
CANARA ROBECO VALUE FUND

Mar' 2024

Statutory Disclosures

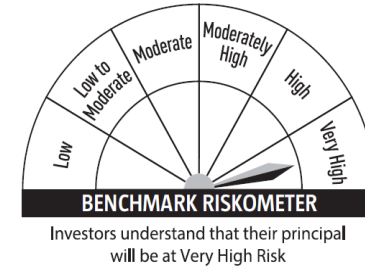
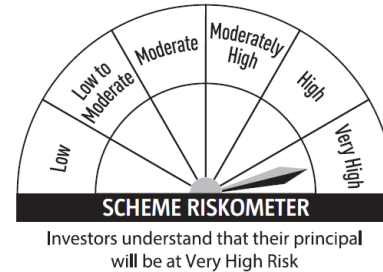
Product Labelling:

This product is suitable for investors who are seeking*:

Canara Robeco Value Fund

(An open-ended equity scheme following a value investment strategy)

- Long term capital growth.
- Investment in equity and equity related instruments by following value investing strategy.



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

Essence of Intrinsic Value Investing

“In general terms, intrinsic value is understood to be that value which is justified by the facts: the assets, the earnings, dividends, definitive prospects”

- Benjamin Graham



‘INTRINSIC VALUE’ is a true value of an asset. It is the maximum price one is ready to pay to hold the asset forever!

Intrinsic Value Investing- The Concept

- ① Intrinsic Value Investing is a broader philosophy which involves buying companies at a price lower than their intrinsic value
- ① Keeping a margin of safety
- ① Taking advantage of market inefficiencies

*“All sensible investing is Value Investing” -
Charlie Munger*

- ✓ Keeping margin of safety
reduces downside risk

INTRINSIC VALUE



Intrinsic Value Investing- The Concept

An Illustration:

In general, a company with an Intrinsic value of Rs.1.00 is considered to have a good buffer when you buy it at a Price of Rs.0.50. This gives a margin of safety equivalent to 50%.

Market Price	Margin of Safety	Valuation
Stock trades @ Rs.0.50	$\frac{\text{Rs.1.00} - \text{Rs.0.50}}{\text{Rs.1.00}} \times 100\% = 50\%$	Undervalued [High Margin of Safety]
Stock trades @ Rs.0.90	$\frac{\text{Rs.1.00} - \text{Rs.0.90}}{\text{Rs.1.00}} \times 100\% = 10\%$	Undervalued [Low Margin of Safety]
Stock trades @ Rs.1.00	$\frac{\text{Rs.1.00} - \text{Rs.1.00}}{\text{Rs.1.00}} \times 100\% = 0\%$	Fair value
Stock trades @ Rs.1.50	$\frac{\text{Rs.1.00} - \text{Rs.1.50}}{\text{Rs.1.00}} \times 100\% = -50\%$	Overvalued



A margin of safety is achieved when securities are purchased at prices sufficiently below underlying value to allow for human error, bad luck, or extreme volatility in a complex, unpredictable and rapidly changing world” -

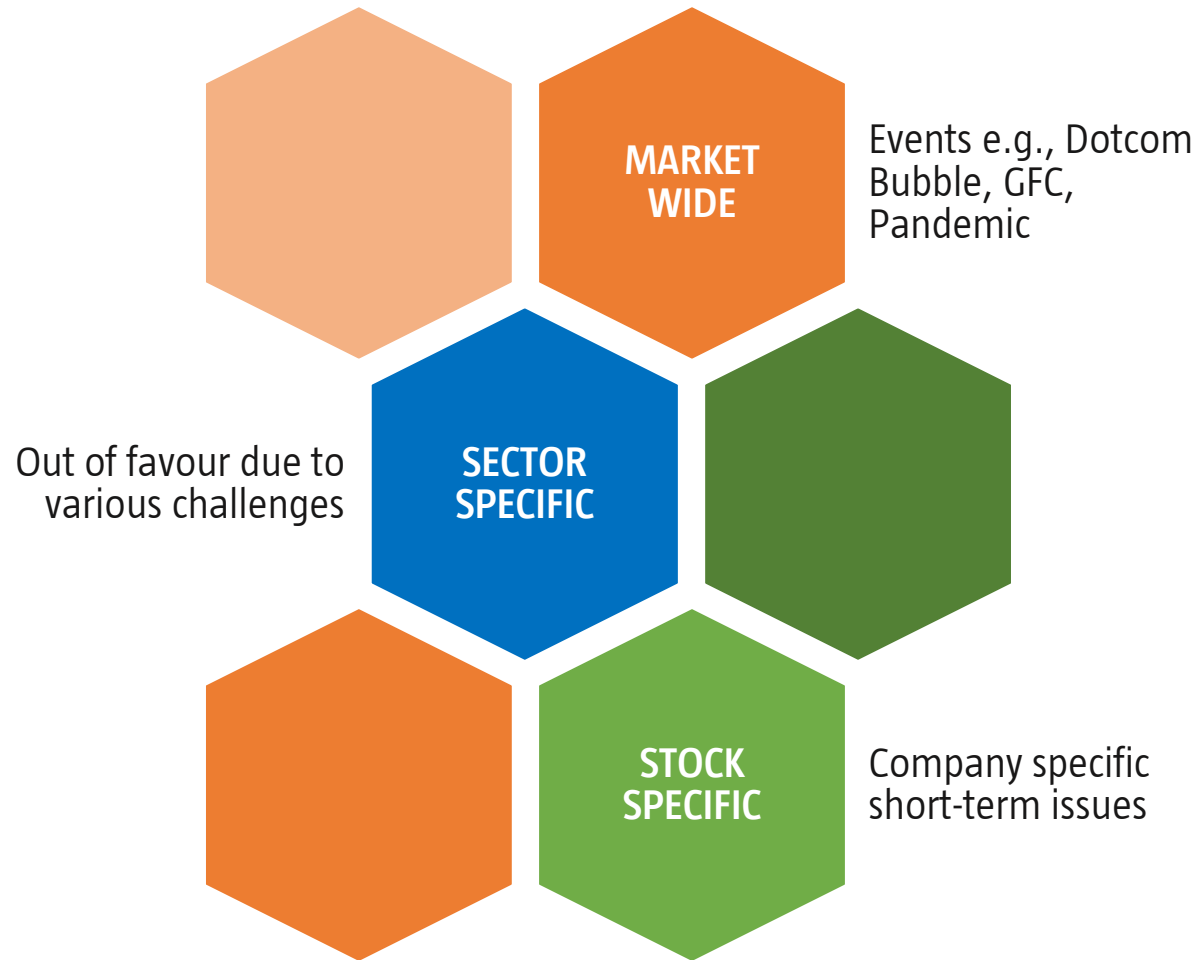
Seth Klarman

✓ **HIGHER THE MARGIN OF SAFETY;
LOWER THE RISK**

MARGIN OF SAFETY

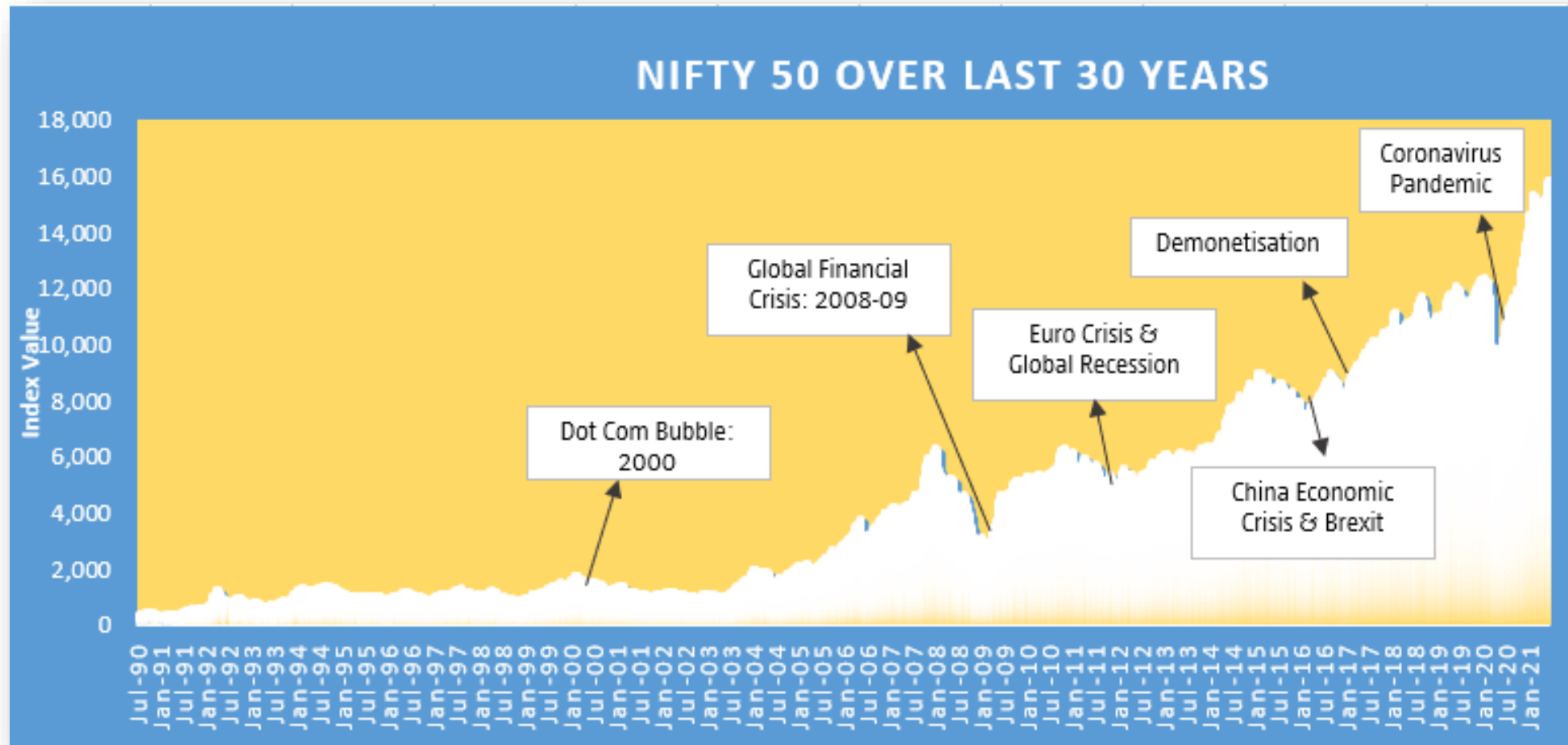


Value Investment Opportunities



Value opportunities can be found across market cycles, sector as well as companies

In the last two decades there have been many market wide value investment opportunities



Stock specific – company specific short-term issues

TEMPORARY ISSUES

Business downturn

Management Changes

Restructuring

New Entrant- Temporary increase in competitive intensity

Disruptive regulatory changes

Value investors generally pick up good businesses which are going through temporary downturn

Portfolio Structure

🔗 Scan the universe based on various **financial parameters**

I



🔗 Using the most suitable **valuation technique**, identify undervalued companies

II



🔗 Generate Bull case, Bear case **scenarios** for the company's Intrinsic Value

III



🔗 Select companies based on factors including high upside to downside **ratio**

IV



🔗 Allocate Portfolio weights considering factors including **rerating triggers**

V



🔗 Construct Portfolio keeping in mind **opportunity size and risk limits**

VI

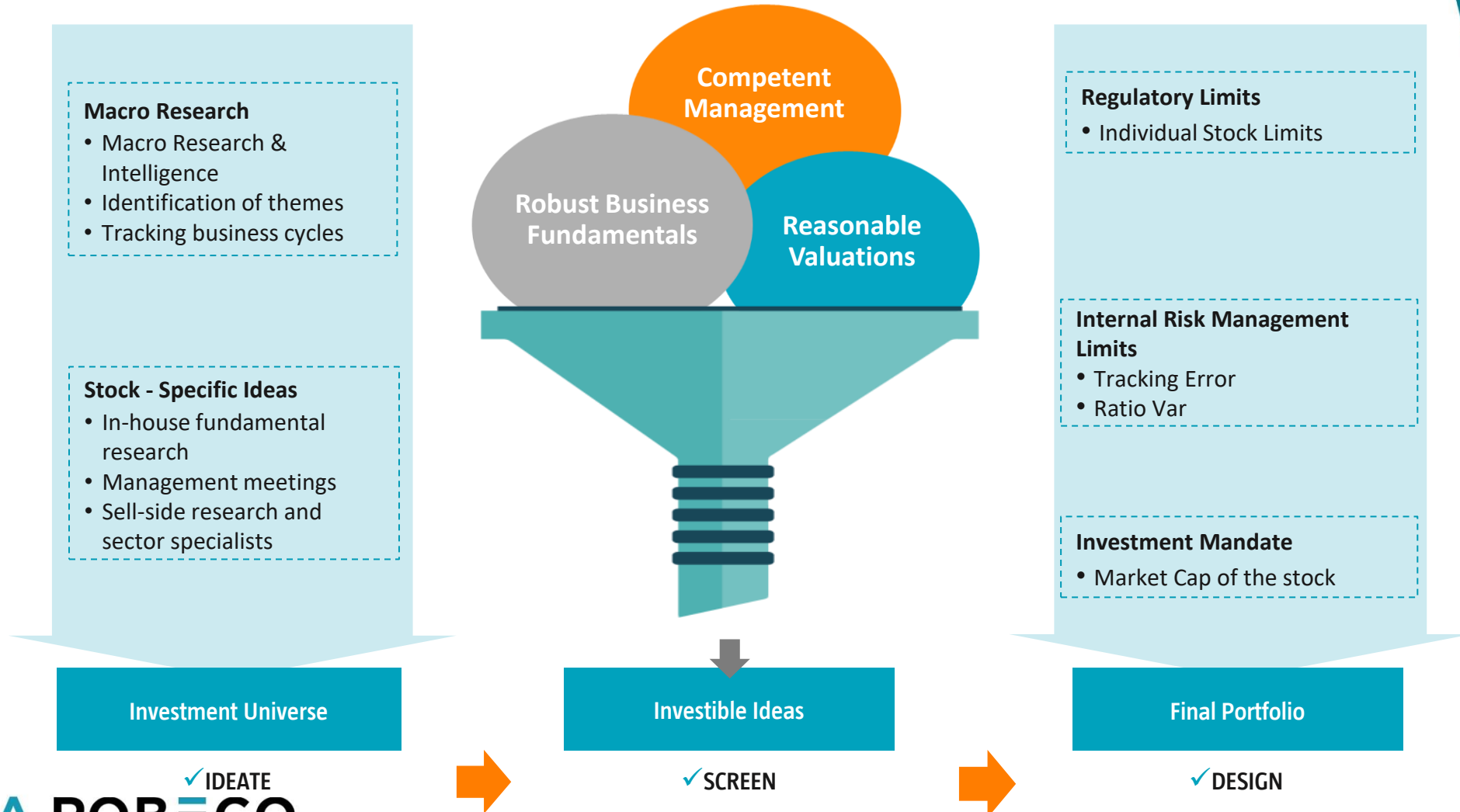


🔗 Use of **quant model** to aid portfolio construction

VII



Canara Robeco Investment process



Stringent Risk management is the Key



Risk control process to manage risks through various tools such as stock limit and sector limit; to ensure that the portfolio liquidity is maintained without compromising on the return



We believe that optimal diversification would help achieve the desired level of consistency in return

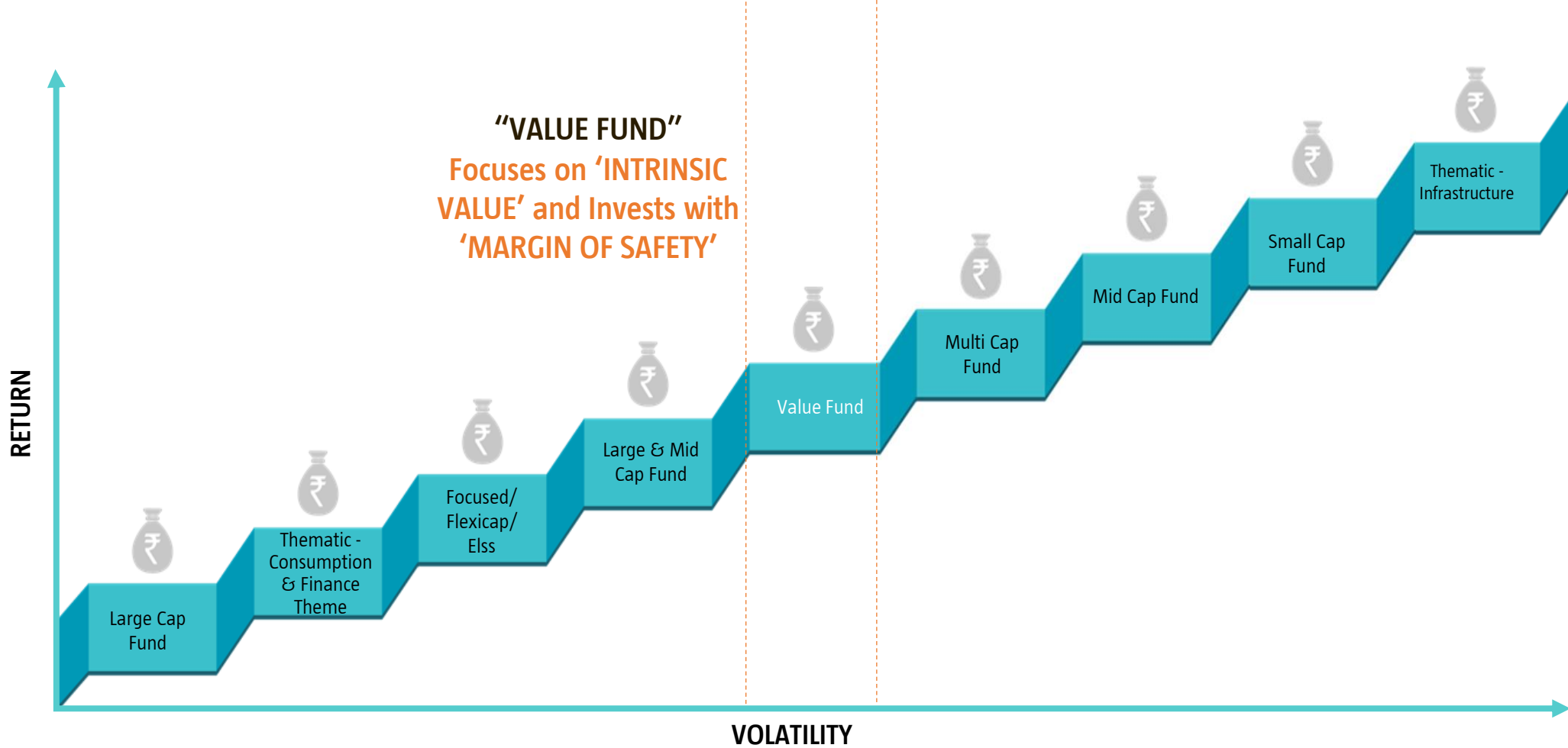


Our aim is to identify securities, which offer favourable risk adjusted returns



With the aim of controlling risks, the investment team will carry out rigorous in-depth analysis of the securities proposed to be invested in – ongoing monitoring

FUND POSITIONING



Who should invest in this fund?

Patient investors seeking **value approach to investing** – with focus on investing in stocks having adequate margin of safety

Investors with a long-term investment horizon of at least 3 years

Investors looking for a fund with a potential to **deliver better risk adjusted returns** in the long term

Investors focusing on **underlying businesses and looking for diversification / differentiated portfolio**

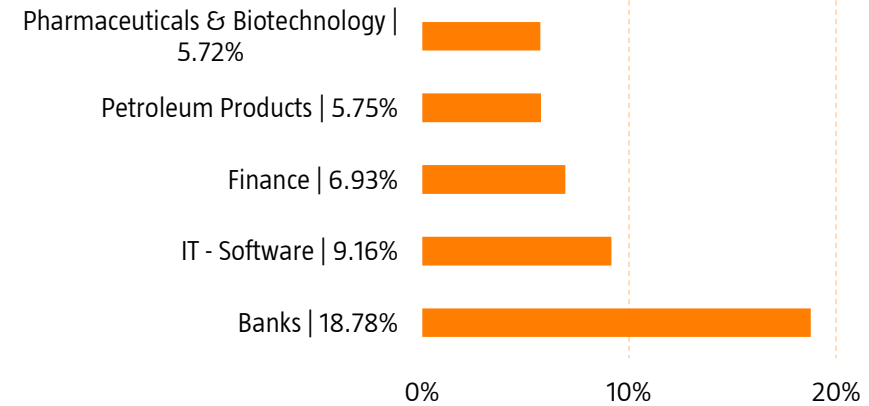


Portfolio Highlights

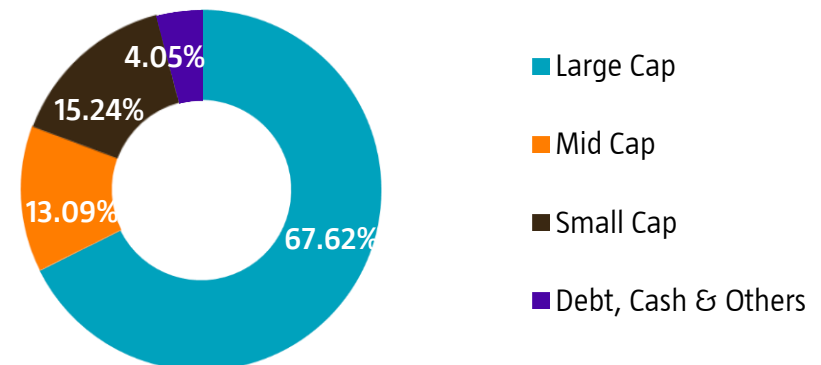
Top 10 Holdings	Industry Classification	% of Net Assets
HDFC Bank Ltd	Banks	6.30%
ICICI Bank Ltd	Banks	5.94%
NTPC Ltd	Power	4.46%
Infosys Ltd	IT - Software	4.32%
Reliance Industries Ltd	Petroleum Products	4.30%
Bharti Airtel Ltd	Telecom - Services	3.20%
Larsen & Toubro Ltd	Construction	3.12%
ITC Ltd	Diversified Fmcg	2.84%
Brigade Enterprises Ltd	Realty	2.72%
Creditaccess Grameen Ltd	Finance	2.51%

Quant	Values
Total No. of Stocks	54
Top Stock Holding (%)	6.30%
Top 10 Stocks Holding (%)	39.71%
Top 3 Industries (%)	34.87%
Top 5 Industries (%)	46.34%

Top 5 Sector break up (% to NAV)



Market Capitalization (%)



Fund Facts

Name of the Scheme	Canara Robeco Value Fund			
Type	An open-ended equity scheme following a value investment strategy			
Investment Objective	The fund aims to generate long-term capital appreciation from a diversified portfolio of predominantly equity and equity related instrument, with higher focus on value stocks. There is no assurance or guarantee that the investment objective of the scheme will be realized.			
Asset Allocation		Indicative allocations (% of total assets)		Risk Profile
		Minimum	Maximum	
	Equity and Equity-related Instruments	65%	100%	Medium to High
	Debt and Money Market Instruments	0%	35%	Low to Medium
	Units issued by REITs and InvITs	0%	10%	Medium to High
	Units of MF schemes	0%	5%	Medium to High
Equity Exchange Traded Funds	0%	10%	Medium to High	
Plans & Options	Regular Plan & Direct Plan (a) Growth (b) Income Distribution cum capital withdrawal option: - Payout of Income Distribution cum capital withdrawal option - Reinvestment of Income Distribution cum capital withdrawal option			
Load Structure	Entry Load: Nil Exit Load: In respect of each redemption / switch-out of units, 1% - if redeemed/switched out within 365 days from the date of allotment. Nil - if redeemed/switched out after 365 days from the date of allotment.			
Fund Manager	Vishal Mishra, Silky Jain			
AUM (in Crs)	1,124.61 Crs.			
Benchmark	S&P BSE 500 Index TRI			

Performance of Fund Manager

Fund Manager: Mr. Vishal Mishra

Scheme Names	CAGR (%)									
	6 Months Return**		1 Year Return		3 Years Return		5 Years Return		Since Inception	
	Scheme	Benchmark*	Scheme	Benchmark*	Scheme	Benchmark*	Scheme	Benchmark*	Scheme	Benchmark*
CANARA ROBECO INFRASTRUCTURE			54.57	105.37	30.41	41.06	22.94	25.61	14.88	-
CANARA ROBECO ELSS TAX SAVER			33.59	40.42	16.89	19.34	18.06	17.39	19.30	17.67
CANARA ROBECO BLUE CHIP EQUITY FUND			33.45	34.40	15.49	17.74	16.94	16.05	13.21	12.40
CANARA ROBECO VALUE FUND			41.10	40.42	N.A	-	N.A	-	19.80	14.27
CANARA ROBECO MULTI CAP FUND**	30.21	35.30	N.A	-	N.A	-	N.A	-	27.23	34.17

Note:

- Mr. Vishal Mishra manages 5 open-ended schemes of Canara Robeco Mutual Fund.
- Period for which scheme's performance has been provided is computed basis last day of the month-end preceding the date of advertisement
- Different plans shall have a different expense structure. The performance details provided herein are of Regular plan - Growth Option
- Past performance may or may not be sustained in the future.
- : Corresponding values not available
- N.A.- Not Applicable because scheme is in existence for less than 1 year or 3 years respectively.
- **Scheme has been in existence for more than six months but less than one year, therefore returns shown above are based on simple annualized growth rate of the scheme for the past 6 months from the last day of previous month-end / since inception.

Assistant Fund Manager: Ms. Silky Jain

Scheme Names	CAGR (%)							
	1 Year Return		3 Years Return		5 Years Return		Since Inception	
	Scheme	Benchmark*	Scheme	Benchmark*	Scheme	Benchmark*	Scheme	Benchmark*
CANARA ROBECO VALUE FUND	41.10	40.42	N.A	-	N.A	-	19.80	14.27

Note:

- Ms. Silky Jain manage 1 open-ended schemes of Canara Robeco Mutual Fund.
- Period for which scheme's performance has been provided is computed basis last day of the month-end preceding the date of advertisement
- Different plans shall have a different expense structure. The performance details provided herein are of Regular plan - Growth Option
- Past performance may or may not be sustained in the future.
- : Corresponding Benchmark values not available
- N.A.- Not Applicable because scheme is in existence for less than 3 year.

Disclaimer

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