

Canara Robeco Mutual Fund

(Formerly Canbank Mutual Fund)

Investment Manager : Canbank Investment Management Services Limited
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This Addendum sets out modifications that have been made to the offer documents of all the Schemes of Canara Robeco Mutual Fund (the Fund) pursuant to the resolution dated 26th September, 2007 passed by the Board of Trustees of the Fund. All terms used but not defined herein shall have the respective meanings assigned to them under the offer documents.

Introduction:

Canara Bank, Head Office, 112, J. C. Road, Bangalore and Robeco Groep N. V. 120 Coolingsingel, 3011 AG Rotterdam, The Netherlands have entered into a joint venture agreement on 19th March, 2007 in relation to asset management business in India. Pursuant to this agreement, Robeco Groep N. V. through its subsidiary, Robeco India Holding B.V has acquired 49% stake in Canbank Investment Management Services Ltd., (AMC) after securing necessary approvals from the Securities and Exchange Board of India (SEBI) and the Reserve Bank of India (RBI). As a result, Robeco Groep N. V. has been introduced as a Co-Sponsor of the Fund. Apart from change of name of the Fund to Canara Robeco Mutual Fund and AMC to Canara Robeco Asset Management Company Ltd., the Board of Trustees of the Fund and the Board of Directors of AMC have been reconstituted. These changes have been communicated to the unit holders vide communication dated 10th September, 2007.

Under the joint venture, the entire paid-up equity share capital of the AMC is held by the Sponsors Canara Bank and Robeco Groep N.V. as on date.

Consequent to the joint venture, the changes/additions to the offer documents are as under :

1. Change in the Name of the entities:

After receipt of requisite approvals from the Regulatory and statutory authorities, the name of the mutual fund and investment manger have been changed in the following manner:

Sl.No.	Entity	Existing Name	New Name
1	Mutual Fund	Canbank Mutual Fund	Canara Robeco Mutual Fund
2	Investment Manager	Canbank Investment Management Services Ltd.	Canara Robeco Asset Management Company Ltd. (*)

* Effective from the date of approval of the name change by the Registrar of Companies.

2. Change in the Name of the Schemes :

The existing Schemes will be renamed as follows:

Existing name	New Name	Existing name	New Name
CanBalance	Canara Robeco Balance	CanIndex	Canara Robeco Nifty Index
CanExpo	Canara Robeco Expo	CanFloating Rate	Canara Robeco Floating Rate
CanEquity Diversified	Canara Robeco Equity Diversified	CanEmerging Equities	Canara Robeco Emerging Equities
CanEquity Tax Saver	Canara Robeco Equity Tax Saver	CanFortune' 94	Canara Robeco Fortune' 94
Cangilt PGS	Canara Robeco Gilt PGS	CanBalance II	Canara Robeco Balance II
Cancigo	Canara Robeco CIGO	CanInfrastructure	Canara Robeco Infrastructure
CanLiquid	Canara Robeco Liquid	CanMulticap	Canara Robeco Multicap
CanIncome	Canara Robeco Income	Cangilt	Canara Robeco Gilt
CanLiquid Plus	Canara Robeco Liquid Plus	CanFixed Maturity Plan 13M SRI	Canara Robeco Fixed Maturity Plan 13M SRI

The change in the name of the Schemes shall not result in any change in the features and fundamental attributes of the Schemes.

3. Change in the Board of Trustees:

Mr. Geert C.M.W Embrechts is appointed as Associate Trustee representing Robeco Groep N. V. with effect from the 26th September, 2007.

4. Changes in the Directors of Asset Management Company:

Mr. M. Ravindra Vikram (Independent Director) ceased to be a Director with effect from 16th August, 2007. Mr. B. Sukumaran ceased to be Director & Managing Director (Associate Director) with effect from the 26th September, 2007.

Mr. M. B. N. Rao, Chairman and Managing Director, Canara Bank, representing Canara Bank and Mr. Franciscus L. Kusse and Mr. Constant T. L. Korthout representing Robeco Groep N. V. have been appointed as associate directors with effect from the 26th September, 2007.

Mr. Arvind Sethi and Mr. Robert Pavrey have been appointed as independent directors with effect from 26th September, 2007.

5. Sponsors:

I) Canara Bank

Canara Bank, established in 1906, is a leading nationalised Bank operating in India and abroad, through its network of branches in India and offices in London, Moscow, Hong Kong and managing exchange companies in UAE. The Bank is known for its innovative, visionary and forward thinking policies in the Banking sector. In addition to the three Regional Rural Banks including Pragathi Gramin Bank, Shreyas Gramin Bank and South Malabar Gramin Bank, the Bank has the following companies as subsidiaries.

Canfin Homes Ltd., Canbank Investment Management Services Ltd., Gilt Securities Trading Corporation Ltd, Canbank Factors Ltd. Canbank Financial Services Ltd., Canbank Venture Capital Fund Ltd. & Canbank Computer Services Ltd.

The Bank's owned funds stood at Rs.8111.12 crores as on 31.03.2007. The capital adequacy ratio of the Bank, as on 31.03.2007 was 13.50% as against 9% stipulated by the RBI. Financial performance of Canara Bank is given below:

(Rs. in crores)

Year Ended 31st March	2005	2006	2007
Total Deposits	95682.00	116803.00	142381.00
Total Advances	61129.00	79426.00	98506.00
Number of Branches	2508	2532	2578
Total Income	9115.80	10027.00	12815.00
Operating Profit	2585.33	2549.00	2912.00
Profit after Tax	1109.51	1343.22	1420.81
Equity Capital	410.00	410.00	410.00
Reserves	5582.04	6608.86	7701.12
Net worth	5992.04	7018.86	8111.12
Earning per Share (in Rs.)	27.06	32.76	34.65
Book Value (in Rs.)	146.15	171.19	197.83
Dividend Paid (%)	55	66	70

II) Robeco Groep N. V.

Robeco Groep N.V. (Robeco) is wholly owned by Rabobank Nederland. Rabobank, with a AAA credit rating enjoys an award winning sustainability rating. Rabobank Group offers a wide range of financial services. Robeco is positioned as the Rabobank Group's centre of competence for its asset management business. Robeco has been engaged in global asset management for over 75 years and over these years has gained specialized investment capabilities in the major asset classes of equity, fixed income, money market as well as in structured and alternative investments including hedge funds and private equity.

Robeco has investment operations in The Netherlands, France, United States and has an extensive marketing and sales network throughout the world. Rabobank Nederland and Robeco has numerous subsidiaries across the world and Robeco's subsidiaries include Robeco Institutional Asset Management B.V, Robeco Direct N.V, Robeco Fund Management B.V, Robeco USA Inc. etc.

As of the 31st December, 2006, Robeco's total/aggregated assets under management was 141.90 billion EUR or approximately INR 7,87,119 Crores. Robeco provides investment products and services to around 700 institutional clients and 1.5 million investors around the World.

Robeco India Holding B.V., is a wholly owned subsidiary of Robeco International Holding B.V., which is a wholly owned subsidiary of Robeco. For investment through Robeco India Holding B.V., Robeco has furnished the necessary guarantee to stand behind and be responsible for the obligations of Robeco India Holding B.V., under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 (The Regulations) as also under the joint venture documentation concluded in this regard.

Description	2006	2005	2004
Total income	3674.82	3524.94	3128.92
Profit after tax	1078.69	860.29	747.74
Equity Capital	6112.79	5770.67	6389.55
Reserves	5521.55	4072.66	2935.53
Net worth	5557.08	4212.91	3263.69
Earnings per share	49.55	35.86	33.63
Book value per share	244.92	185.68	143.84
Dividend Paid (%)	Nil	Nil	39

6. Board of Trustees:

The Board of Trustees comprises of the following eminent personalities:

Name	Current Directorships
Mr. ASHOK PRADHAN (Chairman) D 1, Upasna 1, Hailey Road, New Delhi 110 001 (Independent Trustee)	Shree Adya Katyayani Shakti Mandir Trust (Elected Trustee)
Mr. K. K. RAI S-3, Perody Nest, 542, SRS Nagar, Bilekahalli Bannerghatta Road, Bangalore 560 076 (Independent Trustee)	Director: Techno Electric and Engineering Co. Ltd. ISMT Ltd. (Nominee Director – ICICI Bank), Andhra Pradesh Paper Mills Ltd. (Nominee Director – IDBI Bank Ltd.), Ramsarup Lohh Udyog Ltd., U.B.Engineering Ltd.
Mr. RAJ KUMAR AGGARWAL Senior Partner M/s. Raj K. Aggarwal & Associates Chartered Accountants, 3072/41 Gola Market, Darya Ganj New Delhi 110 002 (Independent Trustee)	Director : Lord Krishna Bank Ltd.
Mr. R. K. MADHUKAR General Manager Canara Bank, Head Office, 112, J. C. Road Bangalore 560 002 (Associate Trustee)	
Mr. Geert C.M.W Embrechts 141/142, Maker Tower L, Cuffe Parade, Mumbai 400 005 (Associate Trustee)	Chief Operating Officer & Managing Director: Rabo India Finance Ltd. Managing Director: Rabo India Securities P Ltd. Member: The Council of E U Chamber in India

Apart from the Associate Trustees listed above, none of the other Trustees is or has been, during the last three years, an associate of the Sponsors or the AMC.

7. Board of Directors:

The Board of Directors of the AMC comprises of the following eminent personalities:

Mr. M. B. N. Rao (Chairman) (Associate Director)	Chairman & Managing Director Canara Bank, Head Office, 112 J C Road, Bangalore 560 002
Mr. M. V. Shenoy (Associate Director)	General Manager Treasury & International Wing, Canara Bank, 7th Floor, Maker Chambers III Nariman Point, Mumbai 400 021
Mr. Franciscus L. Kusse (Associate Director)	Managing Director (International Affairs) Robeco Groep N.V., 120, Coolingsingel, 3011 Rotterdam A G, The Netherlands
Mr. Constant T. L. Korthout (Associate Director)	Managing Director (Chief Financial Officer) Robeco Groep N.V., 120, Coolingsingel, 3011 Rotterdam A G, The Netherlands
Dr. Navinchandra K. Thingalaya (Independent Director)	53, Garden Manor S. B. Road, Lady Hill, Mangalore - 575 006
Mr. Pankaj Jain (Independent Director)	Partner, M/s.Khandelwal Jain & Co. Chartered Accountants, 6 - B Pil Court, 111 M K Road, Churchgate, Mumbai 400 020
Mr. Arvind Sethi (Independent Director)	02 GFA Laburnum Court Green Sector 28, Sushant Lok, Gurgaon 122 002 Haryana.
Mr. Robert Pavrey (Independent Director)	A/1 Rainbow View C.H.S 345, Vakola, Mumbai 400 055.

Apart from the associate directors listed above, none of the other Director(s) is or has been, during the last three years, an associate of the Sponsors.

8. Key Personnel:

Following are the key personnel in addition to the existing key personnel of the AMC

Sr. No.	Name and Designation	Age	Qualification	Total experience and assignments during the last 10 years.
1.	Mr. Rajnish Narula Chief Executive Officer	48	B. Com., M.B.A. (USA)	25 years of experience in financial sector. Senior Management positions in Grindlays Bank and Standard Chartered Bank (Oct. 1982 to Dec. 2005). Chief Executive Officer, Alliance Capital (Sept.2003 – Dec.2005). Chief Executive Officer, DBS - Chola Asset Management. (Jun. 2006 to Jul. 2006)
2	Mr. Paul Vrancken Chief Operating Officer	33	B. Com., CMA,CFM	11 years experience in financial sector. Till May 2001 as Senior Advisor, Arthur Anderson Corporate Finance, Amsterdam. Vice President, Strategy and M & A, Robeco Groep N V, Rotterdam from Jun. 2001 till date

Mr B Sukumaran , Managing Director of the AMC ceased to be a key personnel.

9. The procedure followed for investment decisions is as under:

The daily recommendations of the Fund Managers of the Schemes to buy or sell various securities, after giving due regard to the liquidity requirements of the respective schemes and their investment objective, will be placed (along with relevant information including research report from Research Department supported by justifications) before the Market Operation Committee (MOC). The MOC is headed by the Chief Executive Officer of the AMC and consists of Chief Operating Officer, Executives in charge of Equity, Debt & Money Market, two senior level executives (Sr. Vice President/Vice President). The MOC consider the recommendations and record the buy or sell decisions in writing. The decisions will be noted by the Chief Executive Officer and in his absence by the Chief Operating Officer. The executives in charge of Equity, Debt & Money Market of the AMC shall be responsible for investment / disinvestment decisions in their respective segments.

Reporting System to the Board: Monthly reports on Market Operation i.e. covering equity and debt transactions are placed before the Board containing appropriate information with regard to buying and selling of securities.

10. Penalties & Pending litigation:

The Netherlands Competition Authority (NMA): In April 2004, Rabobank Nederland, along with seven other Dutch banks was fined by the Netherlands Competition Authority (NMA) in a case accusing " Interpay" (a clearing house set up by these banks) of charging excessive rates in connection with network services for debit card transactions. Though Rabobank was fined a sum of Euros 3,900,000 in December 2005, NMA made downward adjustment of the fine to Euros 3,275,000.

This addendum forms an integral part of the Offer Documents /Key Information Memoranda (KIMs) of all schemes of Canara Robeco Mutual Fund as amended from time to time.

For and on behalf of Canara Robeco Mutual Fund

Place: Mumbai
Date: 26th September, 2007.

S.L. Manjrekar
Company Secretary
Canbank Investment Management Services Ltd.

Statutory Details : Canara Robeco Mutual Fund (CRMF) has been set up as a Trust under Indian Trust Act, 1882. **Sponsors :** Canara Bank, Head Office, 112 J C Road, Bangalore; Robeco Groep N. V., Coolingsingel 120, 3011 Rotterdam, Netherlands. **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 securities market. Past performance of the Sponsors/AMC/Mutual Fund do not guarantee future performance of the Schemes. 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 lacs towards setting up of CRMF. **Investors should read the Offer Document for Scheme specific risk factors and other details before investing.**