

Scheme Information Document

Canara Robeco Multicap

(Close ended Equity Scheme)

Offer for Units of face value Rs. 10 per unit (subject to applicable load) during the New Fund Offer

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 Multicap 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 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 22nd May, 2009.

Key Information Memorandum containing the application forms are available at the Offices of Canara Robeco Asset Management company Ltd., Agents of Canara Robeco Mutual Fund and Stock Exchange Brokers

Canara Robeco Mutual Fund

Investment Manager: Canara Robeco Asset Management Company Ltd.
Trust: Canara Robeco Mutual Fund
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Tel No. (022) 66585000-10, Fax : 6658 5011/12/13
E-Mail : crmf@canararobeco.com

Registrar : M/s Karvy Computershare Pvt. Ltd.
21, Road No.4, Street No. 1,
Banjara Hills, Hyderabad 500034
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Summary of the Scheme

Name of the Scheme	Canara Robeco Multicap
Type / Category	Close ended Equity Scheme
Investment Objective	To generate income / capital appreciation by investing in equities and equity related instruments of companies spanning the entire market capitalization spectrum.
Minimum Application Amount	I. Lump sum Investment Minimum amount: Rs. 5,000.00 and multiples of Re.1.00 thereafter.
NAV	NAV / Repurchase / Sale price will be announced on the first and third Wednesday of every calendar month (notified repurchase days) except Public Holidays and during book closure period.
Applicable NAV for Repurchase of Units / Switch Out	Repurchase facility is provided on the first and third Wednesday of every calendar month (notified repurchase days). a) For applications/ redemption requests received upto 3.00 p. m. (cut off time) of any notified Wednesday, the closing NAV of the day shall be applicable. b) For applications received after 3.00 p.m.(cut-off time) of any notified Wednesday, the closing NAV of the following notified Wednesday shall be applicable.
Load Structure	Lump sum Investment <u>Entry Load</u> <ul style="list-style-type: none"> Not Applicable <u>Exit Load/ Switch-over load</u> <ul style="list-style-type: none"> Nil <p>However, in the event of redemption before maturity, proportionate unamortized initial issue expenses shall be recovered.</p>
Benchmark	BSE 200 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.
Liquidity	Liquidity by way of repurchase facility is available on the first and third Wednesday of every calendar month through Investor Relation Centres/ISCs of R&T Agent.
Transparency / NAV Disclosure	The NAV will be disclosed at the close of the first and third Wednesday of every calendar month (notified repurchase days) and released to the Press, News Agencies and the Association of Mutual Funds of India (AMFI) except in case of "Suspension of Sale or Repurchase of Units". NAVs will also be displayed on the website of the AMC www.canararobeco.com . The AMC will disclose broad details of the portfolio of the Scheme on a quarterly basis on the website of the AMC www.canararobeco.com . As presently required by the SEBI Regulations, a complete statement of the Scheme portfolio would be published by the Mutual Fund as an advertisement in a newspaper within one month from the close of each half year (i.e. March 31 & September 30) or mailed to the Unit holders. The AMC shall update the NAVs on the website of Association of Mutual Funds in India – AMFI (www.amfiindia.com) and the website of the AMC www.canararobeco.com by 9.00 p.m. every day. In case of any delay, the reasons for such delay would be explained to AMFI and number of such instances would be reported to SEBI on bimonthly basis. If the NAVs are not available before the commencement of the following day due to any reason, the Mutual Fund shall issue a press release providing reasons and explaining when the Mutual Fund would be able to publish the NAVs.

I. INTRODUCTION

A. RISK FACTORS

Standard Risk Factors:

- I. Investment in Mutual Fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
- II. As the price / value / interest rates of the securities in which the scheme invests fluctuates, the value of your investment in the scheme may go up or down.
- III. The past performance of the Sponsors/AMC/Mutual Fund does not guarantee future performance of the Scheme.
- IV. Canara Robeco Multicap is only the name of the Scheme and does not in any manner indicate either the quality of the Scheme, its future prospects or returns.
- V. Canara Bank and Robeco Groep N. V., being the Sponsors, are not responsible or liable for any loss resulting from the operation of the scheme beyond the initial contribution of Rs. 10 Lacs made by it towards setting up the Canara Robeco Mutual Fund.
- VI. The present scheme is not a guaranteed or assured return scheme.

I. Scheme specific Risk Factors

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 may 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.

The Investment Manager perceives such situations to be exceptional in nature.

II. 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.

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.

III. Risk associated with Investing in Foreign Securities

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.

IV. 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 may choose to meet repurchase needs through temporary borrowings, within the permissible limits.

B. REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME

The Scheme(s) and individual Plan(s) under the Scheme(s) shall have a minimum of 20 investors and no single investor shall account for more than 25% of the corpus of the Scheme(s)/Plan(s). These conditions will be complied with immediately after the close of the NFO itself i.e. at the time of allotment. In case of non-fulfillment with the condition of minimum 20 investors, the Scheme(s)/Plan(s) shall be wound up in accordance with Regulation 39 (2) (c) of SEBI (MF) Regulations automatically without any reference from SEBI. In case of non-fulfillment with the condition of 25% holding by a single investor on the date of allotment, the application to the extent of exposure in excess of the stipulated 25% limit would be liable to be rejected and the allotment would be effective only to the extent of 25% of the corpus collected. Consequently, such exposure over 25% limits will lead to refund within 6 weeks of the date of closure of the New Fund Offer.

C. DEFINITIONS

In this Offer Document, the following words and expressions shall have the meaning specified herein, unless the context otherwise requires:

AMC Fees	Investment Management fee charged by the AMC to the Scheme.
Applicable NAV	The NAV calculated for the Business Day on which Sale and Repurchase requests received by the Investment Manager or its authorised agents.
Applicant	“Applicant” means a person who applies for allotment of units of Canara Robeco Multicap in pursuance of this Offer Document.
Asset Management Company OR AMC OR Investment Manager	Canara Robeco Asset Management Company Ltd. (CR AMC)
Allotment Date	The date on which the units of Canara Robeco Multicap are allotted to the successful applicants from time to time and includes allotment made pursuant to the New Fund Offer.
Business Day	A day not being: (1) A Saturday or Sunday; or (2) A day on which Banks in Mumbai 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 in Mumbai are open;

	<p>or</p> <p>(5) A day on which Purchase and Redemption of Units is suspended or a book closure period is announced by the Trustee / AMC; or</p> <p>(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.</p> <p>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.</p> <p>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.</p>
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 registered office at 112, J. C. Road, Bangalore, 560002.
CBLO	Collateralized Borrowing and Lending Obligations is a Money Market Instrument, approved by RBI (developed by Clearing Corporation of India Ltd). CBLO is a discounted instrument issued in an electronic book entry form for maturity ranging from one day to one year.
CDSC	Contingent Deferred Sales Charge (CDSC) is a charge imposed when the units are redeemed within 4 years from the date of allotment. The SEBI Regulations mandate the maximum amount that can be charged in each year.
Custodian	The custodian to Canara Robeco Multicap appointed from time to time.
Fund	Canara Robeco Mutual Fund
Large Cap Stock	As per the terms of this Offer Document, large cap stock refers to any listed stock with market capitalization of at least the last stock of S & P CNX Nifty Index.
Money Market Instruments	<p><u>Regulations</u>- 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.</p> <p><u>RBI Amendment Act, 2006</u> - include call or notice money, term money, repo, reverse repo, certificate of deposit, commercial usance bill, commercial paper and such other debt instrument of original or initial maturity up to one year as the Bank may specify from time to time;</p>
Midcap Stock	As per the terms of this Offer Document, midcap stock refers to any listed stock with market capitalization lower than the last stock in the S & P CNX Nifty Index and above 10% of the market capitalization of the last stock in the S & P CNX Nifty Index.
MIBOR	Mumbai Inter-bank Offered Rate
Gilt/Govt. Securities	Central Govt. Securities as defined in Section 2 of the Public Debt Act, 1944 (18 of 1944) and Government Securities created and issued by the State Govt. under the said Act
Interest Rate Risk	Uncertainty of future market values and of the size future income caused by fluctuations in the general level of interest rates.
NAV	The term Net Asset Value (NAV) appearing in this Offer Document means the NAV per unit of Canara Robeco Multicap
Offer Document	This Offer Document, offering units of Canara Robeco Multicap to applicants for subscription.
Person	The word "person" shall include a body corporate, group of individuals, trusts and other association of persons whether incorporated or not.
RBI	Reserve Bank of India, established under the Reserve Bank of India Act 1934, as amended from time to time.
Repo	Sale of Govt. Securities with simultaneous agreement to repurchase them at a later date.
Reverse Repo	Purchase of Govt. Securities with a simultaneous agreement to sell them at a later

	date.
Robeco Groep N. V.	Robeco Groep N.V. (Robeco) is wholly owned by Rabobank Nederland and is one of the Sponsors of the Fund.
Small Cap Stock	As per the terms of this Offer Document, small cap refers to any listed stock with market capitalization lower than 10% of the market capitalization of the last stock in the S & P CNX Nifty Index.
Settler	Canara Bank
Sponsors	The Sponsors of the Fund, namely Canara Bank and Robeco Groep N. V.
Statement of Account	A non-transferable statement indicating the number of units held by the investor on a particular date.
Switch Over	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 authorisation 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, recognised 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 Multicap
Trustees	Trustees means 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 26 th September 2007.
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 Multicap
Unit	One undivided share of a unit holder in the assets of Canara Robeco Multicap
Unit holder	A person holding units of Canara Robeco Multicap 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 Canara Robeco Multicap in accordance with the terms of this Offer Document.

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.

D. DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY

It is confirmed that:

- a) the draft Scheme Information Document forwarded to SEBI, is in accordance with the Securities and Exchange Board of India (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.

Date: 22nd May, 2009
Place: Mumbai

Signature: Sd/-
Name: Trupti Vyas
Compliance Officer,
Canara Robeco Asset Management Company Ltd.

II. INFORMATION ABOUT THE SCHEME

A. TYPE OF THE SCHEME

Canara Robeco Multicap is Close ended Equity Scheme, with five years duration and is not an assured return Scheme.

B. WHAT IS THE INVESTMENT OBJECTIVE OF THE SCHEME

To generate income / capital appreciation by investing in equities and equity related instruments of companies spanning the entire market capitalization spectrum.

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 and Equity related instruments including derivatives of such companies Spanning the entire market capitalization spectrum.	75	100	High
Debt & Money Market instruments	0	25	Low

Allocation of investments between the various market capitalization segments in equity and equity related instruments.

Market Segment - Capitalization	Indicative allocations	
	Minimum	Maximum
Large Cap	60	90
Mid Cap	15	40
Small Cap	0	10

Exposure by the Scheme in derivative instruments for the purpose of hedging and portfolio rebalancing shall not exceed 30% of the Net Assets of Scheme. Investment by the Scheme in ADRs/GDRs shall not exceed 10% of the net assets of the Scheme as on the date of such investments.

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 of each relevant year of the investment.

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.

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.
- Foreign Securities in the countries with fully convertible currencies, short term instruments with highest rating (Foreign Currency Credit Rating) by accredited / registered credit rating agencies, such as A-1/AAA by Standard and Poor, P-1/AAA by Moody's, F1/AAA by Fitch IBCA, etc.
- Securities created and issued by the Central and State Governments and/or repos/reverse repos/in such Government Securities as may be permitted by RBI (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills).

- Money Market Instruments - include Commercial Papers, Commercial Bills, Treasury Bills, and Government Securities having an un-expired 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 / SEBI, from time to time.
- Certificate of Deposit (CDs);
- Commercial Paper (CPs);
- ADR/GDR
- Derivative instruments like Forward Rate Agreements and such other derivative instruments permitted by SEBI/RBI
- 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.

The Scheme may also invest in the units / securities issued by overseas Mutual Funds or Unit Trusts which invest in the aforesaid securities or are rated as mentioned above and the registered with overseas regulators.

The Fund may also appoint overseas investment advisors and service providers, as and when permissible under the Regulation.

The AMC may from time to time for a short term period under exceptional circumstances on defensive consideration modify / alter the investment pattern / asset allocation the intent being to protect the Net Asset Value of the Scheme & the interests of Unit Holders without seeking consent of the Unit Holders.

E. **WHAT ARE THE INVESTMENT STRATEGIES?**

Investment Focus and strategy:

Canara Robeco Multicap is a close ended Scheme having a primary objective to generate income / capital appreciation by investing in equities and equity related instruments of companies spanning the entire market capitalization spectrum.

The investment emphasis of the scheme will be in identifying companies with strong competitive position in good business and having quality management. The AMC will follow an active investment style supported by in-house research. Essentially, the focus would be on fundamentally strong companies with scope for good growth over time. The AMC, in selecting the scrips will focus on the fundamentals of the business, the industry structure, the quality of management sensitivity to economic factors, the financial strength of the company and the key earnings drivers.

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. The AMC will also monitor and control maximum exposures to any one company.

Through adequate diversification of the portfolio, the AMC tries to reduce the risk. For a corpus size of upto Rs.100 crores, the AMC intends to invest in about 35 - 50 scrips. 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.

Apart from investment restrictions under SEBI (MF) Regulations, the Fund does not presently intend to follow any internal norms vis-a-vis limiting exposure to a particular scrip or sector etc. However, the Fund may consider imposing any restrictions depending on the changes in the investment environment from time to time.

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 may invest in overseas equity markets like ADRs/GDRs (subject to relevant RBI/SEBI guidelines / approvals).

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.

Investment Pattern and changes:

The above investment pattern is indicative and may be changed by the Investment Manager for defensive considerations and in accordance with change in Regulations from time to time, under the following circumstances:

1. During extreme volatility / ill-liquidity in the capital market/securities market.
2. In case of natural calamity, strikes, riots, bandhs etc., affecting the valuation of security.
3. Declaration of war or occurrence of insurgency, or any other serious or sustained financial, political or industrial emergency or disturbance, resulting in liquidity crunch.
4. During the time the Scheme receives bulk repurchase and/or bulk investment.

A review will be made as and when such variation takes place, and, if the variation is beyond 10%, the reasons thereof will be recorded. The variation from the stated asset allocation will be constantly monitored and such variation will be brought down to the specified asset allocation levels as soon as the normalcy is restored. A report of such variations will be made to the Board of the AMC and the Trustees on a regular basis.

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 patterns of various schemes 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 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.

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.

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 Unitholders of the Scheme.

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

Portfolio Turnover Policy:

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 AMC believes in active churning of the portfolio with an aim to encash on the opportunities that present themselves from time to time. However the scheme shall aim to achieve the turnover target of 100% to

150% of the corpus of the Scheme so long as the above target is cost effective and profitable without affecting long-term growth prospects of the investment and scheme objective

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 form 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 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:

SEBI vide its circular no. DNP/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.

F. FUNDAMENTAL ATTRIBUTES

i) Type of a scheme

Canara Robeco Multicap is Close ended Equity Scheme, with five years duration and is not an assured return Scheme.

ii) INVESTMENT OBJECTIVE

- To generate income / capital appreciation by investing in equities and equity related instruments of companies spanning the entire market capitalization spectrum.
- Investment Pattern:

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 and Equity related instruments including derivatives of such companies Spanning the entire market capitalization spectrum.	75	100	High
Debt & Money Market instruments	0	25	Low

Allocation of investments between the various market capitalization segments in equity and equity related instruments.

Market Segment - Capitalization	Indicative allocations	
	Minimum	Maximum
Large Cap	60	90
Mid Cap	15	40
Small Cap	0	10

Exposure by the Scheme in derivative instruments for the purpose of hedging and portfolio rebalancing shall not exceed 30% of the Net Assets of Scheme. Investment by the Scheme in ADRs/GDRs shall not exceed 10% of the net assets of the Scheme as on the date of such investments.

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 of each relevant year of the investment.

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 above asset allocation pattern is not absolute and can vary depending upon the AMC's perception of the equity and money markets as well as the general view on interest rates. The asset allocation pattern indicated above may thus be altered substantially on defensive considerations

(iii) Terms of Issue

A. Listing

As the scheme is close ended, the repurchase facility is being offered by the Fund at NAV related prices. Hence, the units of the Scheme are not proposed to be listed on any Stock Exchanges. However, the Fund may at its sole discretion list the units of the scheme on one or more stock exchanges at a later date.

B. Repurchase

a) How to Repurchase:

The repurchase requests can be made on the first and third Wednesday of every calendar month (notified repurchase days) on the forms available at the Sales Offices of the AMC or by submitting the duly discharged Statement of Account.

Being a close ended scheme, the units can be redeemed or repurchased or switched out only during the specified redemption days. If specified redemption day happens to be non-business day, units can be redeemed / repurchased / switched out on the next business day.

b) Applicable Rate for Repurchase of Units:

In respect of valid applications received upto 3.00 p m (cut-off time) of any notified Wednesday, the closing NAV of the day shall be applicable.

In respect of valid applications received after 3.00 p m (cut-off time), of any notified Wednesday the closing NAV of the following notified Wednesday shall be applicable.

Calculation of Repurchase Price: The exit load will be subtracted as a percentage of Net Assets Value (NAV) i.e. applicable 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)

e.g. if the applicable NAV is Rs.10.00 and repurchase / exit load is 2.00%, then the Repurchase Price will be Rs.9.8000.

If units are held jointly, redemption/ repurchase requests shall be signed by all the joint holders and the proceeds of the repurchase/redemption will be paid to the first holder. In the event of the death of the first named holder, survivor/s will have to make the repurchase/redemption requests, duly signed by him/them along with the attested copy of the death certificates and the proceeds of the repurchase/redemption will be paid to him/them.

However, if the unit holding is specified as 'Anyone or Survivor', any one of the unit holders will be entitled to make redemption/repurchase requests, without the need for the other unit holders to sign.

Unit holder may either request for mailing of the redemption proceeds to his/her address or collection of the same from the Sales Offices of the AMC (Investor Relations Centre), where it was deposited for repurchase.

The repurchase warrant, under normal circumstances, will be dispatched within the statutory time limit of 10 working days from the date of the receipt of the repurchase / redemption requests.

Name of the centres where redemption can be affected is furnished on the last page of this document.

c) Right to Limit Repurchase:

In close ended Scheme, any disruption in the normal functioning of the markets for Equity / Call Money Market or extreme illiquidity in any of the investments held by the Scheme may affect the ability of the Fund Manager to buy or sell freely in the market. The Scheme strives to maintain an adequate and desirable level of liquidity.

In the event of a large number of repurchase requests, the time taken by the Scheme for the repurchase may become significant.

C. Aggregate fees and expenses charged to the scheme

a) AMC Fees: For management of the Scheme, the Investment Manager will charge a fee not exceeding 1.25% of the average daily net assets of the Scheme. However, the Investment Manager may change the same within the overall limits prescribed by SEBI (MF) Regulation. In future, the Investment Manager may modify the fee within the limits specified in the Regulations and disclosed in the Offer Document of the Scheme.

For the Scheme, the Investment Manager will charge a total scheme recurring expenses of not exceeding 2.50% of the daily average net assets of the Scheme, within the overall limit prescribed by SEBI (MF) Regulation.

b) Trusteeship Fees: The Trustees shall be entitled to charge a trusteeship fee of 0.05% of the Net Assets of the Scheme, to meet the expenses and contingencies.

In accordance with SEBI (MF) Regulations, 1996, the repurchase price will not be lower than 93% of the NAV and the sale price will not be higher than 107% of the NAV, and that the difference between the repurchase price and the sale price shall not exceed 7% calculated on the sale price.

The investors will be advised of the change in the Load structure by the AMC through an Addendum attached to the Offer Document as well as a Press Release or an Advertisement in the Newspaper. Such Addendum will be sent along with the Newsletter to the investors periodically. The AMC will also inform the Branch Offices/Distributors/Brokers/Intermediaries etc. of any change in the load structure. The latest modification in the load structure whether by way of Exit Load or CDSC 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 / CDSC.

Any change in the load structure, including CDSC, shall be applicable for prospective investments only.

c) New fund offer expenses:

As the fund offer is on a continuous basis and there are no new fund offer expenses.

d) Annual Scheme Recurring Expenses :

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.100 Crore of the average weekly net assets - 2.50%
- On the next Rs.300 Crore of the average weekly net assets - 2.25%
- On the next Rs.300 Crore of the average weekly net assets – 2.00%
- On the balance of the assets – 1.75%

For management of Canara Robeco Multicap, the Investment Manager is entitled to charge a fee not exceeding 1.25% of the average weekly net assets of Scheme. However, the Investment Manager may change the same within the overall limits prescribed by SEBI (MF) Regulation. In future, the Investment Manager may modify the fee within the limits specified in the Regulations and disclosed in the Offer Document of the Scheme.

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?

Benchmark Index: BSE 200

As approved by the Board of Directors/Trustees the Schemes have currently selected the BSE 200 on the basis of the Investment Pattern/Objective of the Scheme and the composition of the Index. The Investment Manager may revise the same to a more appropriate benchmark index, if any, as and when formulated by competent agencies. AMC may give its comments/perception on comparison of returns and benchmarks, if desired.

H. WHO MANAGES THE SCHEME?

Mr. Anand N. Shah, Head – Equities (aged 34) B.Com, PGDM (IIM Lucknow).

His experience includes the following:

Kotak Mahindra Asset Management Company as Vice President, Fund Manager & Equity Research (May, 2000 to December, 2006). ICICI prudential AMC: Senior Fund manager (January, 2007 to April, 2008)

Mr. Anand Shah also manages Canara Robeco Infrastructure and Canara Robeco Equity Tax Saver.

I. WHAT ARE THE INVESTMENT RESTRICTIONS

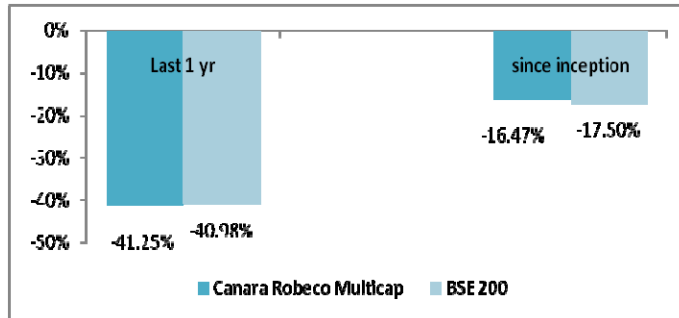
Pursuant to the "SEBI Regulations", the following investment and other limitations are presently applicable to the Scheme, as the case maybe:

1. The scheme shall not invest more than 10% of its NAV in the equity shares or equity related instruments of any company.
2. The scheme shall normally not invest more than 10% of its NAV in the unlisted equity shares or equity related instruments.
3. No term loans for any purpose will be advanced by the Scheme.
4. The Mutual Fund under all its schemes taken together will not own more than 10% of any company's paid up capital carrying voting rights
5. 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.
6. The scheme shall not make any investment in any fund of fund scheme
7. The Fund shall get the securities purchased transferred in the name of the Fund on account of the concerned scheme, wherever investments are intended to be of a long term nature.
8. The Scheme shall not make any investment in:
 - a. Any unlisted security of an associate or group company of the sponsor; or
 - b. Any security issued by way of private placement by an associate or group company of the sponsor; or
 - c. The listed securities of group companies of the sponsor which is in excess of 25% of the net assets.
9. 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.
10. The AMC may invest in the Scheme either in the initial offer or subsequently. However, it shall not charge any investment management fee on such amounts invested by it.
11. Pending deployment of the scheme in securities in accordance with the investment objectives of the scheme, the fund may invest the moneys of the scheme in short term deposits of scheduled commercial banks subject to the applicable regulations.
12. Transfers of investments from one scheme to another scheme in the same mutual fund shall be allowed only if, -
 - (a) 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.]
 - (b) The securities so transferred shall be in conformity with the investment objective of the scheme to which such transfer has been made.
13. All investment restrictions stated above shall be applicable at the time of making investment.

The Trustee of the Mutual Fund may alter these limitations / objectives from time to time to the extent the SEBI Regulations change so as to permit the Scheme to make its investments in the full spectrum of

permitted investments for the mutual fund in order to achieve its investment objectives. All investments of the Scheme will be made in accordance with the SEBI Regulations, including Seventh Schedule thereof.

J. HOW HAS THE SCHEME PERFORMED?



Inception Date for Canara Robeco Multicap – 02th Feb, 07

Performance figures given above have been computed by compounding NAV annually using NAV of Growth Option as on 31.03.2009.

Past performance may or may not be sustained in future. All performance figures are shown net of fees.

III. UNITS AND OFFER

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

A. ONGOING OFFER DETAILS

Options	1) Growth Option 2) Dividend Option
Facilities available	Not Applicable
Minimum Amount for Purchase/ Redemption/ Switches	I. Lump sum Investment Minimum amount:Rs. 5,000.00 and multiples of Re.1.00 thereafter. Subsequent purchases: Minimum amount of Rs. 1000.00 and multiples of Re. 1.00 thereafter.
Dividend Policy	<p>The Scheme may distribute, surplus if any, by way of dividend/ fully paid bonus units, 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, the Dividend/Bonus declaration may not take place.</p> <p>The Scheme is not assuring or guaranteeing any dividend or returns.</p> <p>Income Distribution, if declared, warrants will be issued within 30 days from the date of declaration of Income Distribution or such period that may be stipulated from time to time. The Income Distribution will be paid out of the Net surplus of the Scheme, to those unit holders whose names appear in the register of unit holders on the date to be notified for the purpose.</p> <p>Dividend Reinvestment</p> <p>The units holders have the option to reinvest the Dividend declared by the Scheme. Such unit holders opting to reinvest the dividend receivable by them shall invest in additional units of the Scheme. 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.</p> <p>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.</p> <p>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.</p>
Allotment	<p>Allotment of Units to the eligible applicants under the Scheme who comply with the terms of the scheme.</p> <p>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 two 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.</p> <p>Date of subscription at the notified centres 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.</p>
Redemption	The redemption or repurchase proceeds shall be dispatched to the unit holders within 10 working days from the date of redemption or repurchase.
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).

<p>Who can invest</p> <p>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.</p>	<ul style="list-style-type: none"> • Adult Individual(s) and also minor(s) through their parent/guardian. (Application of minors jointly with adults not allowed). • Adult Individual(s) jointly not exceeding three, on first holder or survivor/s basis. • Hindu Undivided Family (HUF) • Partnership Firms • A Company as defined in the Companies Act, 1956, Public Sector Undertakings. • A Body Corporate established by or under any law in force in India. • A Co-operative Society registered under any law relating to Co-operative Societies in India. • A Religious or Charitable Trust / Wakfs or a Society established under the relevant laws and authorised to invest in Mutual Fund Schemes. • FIs registered with SEBI. • Banks and Financial Institutions. • Pension Funds/Pension Fund Managers. • Non Resident Indians (NRIs) and Persons of Indian Origin (PIOs) on repatriation / non-repatriation basis. • Army, Air Force, Navy and other para-military units and bodies created by such institutions. Scientific and Industrial Research Organisations. • Multilateral Funding Agencies / Body Corporates incorporated outside India with the permission of Government of India / Reserve Bank of India • Other Schemes of the Fund subject to the conditions and limits prescribed under SEBI Regulations. • Any other category of investors that may be permitted by the Trustees as per the Indian Laws in future. • NRIs and PIOs
<p>Where can you submit the filled up applications.</p>	<p>M/s Karvy Computershare Pvt. Ltd. 21, Road No.4, Street No. 1, Banjara Hills, Hyderabad 500034 Tel No. (044) 23390404, 23394436, 2337901 Fax. (040) 23311968 E-Mail: crmf@karvy.com</p> <p>The applications forms during the NFO may be submitted to the notified branches of the collecting banker or the Sales Offices of the AMC. Submission of forms for subscription and redemption during ongoing sale / redemption can be made at the Sales Offices of the AMC or Official Points of Acceptance of the R & T Agent.</p>
<p>Where can the applications for purchase/redemption switches be submitted</p>	<p>The details of official points of acceptance, collecting banker details etc. are mentioned on back cover page.</p>
<p>How to apply</p>	<p>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 numbers in their application for purchase of units and redemption requests. 2. Mention their Permanent Account Number (PAN) in their application</p>
<p>Listing</p>	<p>As the scheme is close ended, the repurchase facility is being offered by the Fund at NAV related prices. Hence, the units of the Scheme are not proposed to be listed on any Stock Exchanges. However, the Fund may at its sole discretion list the units of the scheme on one or more stock exchanges at a later date.</p>
<p>Restrictions, if any, on the right to freely retain or dispose of units being offered.</p>	<p>Not Applicable</p>
<p>Ongoing price for redemption (sale) /switch outs (to other schemes/plans of the Mutual Fund) by investors.</p> <p>This is the price you will receive for</p>	<p>At the applicable NAV subject to prevailing exit load/Unamortized expenses</p>

<p>redemptions/switch outs.</p> <p>Example: If the applicable NAV is Rs. 10, exit load is 2% then redemption price will be: Rs. 10* (1-0.02) = Rs. 9.80</p>	
<p>Cut off timing for redemptions</p> <p>This is the time before which your application (complete in all respects) should reach the official points of acceptance.</p>	<p>a) For applications received up to 3.00 p m (cut-offtime) of any notified Wednesday, the closing NAV of the day shall be applicable.</p> <p>b) For applications received after 3.00 p m (cut-off time), of any notified Wednesday the closing NAV of the following notified Wednesday shall be applicable.</p>
<p>Accounts Statements</p>	<p>For normal transactions (other than SIP/STP) during ongoing sales and repurchase:</p> <ul style="list-style-type: none"> • The AMC shall issue to the investor whose application (other than SIP/STP) has been accepted, an account statement specifying the number of units allotted • For those unit holders who have provided an e-mail address, the AMC will send the account statement by e-mail. • The unit holder may request for a physical account statement by writing/calling the AMC/ISC/R&T.. <p>Annual Account Statement:</p> <ul style="list-style-type: none"> • 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. <p>Alternately, soft copy of the account statements shall be mailed to the investors' e-mail address, instead of physical statement, if so mandated.</p>

B. PERIODIC DISCLOSURES

<p>Net Asset Value</p> <p>This is the value per unit of the scheme on a particular day. You can ascertain the value of your investments by multiplying the NAV with your unit balance.</p>	<p>The Mutual Fund shall declare the Net asset value of the scheme on the first and third Wednesday of every calendar month (notified repurchase days) on AMFI's website www.amfiindia.com by (time limit for uploading NAV as per applicable guidelines) and also on www.canararobeco.com.</p> <p>The NAV calculated as above and Sale/Repurchase rates of units will be published in two news papers on a weekly basis, by way of press release / advertisement. In addition, the NAV, Sale and Repurchase rates for all business days will be available at our Branch Offices.</p>
<p>Half yearly Disclosures: Portfolio / Financial Results</p> <p>This is a list of securities where the corpus of the scheme is currently invested. The market value of these investments is also stated in portfolio disclosures.</p>	<p>Before expiry of one month from the close of each half year that is on 31st Mar and 30th Sept, the Fund shall publish its un-audited financial results in one national English daily newspaper and in a newspaper in the language of the region where the Head Office of the Fund is situated.</p> <p>These shall also be displayed on the web site of the Fund and that of AMFI. Full portfolio in the prescribed format shall also be disclosed either by publishing it in the newspaper or by sending to the unit holders within one month from the end of each half year</p>

	and it shall also be displayed on the web site of the Fund.		
Half Yearly Results	<p>Before expiry of one month from the close of each half year that is on 31st Mar and 30th Sept, the Fund shall publish its un-audited financial results in one national English daily newspaper and in a newspaper in the language of the region where the Head Office of the Fund is situated.</p> <p>These shall also be displayed on the web site of the Fund and that of AMFI. Full portfolio in the prescribed format shall also be disclosed either by publishing it in the newspaper or by sending to the unit holders within one month from the end of each half year and it shall also be displayed on the web site of the Fund.</p>		
Annual Report	An abridged Scheme-wise annual report shall be mailed to all unit holders not later than four months from the date of closure of the relevant accounting year and the full annual report shall be made available for inspection at the Head Office of the Fund and a copy shall be made available to the unit holders on request on payment of nominal fees, if any.		
Associate Transactions	Please refer to Statement of Additional Information (SAI).		
<p>Taxation</p> <p>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.</p>			
		Resident Investors	Mutual Fund
	Equity Fund		
	Tax on Dividend	No Tax	No Tax
	Capital Gains:		
	Long Term	NIL	No Tax
	Short Term	15% plus applicable surcharge and education cess if STT is chargeable	No Tax
	<p>Equity scheme will also attract securities transaction tax (STT) at applicable rates.</p> <p>Securities Transaction Tax Sale of units of equity oriented schemes to the Mutual fund would be liable to Securities Transaction Tax (STT). STT would be payable at the rate of 0.25% on the redemption value by the investor and would be collected by the Fund at the time of redemption of units.</p> <p>For further details on taxation please refer to the clause on Taxation in the SAI</p>		
Investor services	<p>Ms. Manjiri Dolhare Manager – Customer Service 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 : manjiri.dolhare@canararobeco.com</p>		

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:

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

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

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 expenses related to New Fund Offer.

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 upto 2.5% of the weekly average 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.

Particulars	% of Net Assets
Investment Management & Advisory Fee	1.25
Custodial Fees	0.02
Registrar & Transfer Agent Fees including cost related to providing accounts statement, dividend/redemption cheques/warrants etc.	0.16
Marketing & Selling Expenses including Agents Commission and statutory advertisement	0.20
Brokerage & Transaction Cost pertaining to the distribution of units	0.50
Audit Fees / Fees and expenses of trustees	0.06
Costs related to investor communications	0.08
Costs of fund transfer from location to location	0.03
Other Expenses*	0.20
Total Recurring Expenses	2.50

* includes Service Tax

The above expenses are estimates only and are subject to change as per actuals. While the expense ratio may remain the same, the heads may change inter se and the total expenses shall not exceed 2.50% of the amount of the Scheme's average daily net assets. Subject to SEBI Regulations, the AMC reserve the right to modify the above estimate for recurring expenses on a prospective basis.

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.100 Crore of the average weekly net assets - 2.50%
- On the next Rs.300 Crore of the average weekly net assets - 2.25%
- On the next Rs.300 Crore of the average weekly net assets – 2.00%
- On the balance of the assets – 1.75%

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.

Lump sum Investment

Entry Load

- Not Applicable

Exit Load/ Switch-over load

- Nil

However, in the event of redemption before maturity, proportionate unamortized initial issue expenses shall be recovered.

Bonus units and units issued on reinvestment of dividends shall not be subject to entry and exit load.

All loads including Contingent Deferred Sales Charge (CDSC) for the Scheme shall be maintained in a separate account and may be utilised towards meeting the selling and distribution expenses. Any surplus in this account may be credited to the scheme, whenever felt appropriate by the AMC.

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

For any change in load structure AMC will issue an addendum and display it on the website/Investor Service Centres.

D. WAIVER OF LOAD FOR DIRECT APPLICATIONS

Pursuant to SEBI circular dated December 31, 2007, there will be no entry load for applications submitted directly to Canara Robeco Asset Management or its collection centres/ investor service centres. If the investor intends to transact directly with Canara Robeco Asset Management, he/she should strike out the space for broker code, if filled, and also sign to confirm. If the broker code space is blank, investors should strike out the column or fill the words 'Direct' and sign to confirm intention that the proposed investment is direct 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. The Reserve Bank of India has imposed a penalty of Rs 5,00,000.00 on Canara Bank for deficiencies in computation of DTL/NDTL for the purpose of maintenance of CRR/SLR during the period prior to September,2005.

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.

3. (a) Two Civil Suits are pending before the City Civil Court, Bangalore claiming Rs.22,461.00, as compensation and interest in Canstar Scheme. Cases are also pending before various Consumer Foras alleging deficiency of services by R&T Agents, and also concerning suspension of repurchase facility under Canstar Scheme. The cases are at various stages of hearing/appeal. The Fund has taken necessary steps as legally advised.
- (b) 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 for the claims arising out of scam related transactions. The Fund has taken necessary steps as legally advised.
- (c) Writ Petitions have been filed before the Hon'ble Bombay High Court & Hon'ble Calcutta High Court, for direction to prohibit Robeco Mutual Fund from converting the close ended Cantriple+ Scheme into open ended and for direction regarding payment of three times the original investment. In respect of the cases mentioned above, the Fund / Investment Manager will abide by the final decision of the cases.
- (d) A criminal complaint was filed by Mr. Dilip Cheriwal before the First Class Judicial Magistrate, Patna against Canara Robeco Mutual Fund and four of the then Trustees respectively in Cantriple+ Scheme. A petition filed by one Seth Sagarmal Bagrodia Charitable Trust against Canara Robeco Mutual Fund and others in

Cantriple+ Scheme is also pending before MRTD, New Delhi. These cases are being defended as legally advised.

- (e) There are about 32 consumer complaints (including appeals) filed by various parties against the Fund in respect of the various schemes floated by CMF, which are pending. About 40 consumer complaints (including appeals) filed by various parties against GIC Mutual Fund/GICAMC in respect of the various schemes floated by GIC Mutual Fund, which are pending. Pursuant to take over of all the GIC Mutual Fund Schemes by the Fund with effect from 15.10.2005, the said cases are being defended by CMF as legally advised.

Save and except what is stated above, 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 2500 branches and Robeco Groep N V 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."