separate folio number will be allotted and the bank account, address, nomination details, etc. shall be same as per the demat account of the investor.
9. For any grievances with respect to transactions in BSE StAR MF, the investors / unitholders should approach the Stock Broker or the investor grievances cell of the stock exchange.
10. This facility of transacting in the scheme through stock exchange infrastructure is available subject to such limits, regulations, operating guidelines, terms and conditions as may be prescribed by SEBI / BSE from time to time. The operating guidelines are available at BSE website viz., www.bseindia.com

II. Switch facility is available under all schemes of CRMF which are transacted through BSE Star MF platform of Bombay Stock Exchange Limited ("BSE").

C. Transactions executed through Mutual Fund Distributors through NMF-II platform of National Stock Exchange of India Ltd.

1. Mutual Fund Distributor registered with Association of Mutual Funds in India (AMFI) and who has been permitted by the concerned recognized stock exchange will be eligible to use NMF-II platform of National Stock Exchange of India Ltd. ('NSE') to purchase and redeem units of schemes of the Fund directly from CRMF in physical (non-demat) mode and/or demat (electronic) mode.
2. MF distributors shall not handle pay out/pay in of funds as well as units on behalf of investor. Pay in will be directly received by recognized clearing corporation and payout will be directly made to investor's account. In the same manner, units shall be credited and debited directly from the demat account of investors.
3. Non-demat transactions are also permitted through stock exchange platform.
4. The facility of transacting in mutual fund schemes through stock exchange infrastructure is available subject to such operating guidelines, terms and conditions as may be prescribed by the respective Stock Exchanges from time to time.

D. Transaction through MF utilities India Private Limited

Canara Robeco Asset Management Company Limited ("the AMC") has entered into an Agreement with MF Utilities India Private Limited ("MFUI"), a "Category II - Registrar to an Issue" under SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, for usage of MF Utility ("MFU")a shared services initiative of various Asset

Management Companies under the aegis of Association of Mutual Funds in India ("AMFI"), which acts as a transaction aggregation portal for transacting in multiple Schemes of various Mutual Funds with a single form/transaction request and a single payment instrument/instruction. Accordingly, all financial and non-financial transactions pertaining to Schemes of Canara Robeco Mutual Fund can alsobe submitted through MFU either electronically or physically through the authorized Points of Service ("POS") of MFUI from 9th November, 2017. The list of POS of MFUI is published on the website of MFUI at www.mfuindia.com and may be updated from time to time.

For any queries or clarifications related to MFU, please contact the Customer Care of MFUI on 1800-266-1415 (during the business hours on all days except Sunday and Public Holidays) or send an email to connect@mfuindia.com.

E. Transaction through Indian Commodities Exchange (ICEX) platform

Following guidelines shall be applicable for transactions executed by MF Distributors through the ICEX Platform:

1. Transaction for this purpose shall include purchase (including registration of SIP) redemption and Switches.
2. The facility for purchase/redemption of units on ICEX platform will be available on all business days between 9.00 a.m.to 3.00 p.m. or such other time as may be decided from time to time.
3. **Official Point of Acceptance**

   All trading members of ICEX and Mutual Fund Distributors, who are registered with Association of Mutual Funds in India ("AMFI") as Mutual Fund Advisors/Distributors and empaneled with CRMF and permitted by ICEX to use its platform shall be eligible to offer purchase/redemption/Switch of units to the investors of the scheme/s through ICEX Platform in **physical or non-demat mode** only and it shall be treated as an Official Point of Acceptance.
4. Clearing Members/ICEX/Metropolitan Clearing Corporation of India (MCCIL) shall be required to comply with conditions stipulated in SEBI circular vide reference no. 11/183204/2009 dated November 13, 2009 for stock broker's viz. AMFI /NISM certification, code of conduct prescribed by SEBI for Intermediaries of Mutual Fund.
5. Investors will be required to comply with Know Your Customer ("KYC") norms as prescribed by ICEX and CRMF to participate in this facility.
6. **Cut off timing for purchase /redemption/Switch of units**

   Time stamping as evidenced by confirmation slip given by ICEX mechanism will be considered for the purpose of determining applicable NAV and cut off timing for the transactions. The applicability of NAV will be subject to guidelines issued by SEBI from time to time on uniform cut-off time for applicability of NAV.
7. MF distributors shall not handle pay out/pay in of funds as well as units on behalf of investor. Pay in will be directly received by MCCIL, recognized clearing corporation and payout will be directly made to investor's account. In the same manner, units shall be allotted or redeemed directly to/by the investors
8. The facility of transacting in mutual fund schemes through ICEX infrastructure is available subject to such operating guidelines, terms and conditions as may be prescribed by the ICEX/SEBI/CRMF from time to time.
9. For any grievances with respect to transactions executed through ICEX Platform, the investors/unit holders are requested to approach their Broker/Distributor or the investor grievances cell of the ICEX.

VII. <u>Online transactions through the website:</u>

Facility of online transactions is available on the official website of Canara Robeco Mutual Fund i.e. www.canararobeco.com. Consequent to this, the said website is declared to be an "official point of acceptance" for applications for subscriptions, redemptions, switches and other facilities .The Uniform Cut-off time as prescribed by SEBI and as mentioned in the Scheme Information Documents shall be applicable for applications received on the website. However, investors should note that transactions on the website shall be subject to the eligibility of the investor, any terms & conditions as stipulated by Canara Robeco Mutual Fund/Canara Robeco Asset Management Company Limited (CRAMC) from time to time and any law for the time being in force

VIII. **<u>Online Transactions through KFintech:</u>**

a. Transactions through KFintech MFS website

Facility of online transactions is also available on the website of KFin Technologies Private Limited, the Registrar and Transfer Agent for Canara Robeco Mutual Fund (CRMF) Schemes i.e. www.kfintech.com. Consequent to this, the said website is declared to be an "official point of acceptance". The Uniform Cut-off time as prescribed by SEBI and as mentioned in the Scheme Information Documents shall be applicable for applications received on the website. However, investors should note that transactions on the website shall be subject to the eligibility of the investor, any terms & conditions as stipulated by Canara Robeco Mutual Fund/Canara Robeco Asset Management Company Limited (CRAMC) / KFintech from time to time and any law for the time being in force.

b. Transactions through Electronic platform of KFin Technologies Private Limited

All Investors will be allowed to transact through www.kfintech.com, an electronic platform provided by KFin Technologies Private Limited, Registrar & Transfer Agent, in Schemes of Canara Robeco Mutual Fund ('CRMF') (except Exchange Traded Funds). The facility will also be available through mobile application of KFintech i.e. 'KTRACK' with effect from 3rd October, 2017. The uniform cut off time as prescribed under the SEBI (Mutual Funds) Regulations, 1996 and as mentioned in Scheme Information Documents ('SIDs')/Key Information Memorandums ('KIMs') of respective schemes of CRMF will be applicable for transactions received through KFintech's electronic platforms and the time of receipt of transaction recorded on the server of KFintech will be reckoned as the time of receipt of transaction for the purpose of determining applicability of NAV, subject to credit of funds to bank account of scheme(s), wherever applicable. The facility is subject to operating guidelines, terms and conditions as may be prescribed by KFintech or as may be specified by Canara Robeco Asset Management Company Ltd. from time to time. Time of receipt of transaction recorded on the server(s) of KFintech will continue to be reckoned for electronic transactions received through AMC website/Distributor website/applications etc. subject to credit of funds to bank account of scheme(s), wherever applicable. For operating guidelines, terms and conditions, registration form and further details, investors are requested to visit www.kfintech.com.

IX. Dividend Transfer Facility:

An investor applying for this facility can opt to automatically invest the dividend (as reduced by the amount of applicable statutory levy) to any open ended scheme of Canara Robeco Mutual Fund.

The dividend amount eligible for Dividend Transfer Facility would be subject to minimum investment requirement, as applicable from time to time, of the scheme to which dividend is being transferred.

The Investor can choose to avail of this facility at the time of making the application to subscribe to the units of the scheme by signing separately in the designated space in the application form and confirming their intention to avail Dividend Transfer Facility. Further, investor shall also have an option to apply for this facility by submitting a written request, at any time during the tenure of the scheme, not later than 10 working days prior to the maturity of the scheme.

Dividend Policy

The Scheme may distribute, surplus if any, by way of dividend, as may be decided by the Trustees from time to time. If there is no distributable surplus or surplus amount is too small for distribution, in the opinion of the Trustees, dividend may not be declared. The Scheme does not assure or guarantee any dividend or fully paid bonus units or returns.

In the event dividend is declared, Dividend warrants will be issued within 30 days from the date of declaration or such period that may be stipulated from time to time. The Dividend declared out of the Distributable Surplus of the Scheme will be paid net of tax deducted at source (TDS), to those unit holders whose names appear in the register of unit holders maintained by CRMF/Depositories/RTA on the date to be notified for the purpose. On payment of dividend, the NAV will stand reduced by the amount of dividend paid.

Those unit holders who have opted for Reinvestment facility under the Dividend Option(s), the dividend due will be reinvested net of TDS, as applicable, by allotting Units for the dividend amount at the prevailing ex-dividend NAV per Unit on the Record Date.

A Certificate showing the tax deducted at source will be issued by CRMF to the unit holders on periodic basis as provided for in the Income Tax Act, 1961.

In view of individual nature of tax consequences, each unit holder is advised to consult his / her own professional financial / tax advisor.

Dividend Distribution Procedure

In accordance with SEBI Circular no. SEBI/ IMD/ Cir No. 1/ 64057/06 dated April 4, 2006, the procedure for Dividend Distribution would be as under:

1. Quantum of dividend and the record date will be fixed by the Trustees. Dividend so decided shall be paid, subject to availability of distributable surplus.
2. Within one calendar day of decision by the Trustee, the AMC shall issue notice to the public communicating the decision about the dividend including the record date, in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of the region where the head office of the Mutual Fund is situated.
3. Record date shall be the date, which will be considered for the purpose of determining the eligibility of investors whose names appear on the register of unit holders for receiving dividends. The Record Date will be 5 calendar days from the issue of notice.
4. The notice will, in font size 10, bold, categorically state that pursuant to payment of dividend, the NAV of the Scheme would fall to the extent of payout and statutory levy (if applicable).
5. The NAV will be adjusted to the extent of dividend distribution and statutory levy, if any, at the close of business hours on record date.
6. Before the issue of such notice, no communication indicating the probable date of dividend declaration in any manner whatsoever will be issued by Mutual Fund.

Dividend Reinvestment

The unit holders have the option to reinvest the Dividend declared by the Scheme/s. Such unit holders opting to reinvest the dividend receivable by them shall invest in additional units of the Scheme/s. Upon exercising such option, the dividend due and payable to the unit holders will be compulsorily and without any further act by the unit holders reinvested in the Scheme/s.

The dividends so reinvested shall be constructive payment of dividends to the unit holders and constructive receipt of the same amount from each unit holder, for reinvestment in units.

On reinvestment of dividends, the number of units to the credit of unit holder will increase to the extent of the dividend reinvested divided by the first 'Ex-income Distribution NAV' on the day of reinvestment as explained above. There shall, however, be no entry load on the dividends so reinvested.

Threshold Limit for 'Dividend Payout' Option

If the dividend amount payable to the unit holders under the 'Dividend Payout' option under a folio is less than or equal to Rs. 250/- and where complete bank account details are not provided by the unitholders, then such amount will be compulsorily reinvested wherever reinvestment option is available under the scheme(s) and an account statement will be sent to the investors at their Registered Address.

The dividend shall be re-invested at the prevailing ex-dividend Net Asset Value per Unit on the record date. There shall be no Exit Load on the dividend so reinvested. The dividends so reinvested shall constitute a constructive payment of dividends to the Unit holders and a constructive receipt of the same amount from each Unit holder for reinvestment in Units.

Allotment

Allotment of Units to the eligible applicants under the Scheme who comply with the terms of the scheme.

Subject to the receipt of the specified minimum subscription amount, full allotment of Units applied for will be made within 5 business days from the date of closure of the NFO Period for all valid applications received during the NFO Period. Allotment of units will be made to all the applicants provided the applications are complete in all respects. [Fractional units will be allotted up to three decimals]. However, acceptance of application and allotment of units / fractional units will be at the absolute discretion of the Trustees and the application can be rejected without assigning any reason whatsoever.

Date of subscription at the notified centers is deemed to be the date of allotment for claiming tax benefits under the Scheme, provided the application has not been rejected by the Fund subsequently for the reasons explained above.

Allotment Confirmation / Consolidated Account Statement (CAS):

AMC shall send allotment confirmation specifying the number of units allotted to the investor by way of email and/or SMS's to the investors' registered email address and/or mobile number not later than 5 (five) business days from the date of closure of the New Fund Offer Period. A Consolidated Account Statement (CAS) shall also be sent to the unitholder in whose folio transactions have taken place during that month, on or before 10th of the succeeding month by e-mail/mail. In case of specific request received from investors, Mutual Fund will provide an account statement to the investors within 5 (five) Business Days from the receipt of such request.

Further, SEBI vide its circular ref. no.CIR/MRD/DP/31/2014 dated November 12, 2014, in order to enable a single consolidated view of all the investments of an investor in Mutual Fund and securities held in demat form with Depositories, has required Depositories to generate and dispatch a single consolidated account statement for investors having mutual fund investments and holding demat accounts. In view of the said requirements the account statements for transactions in units of the Fund by investors on or after February 1, 2015 will be dispatched to investors in following manner:

I. Investors who do not hold Demat Account

Consolidated account statement*, based on PAN of the holders, shall be sent by AMC/ RTA to investors not holding demat account, for each calendar month within 10th day of the succeeding month to the investors in whose folios transactions have taken place during that month. Consolidated account statement shall be sent by AMC/RTA every half yearly (September/ March), on or before 10th day of succeeding month, detailing holding at the end of the six month, to all such investors in whose folios there have been no transactions during that period.

*Consolidated account statement sent by AMC/RTA is a statement containing details relating to all financial transactions made by an investor across all mutual funds viz. purchase, redemption, switch, dividend payout, dividend reinvestment, systematic investment plan, systematic withdrawal plan, systematic transfer plan, bonus etc. (including transaction charges paid to the distributor) and holding at the end of the month.

II. Investors who hold Demat Account

Consolidated account statement**, based on PAN of the holders, shall be sent by Depositories to investors holding demat account, for each calendar month within 10th day of the succeeding month to the investors in whose folios transactions have taken place during that month. Consolidated account statement shall be sent by Depositories every half yearly (September/March), on or before 10th day of succeeding month, detailing holding at the end of the six month, to all such investors in whose folios and demat accounts there have been no transactions during that period.

In case of demat accounts with nil balance and no transactions in securities and in mutual fund folios, the depository shall send account statement in terms of regulations applicable to the depositories.

**Consolidated account statement sent by Depositories is a statement containing details relating to all financial transactions made by an investor across all mutual funds viz. purchase, redemption, switch, dividend payout, dividend reinvestment, systematic investment plan, systematic withdrawal plan, systematic transfer plan, bonus etc. (including transaction charges paid to the distributor) and transaction in dematerialised securities across demat accounts of the investors and holding at the end of the month.

Following provisions shall be applicable to CAS sent through AMC/ RTA and CAS sent through depositories:

a. Investors are requested to 3note that for folios which are not included in the CAS, AMC shall henceforth issue monthly account statement to the unit holders, pursuant to any financial transaction done in such folios; the monthly statement will be sent on or before tenth day of succeeding month. Such statements shall be sent in physical form if no email id is provided in the folio.

b. The statement sent within the time frame mentioned above is provisional and is subject to realisation of payment instrument and/or verification of documents, including the application form, by the RTA/AMC.

c. In the event the folio/demat account has more than one registered holder, the first named Unit holder/Account holder shall receive the CAS (AMC/RTA or Depository). For the purpose of CAS (AMC/RTA or Depository), common investors across mutual funds/depositories shall be identified on the basis of PAN. Consolidation shall be based on the common sequence/order of investors in various folios/demat accounts across mutual funds / demat accounts across depository participants.

d. Investors whose folio(s)/demat account(s) are not updated with PAN shall not receive CAS. Investors are therefore requested to ensure that their folio(s)/demat account(s) are updated with PAN.

e. For Unit Holders who have provided an e-mail address in KYC records, the CAS will be sent by e-mail.

f. The Unit Holder may request for a physical account statement by writing to/calling the AMC/RTA. In case of a specific request received from the unit holders, the AMC/RTA shall provide the account statement to the unit holders within 5 business days from the receipt of such request.

g. Account Statements shall not be construed as proof of title and are only computer printed statements indicating the details of transactions under the Schemes during the current financial year and giving the closing balance of Units for the information of the Unit Holder.

h. Non-transferable Unit Certificates will be sent, if an applicant so desires, within 5 Business Days of the receipt of a request for the certificate. Unit Certificates will not be issued for any fractional Units entitlement.

i. Units held, either in the form of Account Statement or Unit Certificates, are non-transferable. The Trustee reserves the right to make the Units transferable at a later date subject to SEBI (MF) Regulations issued from time to time.

Half Yearly Consolidated Account Statement:

A consolidated account statement detailing holding across all schemes at the end of every six months (i.e. September/ March), on or before 10th day of succeeding month, to all such Unit holders in whose folios no transaction has taken place during that period shall be sent by mail/email.

The half yearly consolidated account statement will be sent by e-mail to the Unit holders whose e-mail address is registered with the Fund, unless a specific request is made to receive in physical.

Unit holders who receive account statements by e-mail may download the documents after receiving e-mail from the Fund. Should the Unit holder experience any difficulty in accessing the electronically delivered documents, the Unit holder shall promptly advise the Fund to enable the Fund to make the delivery through alternate means. It is deemed that the Unit holder is aware of all security risks including possible third party interception of the documents and contents of the documents becoming known to third parties.

Further, as per the provisions of SEBI circular dated 20thSeptember, 2016 CAS issued for the half-year shall also provide the following (applicable from 1st October, 2016):

- The amount of actual commission paid by AMCs/Mutual Funds (MFs) to distributors (in absolute terms) during the half-year period against the concerned investor's total investments in each scheme.
- The scheme's average Total Expense Ratio (in percentage terms) for the half-year period for each scheme's applicable plan (regular or direct or both) where the concerned investor has actually invested in.

Such half-yearly CAS shall be issued to all investors, excluding those investors who do not have any holdings in MF schemes and where no commission against their investment has been paid to distributors, during the concerned half-year period. Aforesaid Consolidated Account Statement (CAS) will issued in line with SEBI circular dated 20th September, 2016 and 22nd October, 2018

Unit Certificates:

Normally no unit certificates will be issued under the Scheme. However, if the unitholder so desires, the AMC shall issue a unit certificate to the unitholder within 30 days of the receipt of request for the certificate. The cost of stamp duty paid for issuing the unit certificate will form part of the annual ongoing expenses and/or may be recovered from the Unitholder. However, such unit certificates are not tradable with the Stock Exchange.

Option to hold Units in dematerialized (demat) form

The Unit holders under the Scheme(s)/Plan(s) shall have an option to subscribe/ hold the Units in demat form in accordance with the provisions laid under the respective Scheme(s)/Plan(s) and in terms of the guidelines/ procedural requirements as laid by the Depositories (NSDL/CDSL) from time to time.

Investors intending to hold units in electronic (demat) form will be required to have beneficiary account with a Depository Participant (DP) (registered with NSDL / CDSL) and will be required to indicate, in the application form, the DP's name, DP ID Number and the Beneficiary account number of the applicant held with the DP at the time of subscribing to the units. Applicants must ensure that the sequence of the names as mentioned in the application form matches with that of the beneficiary account held with the DP. Names, PAN details, KYC details etc. mentioned in the Application Form will be verified against the Depository records. If the details mentioned in the application form are found to be incomplete / incorrect or not matching with the depository records, the application shall be treated as application for physical (non-demat) mode and accordingly units will be allotted in physical (non-demat) mode. Unitholders who have opted to hold and thereby allotted units in electronic (demat) form will receive payment of redemption / dividend proceeds into bank account linked to their Demat account.

In case, the Unit holder desires to hold the Units in a Dematerialized /Rematerialized form at a later date, the request for conversion of units held in non-demat form into Demat (electronic) form or vice-versa should be submitted alongwith a Demat/Remat Request Form to their Depository Participants.

Units held in demat form will be transferable subject to the provisions laid under the respective Scheme(s)/Plan(s) and in accordance with provisions of Depositories Act, 1996 and the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as may be amended from time to time.

Redemption

The redemption or repurchase proceeds shall be dispatched to the unit holders within 10 working days from the date of redemption or repurchase.

Dividend

The dividend warrants shall be dispatched to the unitholders within 30 days of the date of declaration of the dividend.

Delay in payment of redemption / repurchase proceeds

The Asset Management Company shall be liable to pay interest to the unit holders at such rate as may be specified by SEBI for the period of such delay (presently @ 15% per annum).

Investment of unclaimed redemption and dividend amounts of the schemes of the CRMF:

Pursuant to SEBI circular no. SEBI/HO/IMD/DF2/CIR/P/ 2016/37 dated February 25, 2016 issued on "Treatment of unclaimed redemption and dividend amounts", the new plan viz. Canara Robeco Liquid – Unclaimed Redemption & Dividend Plan – Direct Growth Option has been introduced with the limited purpose of deploying the unclaimed redemption and dividend amounts of the schemes of the Canara Robeco Mutual Fund ("CRMF").

The said Plan will not be available for subscription/switch-in by investors/Unit Holders of the schemes of the CRMF.No exit load will be charged on the plan and the total expense ratio of the Plan will be capped at 50 bps. All other terms and conditions of the Scheme remain unchanged.

Foreign Account Tax Compliance Act

FATCA is an acronym for Foreign Account Tax Compliance Act ("FATCA"), a United States Federal law to increase compliance by US taxpayers and is intended to bolster efforts to prevent tax evasion by the US taxpayers with offshore investments. The Government of India and the United States of America (US) have reached an agreement in substance on the terms of an Inter- Governmental Agreement (IGA) and India is now treated as having an IGA in effect from April 11, 2014. The AMC/Fund are likely to be classified as a 'Foreign Financial Institution' (Investment Entity as per Annexure 1(i)) under the FATCA provisions. In accordance with FATCA provisions, the AMC/Mutual Fund will be required to undertake due diligence process and identify US reportable accounts and collect such information/documentary evidences of the US and/or non-US status of its investors/Unit holders and disclose such information (through its agents or service providers) as far as may be legally permitted about the holdings, investment returns and/or to US Internal Revenue Service (IRS) or the Indian Tax Authorities, as the case may be for the purpose of onward transmission to the IRS pursuant to the new reporting regime under FATCA.

Cash Investments in mutual funds

In order to enhance the reach of mutual fund products amongst small investors, who may not be tax payers and may not have PAN/bank accounts, such as farmers, small traders/businessmen/workers, SEBI vide its circular dated 13th September, 2014 and 22nd May, 2014 has permitted receipt of cash transactions for fresh purchases/additional purchases to the extent of Rs.50,000/- per investor, per Mutual Fund , per financial year shall be allowed subject to:

I. Compliance with Prevention of Money Laundering Act,2002 and Rules framed there under; the SEBI Circular(s)on Anti Money Laundering (AML) and other applicable Anti Money Laundering Rules, Regulations and Guidelines; and

II. Sufficient systems and procedures in place. However, payment towards redemptions, dividend, etc. with respect to aforementioned investments shall be paid only through banking channel.

    The Fund/ AMC is currently in the process of setting up appropriate systems and procedures for the said purpose. Appropriate notice shall be displayed on its website viz. as well as at the Investor Service Centres, once the facility is made available to the investors.

Note: Canara Robeco Mutual Fund does not accept investments in cash at present.

Who can invest?

(This is an indicative list and you are requested to consult your financial advisor to ascertain whether the scheme is suitable to your risk profile.)

1. Adult Individual(s) and also minor(s) through their parent/guardian. (Application of minors jointly with adults not allowed).
2. Adult Individual(s) jointly not exceeding three.
3. Hindu Undivided Family (HUF)
4. Partnership Firms
5. A Company as defined in the Companies Act, 1956, Public Sector Undertakings.
6. A Body Corporate established by or under any law in force in India.
7. A Co-operative Society registered under any law relating to Co-operative Societies in India.
8. A Religious or Charitable Trust / Wakfs or a Society established under the relevant laws and authorised to invest in Mutual Fund Schemes.
9. FIIs registered with SEBI.
10. Banks and Financial Institutions.
11. Pension Funds/Pension Fund Managers.
12. Non Resident Indians (NRIs) and Persons of Indian Origin (PIOs) on repatriation / non-repatriation basis.
13. Army, Air Force, Navy and other para-military units and bodies created by such institutions. Scientific and Industrial Research Organisations.
14. Multilateral Funding Agencies / Body Corporates incorporated outside India with the permission of Government of India / Reserve Bank of India
15. Qualified Foreign Investor (QFI) as per SEBI circular CIR / IMD / DF / 14 / 2011 dated August 9, 2011 as and when applicable
16. Other Schemes of the Fund subject to the conditions and limits prescribed under SEBI Regulations.
17. NRIs and PIOs
18. Any other category of investors that may be permitted by the Trustees in conformity with SEBI (MF) Regulations.

Notes :

1. Non Resident Indians (NRIs) and Persons of Indian Origin (PIOs) residing abroad /Overseas Citizens of India (OCI) / Foreign Institutional Investors (FIIs)/ Foreign Portfolio Investors (FPIs) have been granted a general permission by Reserve Bank of India under Schedule 5 of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 for investing in / redeeming units of the mutual funds subject to conditions set out in the aforesaid regulations.
2. In case of application(s) made by Individual Investors under a Power of Attorney, the original Power of Attorney or a certified true copy duly notarised should be submitted. In case of applications made by NonIndividual Investors, the authorized signatories / officials of NonIndividual investors should sign the application under their official designation and as per the authority granted to them under their Constitutive Documents/Board resolutions, etc. A list of specimen signatures of the authorized officials, duly certified / attested should also be attached to the Application Form. The Fund/AMC/Trustees shall deem that the investments made by the Investors are not prohibited by any law/Constitutive documents governing them and they possess the necessary authority to invest/transact.
3. Investors desiring to invest / transact in mutual fund schemes are required to comply with the KYC norms applicable from time to time. Under the KYC norms, Investors are required to provide prescribed documents for establishing their identity and address such as copy of the Memorandum and Articles of Association / bye-laws/trust deed/partnership deed/ Certificate of Registration along with the proof of authorization to invest, as applicable, to the KYC Registration Agency (KRA) registered with SEBI. The Fund / AMC / Trustees / other intermediaries will rely on the declarations/affirmations provided by the Investor(s) in the Application/Transaction Form(s) and the documents furnished to the KRA that the Investor(s) is permitted/ authorised by the Constitution document/ their Board of Directors etc. to make the investment / transact. Further, the Investor shall be liable to indemnify the Fund / AMC / Trustee / other intermediaries in case of any dispute regarding the eligibility, validity and authorization of the transactions and / or the applicant who has applied on behalf of the Investors. The Fund / AMC / Trustee reserves the right to call for such other information and documents as may be required by it in connection with the investments made by the investor.
4. Returned cheques are liable not to be presented again for collection, and the accompanying application forms are liable to be rejected. In case the returned cheques are presented again, the necessary charges are liable to be debited to the investor.
5. The Trustee reserves the right to recover from an investor any loss caused to the Scheme on account of dishonour of cheques issued by the investor for purchase of Units of this Scheme.
6. No request for withdrawal of application will be allowed after the closure of New Fund Offer Period.
7. Subject to the SEBI (MF) Regulations, any application for Units may be accepted or rejected in the sole and absolute discretion of the Trustee. The Trustee may inter-alia reject any application for the purchase of Units if the application is invalid or incomplete or if the Trustee for any other reason does not believe that it would be in the best interest of the Scheme or its Unitholders to accept such an application.

Who cannot invest?

The following persons are not eligible to invest in the Scheme:

- Pursuant to RBI A.P. (DIR Series) Circular No. 14 dated September 16, 2003, Overseas Corporate Bodies (OCBs) cannot invest in Mutual Funds.
- NRIs and foreign nationals residing in Non-Compliant Countries and Territories (NCCTs) as determined by the Financial Action Task Force (FATF), from time to time.
- NRIs and PIOs who are residents of the United States of America/defined as United States Persons under applicable laws/ statutes and the residents of Canada and USA
- Such other persons as may be specified by AMC from time to time.

Where can the application for purchase/redemption/switches

KFin Technologies Private Limited
Selenium Tower B, Plot number 31 & 32 | Financial District
Gachibowli | Hyderabad 500 008 | India

Website: www.kfintech.com
Submission of forms for subscription and redemption during ongoing sale / redemption can be made at the Sales Offices of the AMC (Please refer the back cover page) or Official Points of Acceptance of the R & T Agent.

How to apply?

Please Refer the SAI and Application Form for the instructions

Please note that it is mandatory for Unit holders to:

1. Mention their bank account number in their application for purchase of units and redemption requests.
2. Mention their Permanent Account Number (PAN) in their application

Listing

As the repurchase facility is provided on an ongoing basis, at NAV related prices, the units of the Scheme/s are not listed on any Stock Exchanges. However, the Mutual Fund may at its sole discretion list the Units under the Scheme(s) on one or more stock exchange at a later date.

The policy regarding reissue of repurchased units, including the maximum extent, the manner of reissue, the entity (the scheme or the AMC) involved in the same.

The number of Units held by the Unit holder under his folio will stand reduced by the number of Units redeemed. Presently, the AMC does not intend to reissue the repurchased units However, the Trustees reserve the right to reissue the repurchased units at a later date after issuing adequate public notice and taking approvals, if any, from SEBI.

Restrictions, if any, on the right to freely retain or dispose of units being offered

SUSPENSION OF SALE / REDEMPTION OF UNITS

Further, the Mutual Fund at its sole discretion reserves the right to suspend sale and Redemption of Units in the Scheme temporarily or indefinitely when any of the following conditions exist. However, the suspension of sale and Redemption of Units either temporarily or indefinitely will be with the approval of the Trustee:

1. When one or more stock exchanges or markets (including bullion markets, forex markets which provide for valuation), are closed otherwise than for ordinary holidays.
2. When, as a result of political, economic or monetary events or any circumstances outside the control of the Trustee and the AMC, the disposal of the assets of the Scheme are not reasonable, or would not reasonably be practicable without being detrimental to the interests of the Unit holders.
3. In the event of breakdown in the means of communication used for the valuation of investments of the Scheme, without which the value of the securities of the Scheme cannot be accurately calculated.
4. During periods of extreme volatility of markets, which in the opinion of the AMC are prejudicial to the interests of the Unit holders of the Scheme.
5. In case of natural calamities, strikes, riots and bandhs etc.
6. In the event of any force majeure or disaster that affects the normal functioning of the AMC or the ISC.
7. During the period of Book Closure.
8. If so directed by SEBI.

The AMC reserves the right in its sole discretion to withdraw the facility of Sale of Units of the Scheme, temporarily or indefinitely, if AMC views that changing the size of the corpus further may prove detrimental to the existing Unit holders of the Scheme.

Suspension or restriction of Redemption facility shall be made applicable only after the approval of the Board of Directors of the AMC and the Trustee. The approval from the AMC Board and the Trustee giving details of circumstances and justification for the proposed action shall also be informed to SEBI in advance.

Further, Trading on stock exchanges may be halted (temporarily or indefinitely) because of market conditions or for reasons, that in view of the Exchange authorities or SEBI, trading in units of the scheme is not advisable.

Right to Limit Redemptions

Subject to complying with the requirements as stated in the SEBI circular no. SEBI/HO/IMD/DF2/CIR/P/2016/57 dated 31st May, 2016 the following requirements shall be observed before imposing restriction on redemptions.

The AMC with the specific approval of Board of Trustees and Directors under immediate intimation to SEBI, may impose restriction to the redemptions of units of the scheme when there are circumstances leading to a systemic crisis or event that severely constricts market liquidity or the efficient functioning of markets such as Liquidity issues, Market failures, exchange closures, Operational issues like force majeure, technical failures etc.

Such restrictions will not exceed 10 working days in a period of 90 days. No redemption requests up to INR 2 lakh will be subject to any restrictions. Where redemption requests are above INR 2 lakh, AMC will redeem the first INR 2 lakh without restrictions and remaining part over and above INR 2 lakh will be subject to the following restrictions.

The AMC may restrict the maximum number of units that may be redeemed from a scheme/options on a business day to 5% of the total number of Units then in issue under the Scheme and option(s) thereof (or such higher percentage as the AMC may decide in any particular case) excluding the units that will be redeemed as per regulations without restrictions as above.

Ongoing price for redemption (sale) /switch outs (to other schemes/plans of the Mutual Fund) by investors.

At the applicable NAV subject to prevailing exit load.

This is the price an investor will receive for redemptions/switch outs.

Example: If the applicable NAV is Rs. 10, exit load is 1% then redemption price will be: Rs. 10* (1-0.01) = Rs. 9.90

Ongoing price for purchase/switch in (to other schemes/plans of the Mutual Fund) by investors.

At the applicable NAV.subject to load, if any.

This is the price an investor will pay for purchase/switch in.

Example: If the applicable NAV is Rs. 10, entry load is 1% then redemption price will be: Rs. 10* (1+ 0.01) = Rs. 10.10

Applicable NAV for Sale of Units / Switch In

I. For applicable NAV and allotment of units in respect to sale of units in the schemes with amount less than Rs.2 lakhs, it shall be ensured that
   a. For applications received up to 3 p.m, along with instruments payable at par at the place of receipt, closing NAV of the same day on which the application is received shall be applicable.
   b. For applications received after 3 p.m, along with instruments payable at par at the place of receipt, closing NAV of the next business day shall be applicable.
   c. For applications received with outstation instruments not payable at par at the place of receipt, closing NAV of the day of realization of the instruments shall be applicable.
   d. For applications received on non-business day along with instruments payable at par at the place of receipt, closing NAV of the next business day shall be applicable

II. For applicable NAV and allotment of units in respect to sale of units in the schemes with amount equal to or more than Rs.2 lakhs , it shall be ensured that
   a. For applications received up to 3 p.m on a day and funds for entire amount of subscription/ purchase as per application are credited to the Bank account of the scheme before 3 p.m – the closing NAV of the day shall be applicable.
   b. For applications received after 3 p.m. on a day and funds for entire amount of subscription/ purchase as per application are credited to the Bank account of the scheme before 3 p.m. of the next business day - the closing NAV of the next business day shall be applicable.
   c. irrespective of the time of receipt of application, where funds for entire amount of subscription/ purchase as per application are credited to the Bank account of the scheme before 3 p.m. on any subsequent business– the closing NAV of such subsequent business day shall be applicable.
   d. In case multiple applications are received for subscriptions/purchase/switch in for an aggregate investment amount equal to or more than Rs. 2 lakhs on any day , then such applications shall be consolidated at a Permanent Account Number (PAN) level. In case of application by individual in joint names, such consolidation of investment shall be based on PAN of the first unitholder. Such consolidation shall be done irrespective of the number of folios under which the investor has invested or and irrespective of source of funds, mode, location and time of application and payment. Accordingly, the applicable NAV for such investments shall be the NAV of the day on which funds are credited to bank account before the cut off time. In case the funds are cleared on separate days, then the applicable NAV shall be the respective NAV(s) of the Business day(s) on which the funds are credited to bank account.

Accounts Statements

For Ongoing offer period subscriptions: On acceptance of the application for subscription, an allotment confirmation specifying the number of units allotted by way of e-mail and/or SMS within 5 business days from the date of receipt of transaction request will be sent to the Unitholders registered email address and/or mobile number.

A Consolidated Account Statement (CAS) shall be sent to the unitholder in whose folio transactions have taken place during that month, on or before 10th of the succeeding month by e-mail/mail. CAS shall contain details relating to all the transactions** carried out by the investor, including details of transaction charges paid to the distributor, if any, across all schemes of all mutual funds, during the month and holding at the end of the month.

**The word 'transaction' shall include purchase, redemption, switch, dividend payout, dividend reinvestment, and Systematic Investment Plan, Systematic Withdrawal Plan, Systematic Transfer Plan and bonus transactions.

The unitholder may request for a physical account statement by writing/calling the AMC/ISC/R&T. In case of specific request is received from investors, account statement shall be issued to the investors within 5 (five) business days from the receipt of such request without any charges.

In the event the account has more than one registered holder, the first named Unitholder shall receive the CAS/account statement.

For the purpose of sending CAS, common investors across mutual funds shall be identified by their Permanent Account Number (PAN).

The transactions viz. purchase, redemption, switch, dividend payout, etc., carried out by the Unitholders shall be reflected in the CAS on the basis of Permanent Account Number (PAN).

The CAS shall not be received by the Unitholders for the folio(s) not updated with PAN details. The Unitholders are therefore requested to ensure that the folio(s) are updated with their PAN.

No Account Statements will be issued to investors opted to hold units in electronic (demat) mode, since the statement of account furnished periodically by respective Depository Participants (DPs) will contain the details of transactions

I. Investors who do not hold Demat Account

Consolidated account statement*, based on PAN of the holders, shall be sent by AMC/ RTA to investors not holding demat account, for each calendar month within 10th day of the succeeding month to the investors in whose folios transactions have taken place during that month. Consolidated account statement shall be sent by AMC/RTA every half yearly (September/ March), on or before 10th day of succeeding month, detailing holding at the end of the six month, to all such investors in whose folios there have been no transactions during that period.

*Consolidated account statement sent by AMC/RTA is a statement containing details relating to all financial transactions made by an investor across all mutual funds viz. purchase, redemption, switch, dividend payout, dividend reinvestment, systematic investment plan, systematic withdrawal plan, systematic transfer plan, bonus etc. (including transaction charges paid to the distributor) and holding at the end of the month.

II. Investors who hold Demat Account

Consolidated account statement**, based on PAN of the holders, shall be sent by Depositories to investors holding demat account, for each calendar month within 10th day of the succeeding month to the investors in whose folios transactions have taken place during that month. Consolidated account statement shall be sent by Depositories every half yearly (September/March), on or before 10th day of succeeding month, detailing holding at the end of the six month, to all such investors in whose folios and demat accounts there have been no transactions during that period.

In case of demat accounts with nil balance and no transactions in securities and in mutual fund folios, the depository shall send account statement in terms of regulations applicable to the depositories.

**Consolidated account statement sent by Depositories is a statement containing details relating to all financial transactions made by an investor across all mutual funds viz. purchase, redemption, switch, dividend payout, dividend reinvestment, systematic investment plan, systematic withdrawal plan, systematic transfer plan, bonus etc. (including transaction charges paid to the distributor) and transaction in dematerialised securities across demat accounts of the investors and holding at the end of the month.

Following provisions shall be applicable to CAS sent through AMC/ RTA and CAS sent through depositories:

1. Investors are requested to note that for folios which are not included in the CAS, AMC shall henceforth issue monthly account statement to the unit holders, pursuant to any financial transaction done in such folios; the monthly statement will be sent on or before tenth day of succeeding month. Such statements shall be sent in physical form if no email id is provided in the folio.
2. The statement sent within the time frame mentioned above is provisional and is subject to realisation of payment instrument and/or verification of documents, including the application form, by the RTA/AMC.
3. In the event the folio/demat account has more than one registered holder, the first named Unit holder/Account holder shall receive the CAS (AMC/RTA or Depository). For the purpose of CAS (AMC/RTA or Depository), common investors across mutual funds/depositories shall be identified on the basis of PAN. Consolidation shall be based on the common sequence/order of investors in various folios/demat accounts across mutual funds / demat accounts across depository participants.
4. Investors whose folio(s)/demat account(s) are not updated with PAN shall not receive CAS. Investors are therefore requested to ensure that their folio(s)/demat account(s) are updated with PAN.
5. For Unit Holders who have provided an e-mail address in KYC records, the CAS will be sent by e-mail.
6. The Unit Holder may request for a physical account statement by writing to/calling the AMC/RTA. In case of a specific request received from the unit holders, the AMC/RTA shall provide the account statement to the unit holders within 5 business days from the receipt of such request.
7. Account Statements shall not be construed as proof of title and are only computer printed statements indicating the details of transactions under the Schemes during the current financial year and giving the closing balance of Units for the information of the Unit Holder.
8. Non-transferable Unit Certificates will be sent, if an applicant so desires, within 5 Business Days of the receipt of a request for the certificate. Unit Certificates will not be issued for any fractional Units entitlement.
9. Units held, either in the form of Account Statement or Unit Certificates, are non-transferable. The Trustee reserves the right to make the Units transferable at a later date subject to SEBI (MF) Regulations issued from time to time.

Annual Account Statement:

The Mutual Funds shall provide the Account Statement to the Unit holders who have not transacted during the last six months prior to the date of generation of account statements. The Account Statement shall reflect the latest closing balance and value of the Units prior to the date of generation of the account statement

The account statements in such cases may be generated and issued along with the Portfolio Statement or Annual Report of the Scheme.

Alternately, soft copy of the account statements shall be mailed to the investors' e-mail address, instead of physical statement.

Half Yearly Consolidated Account Statement:

A consolidated account statement detailing holding across all schemes at the end of every six months (i.e. September/ March), on or before 10th day of succeeding month, to all such Unit holders in whose folios no transaction has taken place during that period shall be sent by mail/email.

The half yearly consolidated account statement will be sent by e-mail to the Unit holders whose e-mail address is registered with the Fund, unless a specific request is made to receive in physical.

Unit holders who receive account statements by e-mail may download the documents after receiving e-mail from the Fund. Should the Unit holder experience any difficulty in accessing the electronically delivered documents, the Unit holder shall promptly advise the Fund to enable the Fund to make the delivery through alternate means. It is deemed that the Unit holder is aware of all security risks including possible third party interception of the documents and contents of the documents becoming known to third parties.

Further, as per the provisions of SEBI circular dated 20th September, 2016 CAS issued for the half-year shall also provide the following (applicable from 1st October, 2016):

- The amount of actual commission paid by AMCs/Mutual Funds (MFs) to distributors (in absolute terms) during the half-year period against the concerned investor's total investments in each scheme.
- The scheme's average Total Expense Ratio (in percentage terms) for the half-year period for each scheme's applicable plan (regular or direct or both) where the concerned investor has actually invested in.

Such half-yearly CAS shall be issued to all investors, excluding those investors who do not have any holdings in MF schemes and where no commission against their investment has been paid to distributors, during the concerned half-year period.Aforesaid Consolidated Account Statement (CAS) will issued in line with SEBI circular dated 20th September, 2016 and 22nd October, 2018

B. PERIODIC DISCLOSURES

Net Asset Value This is the value per unit of the Scheme/s on a particular day. You can ascertain the value of your investments by multiplying the NAV with your unit balance.	The Direct Plan under the Scheme will have a Separate NAV (not applicable to Exchange Traded Funds). The AMC will allot the Units within 5 (five) Business Days from the date of closure of New Fund Offer Period and will calculate and disclose the first NAV of the Scheme within 5 (five) Business Days from the date of allotment. The AMC will calculate the NAV of the Scheme on a daily basis. The AMC shall prominently disclose the NAVs of the Scheme under a separate head on the website of the Fund (www.canararobeco.com) and on the website of AMFI (www.amfiindia.com) before 11.00 p.m. on every Business Day (on or before 10.00 a.m. on the next Business Day for Fund of Fund Schemes). If the NAVs are not available before the commencement of business hours on the following day due to any reason, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAVs. Further the Mutual Fund / AMC will extend facility of sending latest available NAVs of the Scheme to the Unit holders through SMS upon receiving a specific request in this regard. Also, information regarding NAVs can be obtained by the Unit holders / Investors by calling or visiting the nearest investor service center.
Half yearly Disclosures: Portfolio / Financial Results This is a list of securities where the corpus of the Scheme/s is currently invested. The market value of these investments is also stated in portfolio disclosures.	The Mutual Fund shall host half yearly disclosures of the Schemes' unaudited financial results in the prescribed format on its website viz. www.canararobeco.com within one month from the close of each half year i.e. on 31st March and on 30th September.AMC shall publish an advertisement disclosing the hosting of such financial results on its website, in atleast one English daily newspaper having nationwide circulation and in a newspaper having wide circulation published in the language of the region where the Head Office of the Mutual Fund is situated. The unaudited financial results will also be displayed on the website of AMFI. **Portfolio:** The Mutual Fund/AMC shall disclose portfolio (along with ISIN) of the Scheme as on the last day of the month / half year on website of Mutual Fund (www.canararobeco.com) and on the website of AMFI (www.amfiindia.com) within 10 days from the close of each month/ half-year respectively in a user-friendly and downloadable spread-sheet format. In case of Unitholders whose e-mail addresses are registered, the Mutual Fund / AMC shall send via e-mail both the monthly and half-yearly statement of Scheme portfolio within 10 days from the close of each month/ half-year respectively. Further, the Mutual Fund/AMC shall publish an advertisement in the all India edition of at least two daily newspapers, one each in English and Hindi, every half-year disclosing the hosting of the half-yearly statement of the Scheme portfolio on the website of the Mutual Fund (www.canararobeco.com) and on the website of AMFI (www.amfiindia.com). Unit holders may request for a physical or electronic copy of the scheme portfolio through SMS, telephone, email, written request or by choosing the relevant option under the scheme application forms (applicable for new subscribers). Such copies shall be provided to the unit holders free of cost.
Monthly portfolio disclosure	As presently required by the SEBI Regulations, the portfolio of the schemes shall be available in and downloadable format on the website of AMC (www.canararobeco.com) on or before the tenth day of the succeeding month.
Annual Report	The scheme wise annual report and abridged summary thereof shall be hosted on the website of the Mutual Fund (www.canararobeco.com) and on the website of AMFI (www.amfiindia.com) not later than four months (or such other period as may be specified by SEBI from time to time) from the date of closure of the relevant accounting year (i.e. 31st March each year) and link for the same will be displayed prominently on the website of the Mutual Fund (www.canararobeco.com).In case of Unit holders whose e-mail addresses are registered with the Mutual Fund, the AMC shall e-mail the annual report or an abridged summary to such unit holders. The Unit holders whose e-mail addresses are not registered with the Mutual Fund will have an option to opt-in to continue receiving physical copy of the scheme wise annual report or an abridged summary thereof. Mutual Fund / AMC shall publish an advertisement in the all India edition of at least two daily newspapers, one each in English and Hindi, every year disclosing the hosting of the scheme wise annual report on the website of the Mutual Fund (www.canararobeco.com) and on the website of AMFI (www.amfiindia.com). Physical copies of Full annual report / abridged summary thereof shall also be available for inspection at all times at the registered office of the Canara Robeco Asset Management Company Ltd.Unit holders may request for a physical or electronic copy of the said report through SMS, telephone, email, written request or by choosing the relevant option under the scheme application forms (applicable for new subscribers). Such copies shall be provided to the unit holders free of cost
Segregated Portfolio Creation Process & Procedure (SEBI circular dated 28th December, 2018 and 7th November 2019)	**PROCESS & PROCEDURE** AMC may start the process of creation of segregated portfolio subject to the following: 1. There is a credit event at issuer level wherein the ratings of a security goes below investment grade ratings and further downgrades thereafter. 2. In case of multiple CRAs rating the issue, AMC will consider the most conservative rating amongst them. 3. Creation of segregated portfolio shall be based on issuer level credit events and implemented at the ISIN level. 4. Creation of segregated portfolio is optional and at the discretion of the AMC. Process: **a. Decide on the creation of segregated portfolio** I. A special Risk Management committee (RMC) meeting will be called on the day of the credit event to decide on the creation of segregated portfolio. II. The concerned scheme's fund manager, Head - Operations and Credit analysts will be special invitees to this meeting. **b. If the RMC decides to segregate portfolio, AMC shall** I. Seek approval from trustees prior to creation of the segregated portfolio. Such approval from the trustees should be received within a business day from the day of credit event. II. Immediately issue a press release disclosing the intention to segregate such debt and money market instrument and its impact on the investors. The press release will disclose that the segregation shall be subject to trustee approval and shall also be prominently disclosed on the website of the AMC. III. Ensure that till the time the trustee approval is received, the subscription and redemption in the scheme is suspended for processing with respect to creation of units and payment on redemptions.

Segregated Portfolio Creation Process & Procedure

c. Once trustee approval is received by the AMC,

I. Segregated portfolio will be effective from the day of credit event

II. AMC will issue a press release immediately with all relevant information pertaining to the segregated portfolio.

III. AMC will also submit the said information to SEBI.

IV. An e-mail or SMS will be sent to all unit holders of the concerned scheme.

V. The NAV of both segregated and main portfolio will be disclosed from the day of the credit event.

VI. All existing investors in the scheme as on the day of the credit event will be allotted equal number of units in the segregated portfolio as held in the main portfolio.

VII. No redemption and subscription are allowed in the segregated portfolio.

VIII. AMC will enable listing of units of segregated portfolio on the recognized stock exchange within 10 working days of creation of segregated portfolio and will enable transfer of such units on receipt of transfer requests.

d. If the trustees do not approve the proposal to segregate portfolio,

I. AMC will issue a press release immediately informing investors of the same.

Portfolio Valuation

The valuation of the debt or money market instrument will take in to account the credit event and the portfolio will be valued based on the principles of fair valuation (i.e. realizable value of the assets) in terms of the relevant provisions of SEBI (Mutual Funds) Regulations, 1996 and Circular(s) issued thereunder.

Currently the SEBI circular pertaining to valuation of securities that are below investment grade are as under:

A money market or debt security shall be classified as "below investment grade" if the long term rating of the security issued by a SEBI registered Credit Rating Agency (CRA) is below BBB- or if the short term rating of the security is below A3.

A money market or debt security shall be classified as "Default" if the interest and / or principal amount has not been received, on the day such amount was due or when such security has been downgraded to "Default" grade by a CRA. In this respect, Mutual Funds shall promptly inform to the valuation agencies and the CRAs, any instance of non-receipt of payment of interest and / or principal amount (part or full) in any security.

All money market and debt securities which are rated below investment grade shall be valued at the price provided by valuation agencies.

Till such time the valuation agencies compute the valuation of money market and debt securities classified as below investment grade, such securities shall be valued on the basis of indicative haircuts provided by these agencies. These indicative haircuts shall be applied on the date of credit event i.e. migration of the security to sub-investment grade and shall continue till the valuation agencies compute the valuation price of such securities. Further, these haircuts shall be updated and refined, as and when there is availability of material information which impacts the haircuts.

In case of trades during the interim period between date of credit event and receipt of valuation price from valuation agencies, such traded price for valuation shall be considered if it is lower than the price post standard haircut. The said traded price shall be considered for valuation till the valuation price is determined by the valuation agencies.

In case of trades after the valuation price is computed by the valuation agencies as referred above and where the traded price is lower than such computed price, such traded price shall be considered for the purpose of valuation and the valuation price may be revised accordingly.

The treatment of accrued interest and future accrual of interest, in case of money market and debt securities classified as below investment grade or default, is detailed below:

a. The indicative haircut that has been applied to the principal should be applied to any accrued interest.

b. In case of securities classified as below investment grade but not default, interest accrual may continue with the same haircut applied to the principal.

c. In case of securities classified as default, no further interest accrual shall be made.

The following shall be the treatment of how any future recovery should be accounted for in terms of principal or interest:

a. Any recovery shall first be adjusted against the outstanding interest recognized in the NAV and any balance shall be adjusted against the value of principal recognized in the NAV.

b. Any recovery in excess of the carried value (i.e. the value recognized in NAV) should then be applied first towards amount of interest written off and then towards amount of principal written off.

SUBSCRIPTIONS AND REDEMPTIONS

In case trustees do not approve the proposal of segregated portfolio, subscription and redemption applications will be processed based on the corresponding NAV of the total portfolio of the credit event date or subsequent business day as per SEBI circulars on NAV applicability.

Upon trustees' approval to create a segregated portfolio

- All existing investors in the scheme as on the day of the credit event will be allotted equal number of units in the segregated portfolio as held in the main portfolio.
- Investors redeeming their units will get redemption proceeds based on the NAV of main portfolio and will continue to hold the units of segregated portfolio.
- Investors subscribing to the scheme will be allotted units only in the main portfolio based on its NAV.

DISCLOSURE REQUIREMENTS

In order to enable the existing as well as the prospective investors to take informed decision, the AMC shall adhere to the following:

i. A statement of holding indicating the units held by the investors in the segregated portfolio along with the NAV of both segregated portfolio and main portfolio as on the day of the credit event will be communicated to the investors within 5 working days of creation of the segregated portfolio.

ii. Adequate disclosure of the segregated portfolio will appear in all scheme related documents, in monthly and half-yearly portfolio disclosures and in the annual report of the mutual fund and the scheme.

iii. The Net Asset Value (NAV) of the segregated portfolio will be declared on daily basis.

iv. The information regarding number of segregated portfolios created in a scheme will appear prominently under the name of the scheme at all relevant places such as SID, KIM-cum-Application Form, advertisement, AMC and AMFI websites, etc.

v. The scheme performance required to be disclosed at various places will include the impact of creation of segregated portfolio.

vi. The scheme performance will clearly reflect the fall in NAV to the extent of the portfolio segregated due to the credit event and the said fall in NAV along with recovery (ies), if any, shall be disclosed as a footnote to the scheme performance.

vii. The disclosures at paragraph 6(iv) to 6(vi) above regarding the segregated portfolio will be carried out for a period of at least 3 years after the investments in segregated portfolio are fully recovered/ written-off.

viii. The investors of the segregated portfolio will be duly informed of the recovery proceedings of the investments of the segregated portfolio.

ix. Status update will be provided to the investors at the time of recovery and also at the time of writing-off of the segregated securities.

TOTAL EXPENSE RATIO (TER) OF SEGREGATED PORTFOLIO

AMC will not charge investment and advisory fees on the segregated portfolio. Upon recovery of the investments in segregated portfolio on pro rata basis TER (excluding the investment and advisory fees) will be charged. AMC will ensure that the TER so levied will not exceed the simple average of such expenses (excluding the investment and advisory fees) charged on daily basis on the main portfolio (in % terms) during the period for which the segregated portfolio was in existence.

Proportional to the amount of recovery and within the maximum TER limit as applicable to the main portfolio, the legal charges related to recovery of the investments of the segregated portfolio will be charged to the segregated portfolio. The legal charges in excess of the TER limits, if any, shall be borne by the AMC. The AMC will ensure that costs related to segregated portfolio are never charged to the main portfolio.

REPORTING TO TRUSTEES & MONITORING BY TRUSTEES

In order to enable the trustees to monitor the AMC efforts to ensure timely recovery of investments of the segregated portfolio, the AMC will:

i. Make sincere efforts to recover the investments of the segregated portfolio.

ii. Will place an Action Taken Report (ATR) on the efforts made by the AMC to recover the investments of the segregated portfolio is placed in every trustee meeting till the investments are fully recovered/ written-off.

iii. Will upon recovery of money, whether partial or full, with notice to the Trustees immediately distribute to the investors in proportion to their holding in the segregated portfolio.

iv. AMC will also distribute recovery of amount of a security that is written off (in the segregated portfolio) to the investors of the segregated portfolio.

The trustees will monitor the compliance of this circular and disclose in the half-yearly trustee reports filed with SEBI, the compliance in respect of every segregated portfolio created.

In order to avoid mis-use of segregated portfolio, trustees shall ensure to have a mechanism in place to negatively impact the performance incentives of Fund Managers, Investment heads, etc. involved in the investment process of securities under the segregated portfolio, mirroring the existing mechanism for performance incentives of the AMC, including claw back of such amount to the segregated portfolio of the scheme.

Illustration of Segregated Portfolio:

Total Portfolio	Regular Plan	Direct Plan
Net Assets (In Rs.)	950	250
No. of Unit	40	20
NAV per Unit (In Rs.)	23.75	12.50

The above portfolio has a security ABC with current market value before the credit event of Rs.200. The same is allocated between the two plans i.e. Regular and Direct plan as follows:

Total Portfolio	Regular Plan	Direct Plan
Net Assets before mark down (including ABC security)	950	250
Market Value of ABC Security	150	50

Credit event occurs in security ABC. On the date of credit event the instrument is downgraded below investment grade or has defaulted and consequently marked down by 50% from Rs. 200 to Rs. 100 (proportionately allocated under the Regular and Direct Plan).

After splitting the Total portfolio into Main portfolio and Segregated portfolio, the impact will be as below:

Main Portfolio after segregation:

Total Portfolio	Regular Plan	Direct Plan
Net Assets after segregation (a)	800	200
No. of Unit (b)	40	20
NAV per Unit (In Rs.) (c=a/b)	20.00	10.00

Segregated Portfolio:

Total Portfolio	Regular Plan	Direct Plan
Net Assets after segregation* (a)	75	25
No. of Unit (b)	40	20
NAV per Unit (In Rs.) (c=a/b)	1.88	1.25

*(*equivalent of market value of segregated security)*

For existing investors, the total portfolio will decline by the amount segregated as mentioned in the table above (i.e. value of main portfolio after segregation). They will be allotted equal number of units in the main portfolio and the segregated portfolio in the same proportion as held by them in the total portfolio. Thereafter, existing investors can redeem from the main based on the prevailing NAV and they will continue to hold units in the segregated portfolio. For any new investor, they will be allotted units only in the main portfolio based on the prevailing NAV. NAV of the segregated portfolio may undergo a change in future depending on any recovery and any applicable haircut.

Taxation

Rates applicable for the FY 20-21.

The information is provided for general information only. However, in view of the individual nature of the implications, each investor is advised to consult his or her own tax advisors/authorised dealers with respect to the specific amount of tax and other implications arising out of his or her participation in the schemes.

Particulars	Taxability in the hands of Individuals / Non-corporates / Corporates	
	Resident	Non-Resident
Tax on Dividend	Taxed in the hands of unitholders at applicable rate under the provisions of the Income-tax Act, 1961 (Act)	Taxed in the hands of unitholders at the rate of 20% u/s 115A of the Act (plus applicable surcharge and cess)
Long Term Capital Gains (LTCG): (Held for a period of more than 36 Months) -Listed other than equity-oriented fund	20% with indexation benefit in respect of cost of acquisition (plus applicable surcharge and cess)	20% with indexation benefit in respect of cost of acquisition (plus applicable surcharge and cess)
LTCG - Unlisted other than equity oriented funds	20% with indexation benefit in respect of cost of acquisition (plus applicable surcharge and cess)	10% (Indexation benefit not available) (plus applicable surcharge and cess)
Short Term Capital Gains	30% (Refer Note 4) (plus applicable surcharge and cess)	30% (Refer Note 4) (plus applicable surcharge and cess)

Notes –

1. Mutual Fund registered with the Securities & Exchange Board of India and hence the entire income of the Mutual Fund will be exempt from income tax in accordance with the provisions of Section 10(23D) of the Act.
2. Surcharge at the following rate to be levied in case of individual /HUF/ non-corporate non-firm unit holders for equity oriented mutual fund:

Income	Individual/ HUF / non-corporate non-firm unit holders*
Rs 50 lakh to 1 crore (including income under section 111A and 112A of the Act)	10%
Above Rs 1 crore upto Rs 2 crores (including income under section 111A and 112A of the Act)	15%
Above Rs 2 crores upto Rs 5 crores (excluding income under section 111A and 112A of the Act)	25%*
Above Rs 5 crores (excluding income under section 111A and 112A of the Act)	37%*

*As per the Finance Act 2020, the surcharge rate in case of capital gains arising on sale of equity shares, units of equity oriented mutual funds, etc. taxed under section 111A or section 112A or **income by way of dividend** in case of individual, HUF, AOP, BOI, AJP (both for resident and non-resident in India).

3. Surcharge rates for Companies

Total Income	Rate of Surcharge for Domestic companies	Rate of Surcharge for Foreign Companies
Above Rs 1 crore upto Rs 10 crores	7%	2%
Above Rs 10 crores	12%	5%

*Surcharge rate shall be 10% in case resident companies opting taxation under section 115BAA and section 115BAB on any income earned.

In case of firm with total income exceeding Rs.1 crore, surcharge rate shall be 12%.

4. Assuming investor falls in to highest tax bracket
5. Withholding of Taxation by Mutual Fund will as per applicable withholding tax rate.

For further details on taxation please refer to the clause on Taxation in the SAI.

Associate Transactions	Please refer to Statement of Additional Information (SAI).
Investor service	Ms. Tejal Talekar Investor Relation Officer Canara Robeco Asset Management Co. Ltd. 4th Floor, Construction House, 5, Walchand Hirachand Marg, Ballard Estate, Mumbai – 400 001 Tel No. (022) 6658 5000 Fax (022) 6658 5012/13 E-Mail :crmf@canararobeco.com

C. COMPUTATION OF NAV

The computation of NAV, valuation of securities / assets, accounting policies and standards would be in conformity with the SEBI (Mutual Funds) Regulations, 1996 and guidelines issued from time to time. The NAV per unit shall be calculated as follows:

$$NAV\ (Rs.) = \frac{\text{(Market or Fair Value of Scheme's investments+Current Assets-Current Liabilities and Provisions)}}{\text{(No.of Units outstanding under the Scheme)}}$$

The price arrived shall be rounded off up to four decimals.

An Illustration:

Assume that the Market or Fair Value of Scheme's investments is Rs. 1,00,00,000; Current asset of the scheme is Rs. 25,00,000; Current Liabilities and Provisions is Rs. 15,00,000 and the No. of Units outstanding under the scheme are 5,00,000.

Thus, the NAV will be calculated as:

$$NAV = \frac{1,00,00,000 + 25,00,000 - 15,00,000}{5,00,000}$$

Therefore, the NAV of the scheme is Rs. 22.0000

D. COMPUTATION OF SALE PRICE

Since the fund do not charge any Entry Load, the Purchase price or "Sale Price" is same as NAV of the fund disclosed on daily basis. Therefore, entry load, if any shall be charged as a percentage of Net Assets Value (NAV) for calculating Sale Price i.e. applicable Entry Load (if any) as a percentage of NAV will be added to NAV to calculate "Sale Price". In other words, the following formulae shall be used:

SALE PRICE= Applicable NAV x (1+Entry Load,if any)

An Illustration:

An investor invests Rs. 20,000/- and the current NAV is Rs.20/-. The entry load levied by the scheme is Nil i.e.0%.

Therefore, Sale price at which the investor invests = Rs.20.00 *(1 + 0%) = Rs.20.00.

E. COMPUTATION OF REPURCHASE PRICE

For calculating the Repurchase Price, exit load charged to the scheme is subtracted i.e. applicable Exit Loads as a percentage of NAV will be subtracted from NAV to calculate Repurchase Price. The formula for calculation of Repurchase Price would be:

REPURCHASE PRICE= Applicable NAV x (1-Exit Load,if any)

An Illustration:

An investor invests Rs. 20,000/- and the current NAV is Rs.20/-. The exit load levied by the scheme is 1.0% if redeemed/switched within 1 year from the date of allotment.

Therefore, the Repurchase Price will be = Rs.20.00 *(1 – 1.0%) = Rs.19.80.

Notes:

1. It is assumed in the above illustration that the Investor redeems his investments within the applicable exit load period. No exit load will be levied after the completion of period of applicable exit load.
2. Different Schemes may have different exit load structures. Investors are requested to refer the Scheme documents / AMC website to know the latest exit load structures

IV. FEES AND EXPENSES

This section outlines the expenses that will be charged to the schemes:

A. NEW FUND OFFER (NFO) EXPENSES

As this is an ongoing offer, there are no New Fund Offer Expenses.

B. ANNUAL SCHEME RECURRING EXPENSES

These are the fees and expenses for operating the scheme. These expenses include Investment Management and Advisory Fee charged by the AMC, Registrar and Transfer Agents' fee, marketing and selling costs etc. as given in the table below:

The AMC has estimated that the following percentage of the daily net assets of the scheme will be charged to the scheme as expenses. For the actual current expenses being charged, the investor should refer to the website of the mutual fund www.canararobeco.com. Any expenses beyond the limits shall be borne by the AMC.

Expense Head	Regular Plan* % of daily Net Assets
Investment Management and Advisory Fees	Upto 2.00%**
Trustee fee	
Audit fees	
Custodian fees	
RTA Fees	
Marketing & Selling expense incl. agent commission	
Cost related to investor communications	
Cost of fund transfer from location to location	
Cost of providing account statements and dividend redemption cheques and warrants	
Costs of statutory Advertisements	
Cost towards investor education & awareness (at least 2 bps)	
Brokerage & transaction cost over and above 12 bps and 5 bps for cash and derivative market trades resp.	
Goods and Service Tax on expenses other than investment and advisory fees	
Goods and Service Tax on brokerage and transaction cost	
Other Expenses^	
Maximum total expense ratio (TER) permissible under Regulation 52 (6)	**Upto 2.00%#**
Additional expenses under regulation 52 (6A) (c)	Upto 0.05%
Additional expenses for gross new inflows from specified cities under Regulation 52 (6A) (b)	Upto 0.30%

^Any other expenses which are directly attributable to the Schemes, may be charged within the overall limits as specified in the Regulations, except those expenses which are specifically prohibited as per Regulations.

*Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc and no commission for distribution of Units will be paid / charged under Direct Plan.

** Excluding GST

Fungibility of expenses: The expenses towards Investment Management and Advisory Fees under Regulation 52 (2) and the various sub-heads of recurring expenses mentioned under Regulation 52 (4) of SEBI (MF) Regulations are fungible in nature. Thus, there shall be no internal sub-limits within the expense ratio for expense heads mentioned under Regulation 52 (2) and (4) respectively. Further, the additional expenses under Regulation 52(6A)(c) shall also be incurred towards the same expense heads. However, as per SEBI circular dated 2nd February, 2018 incases of all schemes, wherein exit load is not levied / not applicable, the AMCs will not be eligible to charge the above mentioned additional expenses for such schemes.

The purpose of the above table is to assist the Investor in understanding the various costs and expenses that an Investor in the Scheme will bear directly or indirectly. The figures in the table above are estimates. The actual expenses that can be charged to the Scheme will be subject to limits prescribed from time to time under the SEBI (MF) Regulations.

The purpose of the above table is to assist the Investor in understanding the various costs and expenses that an Investor in the Scheme will bear directly or indirectly. The figures in the table above are estimates. The actual expenses that can be charged to the Scheme will be subject to limits prescribed from time to time under the SEBI (MF) Regulations.

#As per the Regulation 52, the investment management fee and total annual scheme recurring expenses chargeable to the Scheme are as under:

On the first Rs. 500 crore of the daily net assets - 2.00%;
(ii) On the next Rs. 250 crore of the daily net assets - 1.75%;
(iii) On the next Rs. 1,250 crore of the daily net assets - 1.50%;
(iv) On the next Rs. 3,000 crore of the daily net assets – 1.35%;
(v) On the next Rs. 5,000 crore of the daily net assets – 1.25%;
(vi) On the next Rs. 40,000 crores of the daily net assets - Total expense ratio reduction of 0.05% for every increase of Rs.5,000 crores of daily net assets or part thereof.
(vii) On the balance of the assets - 0.80%;

(a) Additional Expenses under Regulation 52 (6A): brokerage and transaction costs which are incurred for the purpose of execution of trade and is included in the cost of investment, not exceeding 0.12 per cent in case of cash market transactions and 0.05 per cent in case of derivatives transactions;

In accordance with SEBI circular no. CIR/IMD/DF/24/2012 dated November 19, 2012, any payment towards brokerage and transaction cost, over and above the said 0.12% and 0.05% for cash market transactions and derivatives transactions respectively, may be charged to the Scheme within the maximum limit of Total Expense Ratio (TER) as prescribed under Regulation 52 (6) of the SEBI (MF) Regulations, 1996.

(b) expenses not exceeding of 0.30 per cent of daily net assets, if the new inflows from such cities as specified by SEBI from time to time are at least -

(i) 30 per cent of gross new inflows in the scheme, or;

(ii) 15 per cent of the average assets under management (year to date) of the scheme, whichever is higher

Provided that if inflows from such cities is less than the higher of sub-clause (i) or sub- clause (ii), such expenses on daily net assets of the scheme shall be charged on proportionate basis;

The said additional expenses on account of inflows from beyond top 30 cities so charged shall be clawed back in the respective schemes, in case the said inflow is redeemed within a period of 1 year from the date of investment. The expenses charged under this clause shall be utilized for distribution expenses incurred for bringing inflows from such cities.

As per SEBI circular dated 22nd Oct, 2018 additional TER can be charged based on inflows only from retail investors from B 30 cities. It will be based on inflows from retail investors (inflows of amount up to Rs. 2, 00,000/- per transaction, by individual investors shall be considered as inflows from "retail investor") from B 30 cities, keeping all other conditions of SEBI Circular(s) on charging of additional TER of 30 bps unchanged. Thus, inflows from corporates and institutions from B 30 cities henceforth will not be considered for computing the inflows from B 30 cities for the purpose of additional TER of 30 basis points.

The additional commission for B 30 cities shall be paid as trail only.

An illustration:

Assuming, an investor has invested Rs.10, 000/- in the scheme having total expense ratio of 2.00%. The scheme generated a CAGR return of 10% over one year. Therefore,

Investment Amount (Rs.) (A) = 10,000

Scheme Return (1Year) in CAGR (%) (B) = 10%

Return in One Year (Rs.) (C= (A)*(1+B)) = 1,000

Total Expense Ratio (%) (D) = 2.00%

Impact of Total Expense Ratio (Rs.) (E=A*D) = 200

Total Return to the investor (Rs.) (F=C-E) = 800

As mentioned in the illustration above, the schemes return to the investor is impacted by 2.00% due to the expense charged.

Please note that the above is an approximate illustration of the impact of expense ratio on the returns, where the Gross NAV has been simply reduced to the extent of the expenses. In reality, the actual impact would vary depending on the path of returns over the period of consideration. Expenses will be charged on daily net assets. These estimates have been made in good faith as per the information available to the Investment Manager based on past experience, but the total expenses shall not exceed the limits permitted by SEBI. Types of expenses charged shall be as per the SEBI (MF) Regulations. The purpose of the above illustration is to assist the investor in understanding the various costs and expenses that an investor in the scheme will bear directly or indirectly.

Goods and Service Tax (GST):

GST shall be charged as follows:

- GST on investment and advisory fees shall be charged to the Scheme in addition to the maximum limit on TER as prescribed in Regulation 52 (6) of the SEBI (MF) Regulations.
- GST on other than investment and advisory fees, if any, shall be borne by the Scheme within the maximum limit on TER as prescribed in Regulation 52 (6) of the SEBI (MF) Regulations.
- GST on brokerage and transaction cost paid for execution of trade, if any, shall be within the limit prescribed under Regulation 52 of the SEBI (MF) Regulations.

The Fund will update the current expense ratios on its website (www.Canararobeco.com) at least three working days prior to the effective date of the change. Additionally, the CRAMC will disclose the Total Expense Ratio (TER) of the Scheme on daily basis and on the website of AMFI (www.amfiindia.com).

Provided that any increase or decrease in TER in a mutual fund scheme due to change in AUM and any decrease in TER in a mutual fund scheme due to various other regulatory requirements would not require issuance of any prior notice to the investors.

Further, any change in the base TER (i.e. TER excluding additional expenses provided in Regulation 52 (6A) (b) and 52 (6A) (c) of SEBI (Mutual Funds) Regulations, 1996) and Goods & Services Tax on investment and advisory fees in comparison to previous base TER charged to the Scheme/Plan shall be communicated to investors of the Scheme/Plan through notice via email or SMS and will be uploaded on the website (www.canararobeco.com) at least three working days prior to effecting such change.

Provided that any decrease in TER in a mutual fund scheme due to various regulatory requirements, would not require issuance of any prior notice to the investors

NOTE:

The total expense ratio of the scheme is subject to change, based on the Regulations/Circulars issued by SEBI from time to time.

Investor Education and Awareness initiatives:

As per SEBI Circular No. CIR/IMD/DF/21/2012 dated September 13, 2012, the AMC shall annually set apart at least 2 basis points p.a. (i.e. 0.02% p.a.) on daily net assets of the Scheme within the limits of total expenses prescribed under Regulation 52 of SEBI (MF) Regulations for investor education and awareness initiatives undertaken by the Fund. The total expenses of the Scheme including the Investment Management and Advisory Fee shall not exceed the limits stated in Regulation 52 of the SEBI (MF) Regulations. Any expenditure in excess of the SEBI regulatory limits shall be borne by the AMC or by the Trustee or the Sponsor.

C. LOAD STRUCTURE

Load is an amount which is paid by the investor to subscribe to the units or to redeem the units from the scheme. This amount is used by the AMC to pay commissions to the distributor and to take care of other marketing and selling expenses. Load amounts are variable and are subject to change from time to time. For the current applicable structure, please refer to the website of the AMC (www.canararobeco.com) or may call at (1800 209 2726) or your distributor.

Name of the Scheme	Applicable Load Structure
CANARA ROBECO CONSERVATIVE HYBRID FUND	Entry Load Nil Exit Load For any redemption / Switch out up to 10% of units within 1 year from the date of allotment - nil For any redemption / Switch out more than 10% of units within 1 year from the date of allotment - 1 % For any redemption / Switch out after 10% of units within 1 year from the date of allotment - nil

No exist load shall be charged on issue of bonus units and units allotted on reinvestment of dividend for existing as well as prospective investors.

The above mentioned load structure shall be equally applicable to the special products such as SIP, switches, STP, SWP, etc. offered by the AMC. Further, for switches between the Growth and Dividend Option or vice versa, no load will be charged by the scheme. For switches between the Plans i.e. between Regular and Direct Plan or vice versa, no load will be charged by the scheme

Exit load charged to the investors will be credited back to the scheme net of goods and GST. The Investor is requested to check the prevailing Load structure of the Scheme before investing.

The distributors shall disclose all the commissions (in the form of trail commission or any other mode) payable to them for the different competing schemes of various mutual funds from amongst which the scheme is being recommended to the investor. For any change in load structure AMC will issue an addendum and display it on the website/- Investor Service Centers. The latest modification in the load structure whether by way of Exit Load will be stamped in the acknowledgment slip issued to the investor on submission of the Application Form and will also be disclosed in the Statement of Accounts issued after introduction of such load.

Any imposition or enhancement of Load in future shall be applicable on prospective investments only. At the time of changing the Load Structure following measures would be taken to avoid complaints from investors about investment in the schemes without knowing the loads:

i. The addendum detailing the changes would be attached to Scheme Information Document and Key Information Document. The addendum will be circulated to all the distributors / brokers so that the same can be attached to all Scheme Information Documents and Key Information Documents already in stock.

ii. Arrangements will be made to display the addendum in the Scheme Information Document in the form of a notice in all the Investor Service Centers and distributors / brokers office.

iii. A public notice would be given in respect of such changes in one English daily newspapers having nationwide circulation as well as in a newspaper publish in the language of region where the head office of the mutual fund is situated.

iv. The introduction of the exist load along with the details may be stamped in the acknowledgment slip issued to the investor on submission of the application from and may also be disclosed in the statement of account issued after the introduction of such load.

V. Any other measure which the AMC/ Mutual Fund may feel necessary.

The investor is requested to check the prevailing load structure of the scheme before investing.

D. WAIVER OF LOAD FOR DIRECT APPLICATIONS

Not Applicable In terms of SEBI circular no. SEBI/IMD/CIR No.4/ 168230/09 dated June 30, 2009.

E. TRANSACTION CHARGES

The AMC shall deduct the Transaction Charges on purchase / subscription of Rs. 10,000/- and above received from first time mutual fund investors and investor other than first time mutual fund investors through the distributor (who have opted to receive the transaction charges for the Scheme type) as under:

First Time Mutual Fund Investor:

Transaction charge of Rs 150/- for subscription of Rs. 10,000 and above will be deducted from the subscription amount and paid to the distributor of the first time investor. The balance of the subscription amount shall be invested.

Investor other than First Time Mutual Fund Investor:

Transaction charge of Rs.100/- per subscription of Rs 10,000 and above will be deducted from the subscription amount and paid to the distributor of the investor. The balance of the subscription amount shall be invested.

However, transaction charges in case of investments through Systematic Investment Plan (SIP) shall be deducted only if the total commitment (i.e. amount per SIP installment x No. of installments) amounts to Rs. 10,000/- or more. The transaction Charges shall be deducted in 3-4 installments.

Transaction charges shall not be deducted for:

- Purchases /subscriptions for an amount less than Rs. 10,000/-;
- Transaction other than purchases/ subscriptions relating to new inflows such as Switch/ STP/, etc.
- No transaction charges will be deducted for any purchase/subscription made directly with the Fund (i.e.not through any distributor).
- Transactions carried out through the stock exchange mode.

V. RIGHTS OF UNITHOLDERS

Please refer to SAI for details

VI. PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTIONS OR INVESTIGATIONS FOR WHICH ACTION MAY HAVE BEEN TAKEN OR IS IN THE PROCESS OF BEING TAKEN BY ANY REGULATORY AUTHORITY

1. During the last three years, neither SEBI nor any other Regulatory body has awarded any penalty under SEBI Act or Regulations and there is no enquiry or adjudication proceeding/s, that are in progress against the Sponsors or any company associated with the Sponsors in any capacity including the AMC, the Board of Trustees or any of the Directors or key personnel of the AMC under the SEBI Act or any other Regulations. In addition, no penalties have been awarded for any economic offences and violation of securities laws.

2. (a) The Mutual Fund is defending and / or filed cases in the Special Court constituted under the Special Court (Trial of Offences relating to transactions in Securities) Act, 1992 in respect of the claims arising out of scam related transactions. The Fund has taken necessary steps as legally advised.

   (b) A Writ Petition is pending before the Hon'ble Kolkata High Court, for direction to prohibit the Fund from converting the close ended Cantriple+ Scheme into open ended and for direction regarding payment of three times the original investment. Cases are also pending before various Consumer Forum claiming three times the investment in Cantriple+ Scheme. The cases are at various stages of hearing. The Fund has taken necessary steps as legally advised.

   (c) There are about 23 consumer cases (including appeals) filed by various parties against the Fund in respect of various schemes of the Fund, which are pending.

   (d) Inspite of the Fund being a tax-exempt entity u/s 10(23 D) of the Income Tax Act, 1962, claims have been received from tax authorities on some of its investments in PTCs. The Fund has denied the said claims and taken necessary steps for defending the claims as legally advised. In respect of the cases mentioned above, the Fund / Investment Manager will abide by the final decision of the courts.

3. No criminal cases are pending against the Sponsors, any company associated with the Sponsors in any capacity, AMC, Board of Trustees, any of the Directors or key personnel. The Sponsors, Canara Bank, has over 3000 branches and ORIX Corporation Europe N. V. has several offices across the world. has several offices across the world. To the best of our knowledge and belief, no criminal cases which may affect the business of Mutual Fund are pending against the Sponsors or any company associated with the Sponsors in any capacity or any of the Directors or key personnel."

IMPORTANT NOTICE

"Notwithstanding anything contained in the Scheme Information Document the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the Guidelines there under shall be applicable."

Canara Robeco Asset Management Company Ltd.

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Statutory Details: Canara Robeco Mutual Fund (CRMF) has been set up as a Trust under the Indian Trusts Act, 1882. **Sponsors:** Canara Bank with Head Office at 112 J.C. Road, Banglore; Orix Corporation Europe N. V. *(formerly known as Robeco Groep N.V.)* with Head office at Weena 850, 3014 DA Rotteredam, The Netherlands. **Investment Manager:** Canara Robeco Asset Management Co. Ltd. (CRAMC). **Risk Factors: Mutual Funds and securities investments are subject to market risks and there can be no assurance or guarantee that the objectives of the Schemes will be achieved. As with any investment in securities, the NAV of the units issued under the Schemes may go up or down depending on the factors and forces affecting the capital markets and money morket.** Past performance of the Sponsors/AMC/Mutual Fund do not guarantee future performance of the Schemes. **Canara Robeco Schemes are only the name of the scheme and does not in any manner indicate either the quality of the scheme, its future prospects or returns.** The Sponsors of the Fund are not responsible or liable for any loss or shortfall resulting from the operations of the Schemes of CRMF beyond the initial contribution of a sum of Rs. 10 lac towards the setting up of CRMF. Investor should read the offer Document for scheme specific risk factors and other details before investing.

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.