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**STATEMENT OF ADDITIONAL INFORMATION (SAI)**

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 **Canara Robeco Mutual Fund**

**Investment Manager:** Canara Robeco Asset Management Company Ltd.

**CIN No :** U65990MH1993PLC071003

**Trust:** Canara Robeco Mutual Fund

**Address:** Construction House, 4<sup>th</sup> Floor,  
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Ballard Estate, Mumbai – 400001.  
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*This Statement of Additional Information (SAI) contains details of Canara Robeco Mutual Fund, its constitution, and certain tax, legal and general information. It is incorporated by reference (is legally a part of the Scheme Information Document).*

This SAI is dated June 28, 2024

**INDEX**

<b>Particulars</b>	<b>Page No.</b>
<b>Section I – Information about Sponsor, AMC and Trustee company</b>	3
<b>Section II – Service Providers</b>	26
<b>Section III – Condensed Financial Information</b>	28
<b>Section IV – Risk Factors</b>	32
<b>Section V – How to apply</b>	40
<b>Section VI – Rights of Unitholders of the Schemes</b>	85
<b>Section VII – Investment Valuation Norms for securities and other assets</b>	88
<b>Section VIII – Tax, Legal &amp; General Information</b>	99
<b>Section IX - Disclosures and Reports by the Fund</b>	140

**SECTION I – INFORMATION ABOUT SPONSOR, AMC AND TRUSTEE COMPANY**

**A. CONSTITUTION OF THE MUTUAL FUND**

Canara Robeco Mutual Fund (CRMF) (formerly Canbank Mutual Fund) was originally constituted as a trust on 17/12/1987 in accordance with the provisions of the Indian Trusts Act, 1882 (2 of 1882) by Canara Bank as the Settlor/Sponsor and is duly registered with Securities and Exchange Board of India (SEBI) vide registration no. MF/004/93/4 dated 19.10.1993. Subsequently, in 2007, pursuant to a Joint Venture between Canara Bank (51%) & ORIX Corporation Europe N V ('OCE') (formerly known as Robeco Groep N V) (49%) in the asset management company, OCE was inducted as the co-Sponsor in the Mutual Fund, which was renamed as Canara Robeco Mutual Fund. CRMF is administered by a Board of Trustees comprising of representative(s) of Canara bank and OCE, Mr. Nageswara Rao Y, Mr. Jayaraman Balasubramanian, Mr. Jai Diwanji, Mr. Joseph Silvanus and Mr. Hardeep Singh Ahluwalia. The Trust Deed has been registered under the Indian Registration Act, 1908.

**B. SPONSORS**

Canara Robeco Mutual Fund is sponsored by Canara Bank and ORIX Corporation Europe N. V. (formerly known as Robeco Groep N.V.). Canara Bank is the Settlor of the Mutual Fund Trust. The Sponsors have entrusted a sum of Rs. 10 lacs to the Trustees as the initial contribution towards the corpus of the Mutual Fund.

**i. Canara Bank:**

Canara Bank, having its Head Office at 112 J C Road, Bengaluru 560 002 is one of the leading Public Sector Bank in India. Canara Bank was established in July 1906 in Karnataka and was nationalized in 1969. As a premier commercial bank in India, Canara Bank has a distinct track record in the service of the nation for over 118 years. It has a strong pan India presence with 9604 branches and over 12155 ATMs/Recyclers as of March 2024, catering to all segments of an ever growing clientele accounts base of over 10.77 crore. Across the borders, the Bank has 4 overseas branches - London New York , Dubai International Finance Centre and IBU GIFT CITY Gandhinagar, Gujarat. Besides the above 3 branches, the Bank has a Representative Office at Sharjah (UAE) and a wholly owned subsidiary - Canara Bank (Tanzania) Limited at Dar Es Salaam (Tanzania). It is recognized as a major financial conglomerate in India, with as many as thirteen subsidiaries / sponsored institutions in India and abroad (as of March 2024). As on 31st March 2024, the Government of India shareholding in the Bank is 62.93%.

**Financial Summary of the Canara Bank Ltd**

(Rs.in Crores)

Year Ended 31 <sup>st</sup> March	2022	2023	2024
Net-worth	48692	60195	71829
Total Income	85907	103187	127654
Profit after Tax	5678	10604	14554
Assets Under Management (if applicable)	NA	NA	NA

**ii. ORIX Corporation Europe N. V. (formerly known as Robeco Groep N.V):**

ORIX Corporation Europe N.V. (OCE), having its Corporate Office at Weena 850, 3014 DA Rotterdam, The Netherlands, is a holding company and owns several operating companies worldwide. These companies are active in asset management and renewable energy.

OCE is a full subsidiary of ORIX Corporation, a Japanese financial services concern, based in Tokyo, Japan, that started operating since 1964. ORIX Corporation is active in the world of lending, investment, life insurance, banking, asset management and businesses related to the automotive sector, real estate, the environment and energy.

In 2013, ORIX Corporation, had acquired 90.01% shares of OCE (at that time known as Robeco Groep N.V.) from Rabobank. Subsequently during October 2016, ORIX Corporation acquired the remaining 9.99% shareholding from Rabobank, thereby becoming the 100% shareholder of ORIX Europe. Robeco Groep N.V. was renamed as ORIX Corporation Europe N. V. with effect from 1<sup>st</sup> January 2018.

**Financial Summary of the ORIX Corporation Europe N. V.**

*(Rs.in Crores)*

<b>Year Ended 31<sup>st</sup> December</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Total Income	10429.69	10,960.94	8,460.94
Profit after Tax	3179.69	2,437.50	1,523.44
Net-worth	10539.06	13,054.69	14,757.81
Assets Under Management	2695.85	2,272.67	2,452.91

**C. BOARD OF TRUSTEES (THE TRUSTEES)**

Canara Robeco Mutual Fund (the "Trust"), through its Board of Trustees, shall discharge its obligations as the Trust and shall ensure that the transactions entered into by the AMC are in accordance with the SEBI Regulations and will also review the activities carried on by the AMC.

**Details of Trustees:**

<b>Name</b>	<b>Age/Qualification</b>	<b>Brief Experience</b>
Mr. Nageswara Rao Y (Independent Trustee)	61 Years /B. Com, CAIIB, Certificate Course in Computer Applications	Mr. Nageswara Rao Y is a career banker having worked 36 years with Vijaya Bank and thereafter with Syndicate Bank and Bank of Maharashtra. He started his career as Probationary Officer with Vijaya Bank and rose to the position of Executive Director of the Bank. During his tenure with the Bank, he has worked in various capacities including Head of various departments and has a rich and cross functional banking experience in Planning & Development, Merchant Banking Division, Card Division, Marketing & Public Relations, IT, MIS, Risk Management, Alternative Delivery Channels and related functions. Thereafter, he was associated with Syndicate Bank and Bank of Maharashtra as an Executive Director.
Mr. Jayaraman Balasubramanian (Independent Trustee)	72 Years /B.Com., FCA, LL.B	Mr. Balasubramanian is a Chartered Accountant and a Senior Partner of M/s G. Natesan & Co. Chartered Accountants, Chennai. He is a veteran with a wealth of experience across various Banks and Corporates over 36 years.  During his tenure, he headed various functions and responsibilities such as Member of Risk Management Committee of MCX, Auditor-ISO 9001:2000, Surveyor and loss Assessor, Member of erstwhile ICAI Committee of Insurance etc., besides being an auditor to various organizations.
Mr. Jai Diwanji (Associate Trustee)	49 Years / B.S.M. in Finance, Tulane University, New Orleans, U.S.A B.A. in Law (University Of Cambridge, U.K) Legal Practise Course, College Of Law, London, U.K.	Mr. Jai Diwanji is presently a partner in Desai & Diwanji, Advocates & Solicitors.  Mr. Jai Diwanji is a practising advocate of over 13 years' experience. As a part of his practise, he advises corporate and non corporate clients in the areas of Mergers & Acquisitions, Private Equity and general corporate law.
Mr. Joseph Silvanus (Independent Trustee)	57 Years / Bachelor of Economics (Honors), MMS, INSEAD's Advanced Management Program	Mr. Joseph Silvanus is a career banker having worked 27 years with ANZ Grindlays and thereafter with Standard Chartered Bank across various geographies. He was CEO Standard Chartered Bank in Nepal, holding additional governance responsibility of Afghanistan and Bhutan.  With deep working knowledge of financial markets across ASEAN; he drove sovereign engagement around ratings advisory, public policy guidance and development of capital markets. He played a pivotal role working with Multilateral/ Bilateral agencies, Development Finance and socially responsible Investors, for directing specific program based support towards entities in ASEAN and South Asia. Among the various positions held by him, he had been the CEO of Standard Chartered Bank in Afghanistan.

		<p>He is the Promoter &amp; Director of Coracle Capital Consulting and Corporate Services Pvt. Ltd., acts as a Strategic Advisor to eKisanCredit, Baroda and also is the Chairman of the Board of Nidan Hospital, Kathmandu.</p> <p>Further, he is the Strategic advisor for Dolma Impact (Private Equity) Fund and other Group entities in Nepal and heads Dolma Consulting, the advisory arm of Dolma Group besides being its Managing Partner.</p>
Mr. Hardeep Singh Ahluwalia (Associate Trustee)	56 Years / Graduate in Agriculture, CAIIB, Certification in Credit Management, Diploma in Computer Applications in Financial Management	<p>Mr. Hardeep Singh Ahluwalia is a career banker having worked 31 years with Allahabad Bank (now Indian Bank).</p> <p>He started his career as Agricultural Field Officer with Indian Bank and rose to the position of General Manager of the Recovery Department of the Bank. During his tenure with the Bank, he has worked in various capacities including Lead District Manager, Head of the International Branch, Zonal Head, Chandigarh &amp; FGM/CGM Kolkata and various other verticals at administrative offices. He has also contributed immensely to the Sports Field as the President of Indian Bank Cultural &amp; Sports Committee.</p>

### **The duties, responsibilities and functions of the Board of Trustees**

The duties, responsibilities and functions of the Board of Trustees of the Fund are contained in the Principal Trust Deed (amended and restated) dated 26<sup>th</sup> September, 2007. The rights and obligations of the Trustees are governed by the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 as amended to date. They are briefly included as under:

1. The Trustee and the AMC have with the prior approval of SEBI entered into an Investment Management Agreement.
2. The Investment Management Agreement contains clauses as are mentioned in the Fourth Schedule of the SEBI (MF) Regulations and such other clauses as are necessary for the purpose of entrusting investment management of the Mutual Fund.
3. The Trustee shall have a right to obtain from the AMC such information as is considered necessary by it.
4. The trustees shall approve the policy for empanelment of brokers by the asset management company and shall ensure that an asset management company has been diligent in empanelling the brokers, in monitoring securities transactions with brokers and avoiding undue concentration of business with any broker.
5. The trustees shall ensure that the asset management company has not given any undue or unfair advantage to any associates or dealt with any of the associates of the asset management company in any manner detrimental to interest of the unitholders.
6. The trustees shall ensure that the transactions entered into by the asset management company are in accordance with these regulations and the scheme.
7. The trustees shall ensure that the asset management company has been managing the mutual fund schemes independently of other activities and have taken adequate steps to ensure that the interest of investors of one scheme are not being compromised with those of any other scheme or of other activities of the asset management company.
8. The trustees shall ensure that all the activities of the asset management company are in accordance with the provisions of these regulations.

9. Where the trustees have reason to believe that the conduct of business of the mutual fund is not in accordance with these regulations and the scheme they shall forthwith take such remedial steps as are necessary by them and shall immediately inform the SEBI of the violation and the action taken by them
10. Each trustee shall file the details of his transactions of dealing in securities with the Mutual Fund within the time and manner as may be specified by SEBI from time to time.
11. The trustees shall be accountable for, and be the custodian of, the funds and property of the respective schemes and shall hold the same in trust for the benefit of the unitholders in accordance with these regulations and the provisions of trust deed.
12. The trustees shall take steps to ensure that the transactions of the mutual fund are in accordance with the provisions of the trust deed.
13. The trustees shall ensure that the income calculated by the asset management company under sub-regulation (25) of regulation 25 of the regulations is in accordance with the regulations and the trust deed.
14. The trustees shall obtain the consent of the unitholders—
  - (a) whenever required to do so by the Board in the interest of the unitholders; or
  - (b) whenever required to do so on the requisition made by three-fourths of the unitholders of any scheme; or
  - (c) when the majority of the trustees decide to wind up a scheme in terms of clause (a) of sub regulation (2) of regulation 39 or prematurely redeem the units of a close ended scheme.
15. The trustees shall ensure that no change in the fundamental attributes of any scheme, the fees and expenses payable or any other change which would modify the scheme and affect the interest of the unit holders is carried out by the asset management company, unless it complies with sub-regulation (26) of regulation 25 of the regulations.
16. The trustees shall call for the details of transactions in securities by the key personnel of the asset management company in his own name or on behalf of the asset management company and shall report to the SEBI, as and when required.
17. The trustees shall quarterly review all transactions carried out between the mutual funds, asset management company and its associates.
18. The trustees shall on a quarterly basis review the networth of the asset management company to ensure compliance with the threshold provided in clause (f) of sub-regulation (1) of regulation 21 on a continuous basis.
19. The trustees shall periodically review the service contracts relating to custody arrangements and satisfy themselves that such contracts are executed in the interest of the unit holders.
20. The trustees shall ensure that there is no conflict of interest between the manner of deployment of its networth by the asset management company and the interest of the unit- holders.
21. The trustees shall periodically review the investor complaints received and the redressal of the same by the asset management company
22. The trustees shall abide by the Code of Conduct as specified in PART-A of the Fifth Schedule.
23. The trustees shall furnish to the Board on a half-yearly basis, —
  - a. a report on the activities of the mutual fund;

- b. a certificate stating that the trustees have satisfied themselves that there have been no instances of self-dealing or front running by any of the trustees, directors and key personnel of the asset management company;
  - c. a certificate to the effect that the asset management company has been managing the schemes independently of any other activities and in case any activities of the nature referred to in clause (b) of regulation 24 have been undertaken by the asset management company and has taken adequate steps to ensure that the interests of the unitholders are protected.
24. The independent trustees referred to in sub-regulation (5) of regulation 16 shall give their comments on the report received from the asset management company regarding the investments by the mutual fund in the securities of group companies of the sponsor.
25. The Trustees shall exercise due diligence as under:
- A. General Due Diligence:** The Trustees shall:
    - i) be discerning in the appointment of the Directors on the Board of the AMC.
    - ii) review the desirability of continuance of the AMC, if substantial irregularities are observed in any of the Schemes and shall not allow the AMC to float new Schemes.
    - iii) ensure that the trust property is properly protected, held and administered by proper persons and by a proper number of such persons.
    - iv) ensure that all service providers are holding appropriate registrations from the Board of concerned regulatory authority.
    - v) arrange for test checks of service contracts.
    - vi) immediately report to SEBI of any special developments in the Mutual Fund.
  - B. Specific Due Diligence:** The Trustees shall:
    - i) obtain internal audit reports at regular intervals from independent auditors appointed by the Trustees.
    - ii) obtain compliance certificates at regular intervals from the AMC.
    - iii) hold meeting of trustees more frequently.
    - iv) consider the reports of the independent auditor and compliance reports of AMC at the meetings of the Trustees for appropriate action.
    - v) maintain records of the decisions of the Trustees at their meetings and of the minutes of the meetings.
    - vi) prescribe and adhere to a code of ethics by the Trustees, AMC and its personnel.
    - vii) communicate in writing to the AMC of the deficiencies and checking on the rectification of deficiencies.
  - C.** The trustees shall also exercise due diligence on such matters as may be specified by the SEBI from time to time.
26. The independent directors of the trustees or asset management company shall pay specific attention to the following, as may be applicable, namely: —
- a. the Investment Management Agreement and the compensation paid under the agreement,
  - b. service contracts with associates—whether the asset management company has charged higher fees than outside contractors for the same services,
  - c. selections of the asset management company’s independent directors,
  - d. securities transactions involving associates to the extent such transactions are permitted,
  - e. selecting and nominating individuals to fill independent directors’ vacancies,
  - f. code of ethics must be designed to prevent fraudulent, deceptive or manipulative practices by insiders in connection with personal securities transactions,
  - g. the reasonableness of fees paid to sponsors, asset management company and any others for services provided,
  - h. principal underwriting contracts and their renewals,
  - i. any service contract with the associates of the asset management company.



**Due diligence on certain core responsibilities:**

1. The Trustees shall ensure the fairness of the fees and expenses charged by the AMCs.
2. The Trustees shall review the performance of AMC in its schemes vis-a-vis performance of peers or the appropriate benchmarks.
3. The Trustees shall ensure that the AMCs have put in place adequate systems to prevent mis-selling to increase assets under their management and valuation of the AMCs.
4. The Trustees shall ensure that operations of AMCs are not unduly influenced by the AMCs Sponsor, its associates and other stakeholders of AMCs.
5. The Trustees shall ensure that undue or unfair advantage is not given by AMCs to any of their associates/group entities.
6. The Trustees shall be responsible to address conflicts of interest, if any, between the shareholders/stakeholders/associates of the AMCs and unitholders.
7. The Trustees shall ensure that the AMC has put in place adequate systems to prevent misconduct including market abuse/misuse of information by the employees, AMC and connected entities of the AMCs.

The Trustees shall take steps to ensure that there are system level checks in place at AMCs' end to prevent fraudulent transactions including front running by employees, form splitting/ mis-selling by distributors etc. The Trustees shall review such checks periodically.

The Trustees and their resource persons shall independently evaluate the extent of compliance by AMCs vis-à-vis the identified key areas and not merely rely on AMCs' submissions /external assurances.

The Trustees shall ensure that suitable mechanisms/systems are put in place by the AMCs to generate system based information/data/reports for evaluation and effective due diligence by the Trustees. The Trustees shall also ensure that the AMCs periodically review such systems.

AMCs shall submit exception reports/analytical information to the Trustees, that add value to the process of exercising their oversight role. The Trustees shall evaluate the nature and adequacy of the alerts and the manner of dealing with such alerts by AMCs.

The Trustees shall require the AMCs to furnish, in a true and fair manner, reports and alerts based on pre-decided parameters including but not limited to the areas specified as core responsibilities, for taking appropriate action.

The Trustees shall periodically review the steps taken by AMCs for folios which do not contain all the Know Your Client (KYC) attributes / updated KYC attributes and ensure that the AMCs take remedial steps necessary for updating the KYC attributes especially pertaining to bank details, PAN, mobile phone number.

**Third Party Assurance**

In order to enable Trustees to focus on the core responsibilities, for responsibilities other than the core responsibilities, the Trustees may rely on professional firms such as Audit Firms, Legal Firms, Merchant Bankers, etc (collectively referred to as "third party fiduciaries") for carrying out due diligence on behalf of the Trustees.

The responsibilities other than core responsibilities, for which the Trustees may avail services of third party fiduciaries, include the following:

- a) Overseeing that AMCs manage the operations of Mutual Fund schemes independently from other activities.
- b) Discharging their role as a custodian of assets on behalf of unitholders in accordance with MF Regulations and the trust deed.
- c) Reviewing the network of the AMC on a periodic basis to ensure compliance with prescribed threshold.

- d) Ensuring that the transactions of the Mutual Funds are in accordance with the provisions of the trust deed.

#### Modifications to the Trust Deed

No amendment to the Trust deed will be carried out without the prior approval of the SEBI and unit holders' approval will be obtained where amendments affect their interest. The procedure for obtaining approval of the unit holders, wherever necessary, will be in accordance with the Regulations / Circulars or as may be prescribed by SEBI.

#### Supervisory Role of the Trustee

The Board of Trustees meets at regular intervals, at which reports pertaining to the performance of the Schemes / compliance with statutory requirements / Trustees' orders are placed. Apart from the said reports, the AMC also submits reports and information called for by the Trustees.

In terms of the Third Schedule to the Regulations, a meeting of the Trustees is required to be held at least once in every two months and six such meetings are required to be held in a year.

The Board of Trustees has met 6 times during 2023-24

Trusteeship Fees: Pursuant to the Trust Deed, the Trustees shall be entitled to charge a trusteeship fee not exceeding 0.05% of the Net Assets of the Scheme to meet the expenses and contingencies.

### **D. ASSET MANAGEMENT COMPANY**

Canara Robeco Asset Management Company Ltd. ("CRAMC") (formerly known as Canbank Investment Management Services Ltd.) is a company incorporated under the Companies Act, 1956 on 2<sup>nd</sup> March, 1993, having its registered office at Construction House, 4<sup>th</sup> Floor, 5, Walchand Hirachand Marg, Ballard Estate, Mumbai - 400 001. The AMC has been appointed as the Asset Management Company (AMC) of the Canara Robeco Mutual Fund by the Trustees vide Investment Management Agreement (IMA) dated 16<sup>th</sup> June, 1993 and executed between Canara Robeco Mutual Fund (formerly Canbank Mutual Fund) and Canara Robeco Asset Management Company Ltd (formerly known as Canbank Investment Management Services Ltd.).

The AMC was originally incorporated as Canbank Investment Management Services Ltd. under the Companies Act, 1956 on 2<sup>nd</sup> March, 1993 to manage the assets of Canbank Mutual Fund ("Fund"). Pursuant to the joint venture documents signed between Canara Bank and ORIX Corporation Europe N.V. ("OCE") (formerly known as Robeco Groep N. V.) on 26.09.2007, OCE acquired 49% stake in the AMC and Canara Bank retained the remaining 51%. Consequent to this, the Fund was renamed as Canara Robeco Mutual Fund and the AMC was renamed as Canara Robeco Asset Management Company Ltd. The Schemes of the mutual fund have accordingly been renamed to reflect the joint venture.

The AMC sub-advises Robeco, Hongkong for Indian Securities pursuant to No Objection issued by SEBI vide its letter dated 29<sup>th</sup> June, 2011. The AMC is also the Portfolio Manager pursuant to Certificate of Registration INP000003740 dated 03<sup>rd</sup> June, 2019 granted by SEBI.

Controls and safeguards prescribed under the SEBI (Mutual Funds) Regulations, 1996 for managing the other business activities of CRAMC as mentioned above are being adhered to and there is no conflict of interest in managing the Schemes of the Fund and the said business activities of CRAMC. CRAMC shall ensure that any potential conflicts between other business activities and the Mutual Fund will be adequately addressed by (a) compliance with the requirements under Regulation 24(b) of the SEBI (Mutual Funds) Regulations, 1996 which require that the AMC cannot undertake any activity which is in conflict with the activities of the Mutual Fund; (b) ensuring that the fund manager(s) of each scheme of the Mutual Fund, will not play any role in the day-to-day operations of the other

business activities, and the key investment team of the other business activities is not involved with the activities of the Mutual Fund; and (c) ensuring that there is no inter-se transfer of assets between the Mutual Fund and any account of investor under Portfolio Management Scheme.

**DETAILS OF CRAMC DIRECTORS:**

<b>Name</b>	<b>Age/Qualification</b>	<b>Brief Experience</b>
Mr. K Satyanarayana Raju (Associate Director)	57 years / MBA (B&F), BSc, CAIIB	Mr. K Satyanarayana Raju is a seasoned Banker with over 33 years of rich experience in all segments of banking including branch banking, corporate credit, retail credit, MSME, Agri financing, credit monitoring, recovery, inspection, compliance, audit, general administration, information technology & digital banking, etc. He joined erstwhile Vijaya Bank in 1988 and has risen to the level of Chief General Manager in Bank of Baroda. During his tenure at erstwhile Vijaya Bank (Bank of Baroda), he has headed various branches including specialized corporate banking branch. He has served as Regional Head of various regions and also served as Zonal Head of Mumbai zone of the amalgamated Bank of Baroda. He has also headed the operations and services department at Head Office. He has served as a Director in BoB Financial Solutions Limited, subsidiary of Bank of Baroda and was also a member of the steering committee of BOB-IIT Bombay Innovation Centre
Mr. Debashish Mukherjee (Associate Director)	56 years/ MBA (Finance), B.Sc.(Hons.), B.A.(Spl), CAIIB	Mr. Mukherjee is currently the Executive Director of Canara Bank. He has over 25 years of rich and multi-dimensional banking experience. He started his banking career with Punjab National Bank as a Financial Analyst in Scale II in 1994. Later, he joined United Bank of India as an Assistant General Manager (Credit) in the year 2006. He has worked in various capacities at Regional Offices, headed Corporate Finance Branch at Kolkata and was Regional Manager of Bihar Region. He has vast experience in Corporate Credit, Credit Monitoring and Recovery. Subsequently, he has taken charge as Executive Director of Canara Bank on 19.02.2018 and oversees the functions of Risk Management (including Capital Planning), Financial Management & Subsidiaries, MSME, Credit Administration & Monitoring, Stressed Assets Management and Recovery.
Mr. Kiyoshi Habiro (Associate Director)	51 years/ Master's Degree in Business Law, Bachelor's degree in Science	Mr. Kiyoshi Habiro is currently the Chief Executive Officer of ORIX Corporation UK Limited and ORIX Corporation Europe N.V. and the Executive Officer of ORIX Corporation. He has a rich and extensive experience in Financial Sector. Mr. Habiro has almost 30 years of extensive experience since joining ORIX in 1993 in the financial sectors that includes M&A, infrastructure investments, life insurance, special investments and restructuring, alternative investments, securitization, real estate finance, corporate credit.
Mr. Tim van Hest (Associate Director)	42 years/Master's Degree in Business Administration, Economics Master's Degree in Quantitative Finance, Econometrics	Mr. Tim van Hest has more than 15 years of experience in the financial industry and has fulfilled several management positions for considerable periods at Rabobank. Currently, Mr. van Hest is the Chief Risk Officer and Member of the Management Board of ORIX Corporation Europe N.V. He also has a lot of experience being a Board member of several ORIX group companies of Non-Bank Finance Institution in MENA region.

Mr. Agyey Kumar Azad (Independent Director)	61 years/ B.Sc (AG), CAIIB and EPGP (Business Management and Advance Management)	Mr. Agyey is a seasoned Banker with over 36 years of rich experience in administrative and functional capacities under various important verticals of large Public Sector Banks viz. Overseas Operations, International Banking, Corporate Credit, Risk Management, Recovery, Foreign Exchange, Treasury, Agricultural Banking and Human Resource Development. During his tenure with Bank of India he has headed various branches and strategically important zones of Bank of India at different grades including General Manager (National Banking Group West-1) and Chief Executive (Kenya and South Africa Operations). He later served as an Executive Director with Punjab National Bank and retired in April 2021.
Mr. Suhail Chander (Independent Director)	62 years/CA, BA (Hons) Economics	Mr. Suhail Chander is an accomplished banker with over 35 years of extensive experience in areas such as Strategic Planning, Corporate and SME Banking, Financial Institutions, Risk & Recoveries, Wealth Management, Retail Distribution and Credit Cards from his association with Grindlays Bank Plc, ABN AMRO Bank and IndusInd Bank, both in Domestic and international branches, in various capacities.
Mr. Pramod Kumar Sharma (Independent Director)	62 years/M.A., CAIIB. I.	Mr. P. K. Sharma is an accomplished banker with 37 years of extensive experience in areas such as Capital Planning/ Capital raising, Financial controls, Capital & Liquidity Management, Corporate credit like Project Financing, underwriting loans, stress resolution including restructuring and rehabilitation, Performance Management, Budgeting and Planning, Operations & Business Process Re-engineering, Retail Banking administration, Communications and PR from his association with Punjab National Bank in different roles as officer to Chief General Manager and Chief Financial Officer.
Mr. Ravindran Menon (Independent Director)	62 years/ MBA, Symbiosis Institute of Business Management, and MSc. (Hons) Economics, Birla Institute of Technology and Science	Mr. Ravindran is a thought leader in the financial services industry with a proven track record of building and growing successful businesses. Until his retirement in April 2023, Mr. Ravindran served as Chief Executive Officer of HSBC Asset Management (India) Private Limited, a leading provider of asset management services to retail and institutional clients in India. During his career path over the past 37 years, Mr. Ravindran managed and lead large teams across multiple functions, including investment management, sales, marketing, operations, corporate finance, capital markets and risk management. During his tenure with HSBC Asset Management (India) Private Limited as Chief Executive Officer, he led the landmark transaction i.e. the acquisition of L&T Investment Management India Ltd, one of the largest foreign investments in the Indian mutual fund industry. He successfully led and managed the integration of an exceptionally complex transaction catapulting HSBC to the 14th position in India.

**Duties and Obligations of the AMC:**

1. The AMC shall take all reasonable steps and exercise due diligence to ensure that the investment of funds pertaining to any scheme is not contrary to the provisions of the Regulations and the Trust Deed.
2. The AMC shall exercise due diligence and care in all its investment decisions as would be exercised by other persons engaged in the same business.
3. The AMC shall obtain, wherever required under these regulations, prior in-principle approval from the recognized stock exchange(s) where units are proposed to be listed.

4. The AMC shall be responsible for the acts of commissions or omissions by its employees or the persons whose services have been procured by the Asset Management Company.
5. The AMC shall submit quarterly reports on the functioning of the Scheme and the compliance with SEBI (MF) Regulations to the Trustee or at such intervals as may be required by the Trustee or SEBI.
6. The trustees at the request of the asset management company may terminate the assignment of the asset management company at any time:  
Provided that such termination shall become effective only after the trustees have accepted the termination of assignment and communicated their decision in writing to the asset management company.
7. Notwithstanding anything contained in any contract or agreement or termination, the asset management company or its directors or other officers shall not be absolved of liability to the mutual fund for their acts of commission or omission, while holding such position or office.
  - A. The Chief Executive Officer (whatever his designation may be) of the asset management company shall ensure that the mutual fund complies with all the provisions of the regulations and the guidelines or circulars issued in relation thereto from time to time and that the investments made by the fund managers are in the interest of the unit holders and shall also be responsible for the overall risk management function of the mutual fund.
  - B. Chief Executive Officer (whatever be the designation) shall also ensure that the Asset Management Company has adequate systems in place to ensure that the Code of Conduct for Fund Managers and Dealers specified in PART - B of the Fifth Schedule of these regulations are adhered to in letter and spirit. Any breach of the said Code of Conduct shall be brought to the attention of the Board of Directors of the Asset Management Company and Trustees.

Explanation: For the purpose of this sub-regulation, the words 'these regulations' shall mean and include the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 as amended from time to time.

- C. The fund managers shall ensure that the funds of the schemes are invested to achieve the objectives of the scheme and in the interest of the unit holders.
- D. The Fund Managers (whatever be the designation) shall abide by the Code of Conduct for Fund Managers and Dealers specified in PART - B of the Fifth Schedule of Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and submit a quarterly self-certification to the Trustees that they have complied with the said code of conduct or list exceptions, if any.

Explanation: For the purposes of this sub-regulation, the phrase "Fund Managers" shall include Chief Investment Officer (whatever be the designation).

- E. The Dealers (whatever be the designation) shall ensure that orders are executed on the best available terms, taking into account the relevant market at the time for transactions of the kind and size concerned to achieve the objectives of the scheme and in the best interest of all the unit holders.
- F. The Dealers (whatever be the designation) shall abide by the Code of Conduct for Fund Managers and Dealers specified in PART - B of the Fifth Schedule of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and submit a quarterly self-certification to the Trustees that they have complied with the said code of conduct or list exceptions, if any.

8. The AMC shall not through any broker associated with the sponsor, purchase or sell securities, which is average of 5% or more of the aggregate purchases and sale of securities made by the mutual fund in all its schemes. Provided that for the purpose of this sub-regulation, aggregate purchase and sale of securities shall exclude sale and distribution of units issued by the mutual fund. Provided further that the aforesaid limit of 5% shall apply for a block of any three months.
9. The AMC shall not purchase or sell securities through any broker [other than a broker referred to in clause 8 above] which is average of 5% or more of the aggregate purchases and sale of securities made by the mutual fund in all its schemes, unless the Asset Management Company has recorded in writing the justification for exceeding the limit of 5% and reports of all such investments are sent to the Trustees on a quarterly basis. Provided that the aforesaid limit of 5% shall apply for a block of three months.
10. The AMC shall not utilise the services of the sponsor or any of its associates, employees or their relatives, for the purpose of any securities transaction and distribution and sale of securities.  
Provided that an AMC may utilise such services if disclosure to that effect is made to the unit holders and the brokerage or commission paid is also disclosed in the half yearly annual accounts of the mutual fund.  
Provided further that the mutual fund shall disclose at the time of declaring half-yearly and yearly results:
  - a. any underwriting obligations undertaken by the schemes of the mutual fund with respect to the issue of securities of associate companies;
  - b. devolvement, if any
  - c. subscription by the schemes in the issues lead managed by associate companies;
  - d. subscription to any issue of equity or debt on private placement basis where the sponsor or any of its associate companies has acted as arranger or manager.
11. The AMC shall file with the Trustees the details of transactions in securities by the key personnel of the AMC in their own name or on behalf of the AMC and shall also report to SEBI, as and when required by SEBI.
12. In case the Asset Management Company enters into any securities transactions with any of its associates a report to that effect shall be sent to the Trustees at its next meeting.
13. In case any company has invested more than 5 per cent of the net asset value of a scheme, the investment made by that scheme or by any other scheme in that company or its subsidiaries shall be brought to the notice of the Trustees by the AMC and be disclosed in the half yearly and annual accounts of the respective schemes with justification for such investment. Provided the latter investment has been made within one year of the date of the former investment calculated on either side.
14. The AMC shall file with the Trustees and SEBI -
  - a. detailed bio-data of all its Directors alongwith their interest in other companies within fifteen days of their appointment; and
  - b. any change in the interests of Directors every six months.
  - c. a quarterly report to the Trustees giving details and adequate justification about the purchase and sale of the securities of the group companies of the sponsor or the AMC as the case may be, by the mutual fund during the said quarter.
15. Each Director of the AMC shall file the details of his transactions of dealing in securities with the Trustees on a quarterly basis in accordance with guidelines issued by SEBI.
16. The AMC shall not appoint any person as key personnel who has been found guilty of moral turpitude or any economic offence or involved in violation of securities laws.
17. The AMC shall appoint registrars and share transfer agents who are registered with the SEBI. Provided if the work relating to the transfer of units is processed in-house, the charges at competitive market rates may be debited to the



scheme and for rates higher than the competitive market rates, prior approval of the trustees shall be obtained and reasons for charging higher rates shall be disclosed in the annual accounts.

18. The AMC shall abide by the Code of Conduct as specified in the Part-A of the Fifth Schedule of the SEBI Regulations.
19. The asset management company shall invest such amounts in such schemes of the mutual fund, based on the risks associated with the schemes, as may be specified by the Board from time to time.
20. The asset Management Company shall not invest in any of its scheme, unless full disclosure of its intention to invest has been made in the offer documents, in case of schemes launched after the notification of Securities and Exchange Board of India (Mutual Funds) (Amendment) Regulations, 2011: Provided that an asset management company shall not be entitled to charge any fee on its investment in that scheme.
21. The asset management company shall not carry out its operations including trading desk, unit holder servicing and investment operations outside the territory of India.
22. The asset management company shall compute and carry out valuation of investments made by its scheme(s) in accordance with the investment valuation norms specified in Eighth Schedule, and shall publish the same
23. The asset management company and the sponsor of the mutual fund shall be liable to compensate the affected investors and/or the scheme for any unfair treatment to any investor as a result of inappropriate valuation.
24. The asset management company shall report and disclose all the transactions in debt and money market securities, including inter scheme transfers, as may be specified by the Board.
25. The board of directors of the asset management company shall exercise due diligence as follows:
  - a. The board of directors of the asset management company shall ensure before the launch of any scheme that the asset management company has-
    - i. systems in place for its back office, dealing room and accounting
    - ii. appointed all key personnel including fund manager(s) for the scheme(s) and submitted their bio-data which shall contain the educational qualifications and past experience in the securities market with the Trustees, within fifteen days of their appointment;
    - iii. appointed auditors to audit its accounts;
    - iv. appointed a compliance officer who shall be responsible for monitoring the compliance of the Act, rules and regulations, notifications, guidelines, instructions, etc., issued by the Board or the Central Government and for redressal of investors grievances;
    - v. appointed a registrar to an issue and share transfer agent registered under the Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 and laid down parameters for their supervision;
    - vi. prepared a compliance manual and designed internal control mechanisms including internal audit systems;
    - vii. specified norms for empanelment of brokers and marketing agents;
    - viii. obtained, wherever required under these regulations, prior in principle approval from the recognized stock exchange(s) where units are proposed to be listed.
  - b. The board of directors of the asset management company shall ensure that –
    - i. the asset management company has been diligent in empanelling the brokers, in monitoring securities transactions with brokers and avoiding undue concentration of business with specific brokers;
    - ii. the asset management company has not given any undue or unfair advantage to any associate or dealt with any of the associate of the asset management company in any manner detrimental to interest of the unit holders;
    - iii. the transactions entered into by the asset management company are in accordance with these regulations and the respective schemes;
    - iv. the transactions of the mutual fund are in accordance with the provisions of the trust deed;
    - v. the networth of the asset management company are reviewed on a quarterly basis to ensure compliance with the threshold provided in clause (f) of sub regulation (1) of regulation 21 on a continuous basis

- v. all service contracts including custody arrangements of the assets and transfer agency of the securities are executed in the interest of the unit holders;
  - vi. there is no conflict of interest between the manner of deployment of the networth of the asset management company and the interest of the unit holders;
  - vii. the investor complaints received are periodically reviewed and redressed;
  - viii. all service providers are holding appropriate registrations with the Board or with the concerned regulatory authority;
  - ix. any special developments in the mutual fund are immediately reported to the trustees;
  - x. there has been exercise of due diligence on the reports submitted by the asset management company to the trustees;
  - xi. there has been exercise of due diligence on such matters as may be specified by the Board from time to time.
26. The compliance officer appointed under sub-clause (iv) of clause (a) of sub-regulation (22) shall independently and immediately report to the Board any non-compliance observed by him.
27. The AMC shall constitute a Unit Holder Protection Committee in the form and manner and with a mandate as may be specified by the Board.
28. The AMC shall be responsible for calculation of any income due to be paid to the mutual fund and also any income received in the mutual fund, for the unit holders of any scheme of the mutual fund, in accordance with the regulations and the trust deed.
29. The AMC shall ensure that no change in the fundamental attributes of any scheme or the trust, fees and expenses payable or any other change which would modify the scheme and affect the interest of unit holders, shall be carried out unless,-
- i. a written communication about the proposed change is sent to each unit holder and an advertisement is issued in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of region where the Head Office of the mutual fund is situated; and
  - ii. the unit holders are given an option to exit at the prevailing Net Asset Value without any exit load.

The board of directors of the trustee company and the board of directors of the asset management company, including any of their committees, shall meet at such frequency as may be specified by the Board from time to time.

The AMC for each scheme shall keep and maintain proper books of account, records and documents, for each scheme so as to explain its transactions and to disclose at any point of time the financial position of each scheme and in particular give a true and fair view of the state of affairs of the Fund and intimate to the SEBI the place where such books of account, records and documents are maintained. The AMC shall maintain and preserve for a period of eight years its books of account, records and documents.



**KEY PERSONNEL:**

Name/Designation	Age	Educational Qualification	Total No. of years of Experience	Brief Experience
Mr. Rajnish Narula Chief Executive Officer	64 years	B. Com., M.B.A.(USA)	Over 38 years of experience in financial sector.	Details: <u>September 2007 till date</u> Canara Robeco Asset Management Company Limited: Chief Executive Officer <u>June 2006 to July 2007</u> DBS - Cholamandalam Asset Management Limited: Chief Executive Officer <u>September, 2003 to December, 2005</u> Alliance Capital Asset Management Company Limited: Chief Executive Officer <u>October, 1982 to September, 2003</u> Standard Chartered Bank and Grindlays Bank - Head - Investment services, priority banking, non-resident business and capital markets - Head - Investment Services and insurance.
Ms. Hilde Faber Chief Operating Officer (COO)	30 Years	Master of Economic Psychology (Tilburg University), Master of Marketing (Radboud University Nijmegen)	07 years	Details: <u>From May 08, 2023</u> Canara Robeco Asset Management Company Limited: Chief Operating Officer <u>September 2021 - May 2023</u> Robeco, Netherlands: Insurance Strategy Consultant <u>September 2019 - September 2021</u> NN International Insurance: Strategy Consultant Partnerships <u>September 2017 - August 2019</u> Delta Lloyd Group (NN Group): General Management Trainee <u>February 2016 - July 2016</u> PricewaterhouseCoopers (PWC): Intern - Strategy Consulting, Digital & Customer
Mr. Ashwin Purohit Chief Financial Officer (CFO)	56 Years	Chartered Accountant, Bachelor of Commerce	Over 30 years of experience	<u>From December 19, 2022 till date</u> Canara Robeco Asset Management Company Limited: Chief Financial Officer <u>December 2017 to December 2022</u> ENAM Asset Management Company Private Limited: Chief Financial Officer <u>June 2014 - December 2017</u> Reliance Power Limited: Vice President – Finance & Accounts <u>July 2009 - June 2014</u> Reliance Mediaworks Limited: Head – Finance & Accounts <u>June 2006 - June 2009</u> Reliance Industries Limited Group General Manager – Finance <u>October 2000 - June 2006</u> Mahindra & Mahindra Limited Group: Senior Manager – Accounts & Taxation

Mr. Ashutosh Vaidya Compliance Officer and Company Secretary	49 years	B.Com, ACS	Over 23 years in private as well as public sector organisations handling Compliance, Secretarial & Risk Management functions.	Details: <u>2014 to 2015</u> Srei Mutual Fund Asset Management (P) Ltd.: Head – Compliance & Company Secretary <u>2013 to 2014</u> Consulting & Advisory Services: Proprietor <u>2011 to 2013</u> DBOI Global Services (P) Ltd: Head - Compliance <u>2008 to 2011</u> Deutsche Asset Management India (P) Ltd.: Head – Compliance & Company Secretary <u>2006 to 2008</u> SBI Funds Management Private Limited: Head – Compliance & Company Secretary
Mr. Gaurav Goyal Head – Sales & Marketing	48 years	Master of Management Science (M.M.S) & Bachelor of Science	Over 25 years of experience	Details: <u>From December 15, 2022 to till date</u> Canara Robeco Asset Management Company Ltd.: Head of Sales & Marketing <u>April 2022 – December 2022</u> ITI Asset Management Ltd.: Chief Business Officer <u>Jan 2022 – April 2022</u> Principal Consulting <u>December 2016 – December 2021</u> Principal Asset Management Company Pvt Ltd.: National Head - Sales & Distribution <u>December 2007 – December 2016</u> ICICI Prudential Asset Management Company Ltd: Vice President & Head (Last position held) - IFA Channel, Emerging markets, Training & Investor Education)
Mr. Sunil Rao Chief Risk Officer	47 Years	Chartered Accountant (CA), B.Com	Over 22 years of experience in financial sector	Details: <u>From March 01, 2024 to till date</u> Canara Robeco Asset Management Company Ltd.: Chief Risk Officer <u>April 01, 2022 to February 29, 2024</u> Canara Robeco Asset Management Company Ltd.: Head of Risk Management <u>December 2017 to January 2022</u> PGIM India Asset Management Pvt. Ltd- Head - Risk Management <u>October 2005 to November 2017</u> Kotak Mahindra Asset Management Co. Ltd- AVP, Operations & Fund Accounting
Mr. Kunal Jain Fund Manager - Fixed Income	40 Years	MBA - Specialization in Finance & Marketing	Total Experience - 17 years	Details: <u>From July 2022 to till date</u> Canara Robeco Asset Management Company Ltd.: - Fund Manager - Fixed Income <u>January 2018 to July 2022</u> PGIM India Mutual Fund - Fund Manager - Fixed Income <u>September 2016 – December 2017</u> India bulls Mutual Fund

				<ul style="list-style-type: none"><li>- Fund Manager - Fixed Income</li><li><u>August 2014 - August 2016</u></li><li>LIC Mutual Fund</li><li>- Fund Manager - Fixed Income</li><li><u>January 2008 - August 2014</u></li><li>Kotak Mutual Fund</li><li>- Dealer - Fixed Income and Fund Manager -PMS Fixed Income</li></ul>
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Ms. Pallavi Singh Investor Relations Officer	41 Years	MBA, B.COM	Over 15 years of experience	Details: <u>February 2022 to till date</u> Canara Robeco Asset Management Company Ltd.- Senior Manager - Mid Office & Investor Relations <u>November 2017 to January 2022</u> ITI Asset Management Ltd.- Chief Manager and Investor Relations Officer <u>June 2013 to November 2017</u> Mahindra Asset Management Company Private Limited- Deputy Manager - Investor Services <u>November 2008 to June 2013</u> Tata Asset Management Company Limited- Senior Executive
Mr. Shridatta Bhandwaladar Head – Equities	44 years	BE (Mechanical), MMS (Finance)	Over 18 years of experience	Details: <u>October 2019 till date</u> Canara Robeco Asset Management Company Limited : Head – Equities <u>July 2016 to September 2019</u> Canara Robeco Asset Management Company Limited : Fund Manager <u>July 2012 to June 2016</u> SBI Pension Funds Pvt. Ltd.: Head – Research/Portfolio Manager <u>October 2009 to June 2012</u> Heritage India Advisory Pvt. Ltd.: Senior Equity Analyst <u>January 2008 to September 2009</u> Motilal Oswal Securities: Research Analyst <u>April 2006 to December 2008</u> MF Global Securities: Research Associate
Mr. Avnish Jain Head – Fixed Income	55 years	PGDM – IIM, Kolkatta B.Tech (Hons) – IIT Kharagpur	Over 27 years of experience	Details: <u>September 2013 till date</u> Canara Robeco Asset Management Company Limited : Head – Fixed Income <u>December 2010 to September 2013</u> ICICI Prudential Asset Management Company Ltd: Senior Fund Manager <u>October 2008 to December 2010</u> Deutsche Asset Management (India) Private Limited: Head of Fixed Income <u>January 2007 to October 2008</u> Professional Services with Misys Software Solutions (I)Ltd: Senior Consultant <u>August 2005 to January 2007</u> Yes Bank Ltd: Head of Trading <u>November 1998 to August 2005</u> ICICI Bank Ltd.: Senior Trader - Proprietary Trading
Ms. Suman Prasad Fund Manager – Fixed Income	50 years	BSC, PGDMS	Over 27 years of experience	Details: <u>May 1997 till date</u> Canara Robeco Asset Management Company Limited: Fund Manager Fixed Income (January 2008 till date) Canbank Investment Management Company Ltd - Senior Executive / Officer (assisting Fund Manager in

				<p>charge July 2002 to December 2007)</p> <ul style="list-style-type: none"> <li>- Officer Managing Director's Secretariat / Management Information Section (May 1997 to June 2002)</li> <li>- Divisional Manager, IT (May 1991 to May 1992)</li> </ul>
Mr. Vishal Mishra Fund Manager – Equities	43 years	B Com, ACA	Over 21 years of experience	<p>Details: <u>June 2021 till date</u> Canara Robeco Asset Management Company Limited: Fund Manager – Equities <u>July 2013 to April 2021</u> Daiwa Portfolio Advisory (India) Private Ltd.:  <ul style="list-style-type: none"> <li>• Portfolio Manager (April 2018 – April 2021)</li> <li>• Jr. Portfolio Manager (July 2013 – March 2018)</li> </ul> <u>January 2011 to June 2013</u> Daiwa Asset Management (India) Pvt. Ltd.: Sr. Research Analyst <u>April 2009 to January 2011</u> Shinsei Asset Management (India) Pvt. Ltd.: Sr. Research Analyst</p>
Ms. Ennette Fernandes Fund Manager – Equities	38 years	PGDBM (Finance)	Over 15 years of experience	<p>Details: <u>September 2021 till date</u> Canara Robeco Asset Management Company Limited: Fund Manager – Equities <u>January 2014 to September 2021</u> Tata Asset Management Ltd.  <ul style="list-style-type: none"> <li>- Assistant Fund Manager (April 2018 to September 2021)</li> <li>- Research Analyst (January 2014 to March 2018)</li> </ul> <u>April 2009 to December 2013</u> Phillip Capital (India) Pvt Ltd.  <ul style="list-style-type: none"> <li>- Research Analyst (April 2011 to December 2013)</li> <li>- Research Associate (April 2009 to March 2011)</li> </ul> </p>
Ms. Upasna Saboo Head – Human Resources	47 years	MBA	Over 23 years of experience	<p>Details: <u>August 2010 till date</u> Canara Robeco Asset Management Company Limited: Head – Human Resources <u>January 2000 to February 2002</u> CMS Computers Ltd.: Sr. Executive HR <u>March 2002 to May 2004</u> ABC Consultants: Manager HR <u>June 2004 to December 2004</u> Aviva Life Insurance: Manager HR <u>April 2004 to August 2006</u> SHL India: Consultant <u>September 2006 to June 2008</u> Manpower: Sr. Manager HR</p>
Mr. N. R. Sudarshan Head - Mid Office	51 years	B.A. (English Literature), Pg.D. (Business Administration and HR	Total Experience - Over 30 years	<p>Details: <u>February 2023 till date</u> Canara Robeco Asset Management Company Limited:- Head - Mid Office <u>March 2001 to February 2023</u> Computer Age Management Services Limited:</p>

		Management)		<ul style="list-style-type: none"> <li>- Vice-President - Operations (April 2018 to February 2023)</li> <li>- General Manager (April 2014 to March 2018)</li> <li>- AGM - Head of BCP Operations (February 2010 to March 2014)</li> <li>- Unit Manager (April 2007 to February 2010)</li> </ul>
Mr. Gurucharan Hoskote Head – Operations	59 years	B.Com., CAIIB (I), MBA	Over 38 years of experience	<p>Details:</p> <p><u>December 1990 till date</u></p> <p>Canara Robeco Asset Management Company Limited:</p> <ul style="list-style-type: none"> <li>- Head – Operations (January 2008 till date)</li> <li>- Assistant Vice President – Operations (February 2006 to December 2007)</li> <li>- Manager – Operations (May 1996 to January 2006)</li> <li>- Fund Manager &amp; Equity Dealer (June 1993 to April 1996)</li> <li>- Manager – Custodian Services (December 1990 to May 1993)</li> </ul> <p><u>October 1988 to December 1990</u></p> <p>Canara Bank: Probationary Officer</p> <p><u>December 1984 to October 1988</u></p> <p>Union Bank of India: Assistant</p>
Mr. Deepesh Gosavi Head – IT	55 years	DIE, DIS, MBA in Business Administration	Over 30 years of experience	<p>Details:</p> <p><u>November 2007 till date</u></p> <p>Canara Robeco Asset Management Company Limited: Head – IT &amp; Office Services</p> <p><u>September 2006 to November 2007</u></p> <p>DBS Chola Mutual Fund: Sr. Manager IT</p> <p><u>February 2000 to September 2006</u></p> <p>IDFC Ltd.: System &amp; Network Administrator</p> <p><u>February 1999 to February 2000</u></p> <p>Network Solutions Pvt. Ltd.: Sr. Technical Support Engineer</p> <p><u>July 1997 to February 1999</u></p> <p>Mutual Concept Systems: Sr. Facility Engineer</p> <p><u>May 1996 to June 1997</u></p> <p>Gharda Chemicals Ltd.: Asst. Engineer</p> <p><u>June 1993– May 1996</u></p> <p>Mutual Concept Systems: Customer Support Engineer</p>
Ms. Kirti Kedia Head – Finance & Control	54 years	B.Com, CA (Chartered Accountant) (All India rank holder)	Over 31 years of experience	<p>Details:</p> <p><u>January 1993 to till date</u></p> <p>Canara Robeco Asset Management Company Limited:</p> <ul style="list-style-type: none"> <li>- Head - Finance &amp; Control (From January 2008 to till date)</li> <li>- Manager - Finance &amp; Operations (From October 2005 to December 2007)</li> <li>- Officer - Finance &amp; Operations (From April 1996 to September 2005)</li> </ul> <p><u>December 1994 to March 1996</u></p> <p>M/s Gyan Chandra &amp; Co. Chartered Accountants: Partner</p> <p><u>January 1993 to November 1994</u></p> <p>M/s S. N. Khemka &amp; Co. Chartered Accountants: Partner</p>
Mr. Chirag Mehta Head - Digital	40 years	B. Com, EPFRIM, IIM	Total Experience -	<p>Details:</p> <p><u>June 2018 till date</u></p>

Business and Products		Kolkata	Over 22 years of Experience	<p>Canara Robeco Asset Management Company Limited</p> <ul style="list-style-type: none"> <li>- Head Digital Business and Products (from January 02, 2023)</li> <li>- Head Digital Business (April 2021 - December 2022)</li> <li>- Head Products (June 2018 - March 2021)</li> </ul> <p><u>March 2017 - June 2018</u></p> <p>SBI Asset Management Company Limited</p> <ul style="list-style-type: none"> <li>- AVP, Products and Strategy</li> </ul> <p><u>July 2013 - March 2017</u></p> <p>Edelweiss Asset Management Company Limited</p> <ul style="list-style-type: none"> <li>- Head Products and Marketing</li> </ul> <p><u>June 2011 - June 2013</u></p> <p>Principal Asset Management Company Limited</p> <ul style="list-style-type: none"> <li>- Senior Manager Products</li> </ul> <p><u>August 2008 - June 2011</u></p> <p>BNP Paribas Asset Management Company Limited</p> <ul style="list-style-type: none"> <li>- Investment Specialist</li> </ul> <p><u>May 2004 - August 2008</u></p> <p>JP Morgan Chase and Company</p> <ul style="list-style-type: none"> <li>- Senior Analyst</li> </ul>
Mr. Atit Turakhiya Head– Corporate Development and MIS	46 years	MS (MIS), MBA (Finance) and B.com	Over 21 years of experience	<p>Details:</p> <p><u>December 2017 till date</u></p> <p>Head - Corporate Development and MIS (January 2023 to till date)</p> <p>Head - Products and Corporate Development (May 2021 to December 2022) Head - Corporate Development (December 2017 to May 2021)</p> <p><u>April 2007 to December 2017</u></p> <p>National Commodity &amp; Derivatives Exchange Ltd. (NCDEX) : Vice President – Strategy and MIS</p> <p><u>June 2004 to April 2007</u></p> <p>Bhavani Construction Co. : Financial Controller</p>
Ms. Rachna Agarwal Head-Customer Service	42 years	B.A	Total Experience - 18 years	<p>Details:</p> <p><u>March 2018 - December 2020</u></p> <p>Nippon Life India Asset Management Ltd.</p> <ul style="list-style-type: none"> <li>- Chief Manager - Branch Operations (West)</li> </ul> <p><u>November 2012 – March 2018</u></p> <p>L&amp;T Financial Services Limited.</p> <ul style="list-style-type: none"> <li>- Zonal Head (North) – Branch Operations &amp; Client Service</li> </ul> <p><u>January 2006 - November 2012</u></p> <p>Fidelity Investment Management Pvt Ltd</p> <ul style="list-style-type: none"> <li>- Assistant Manager - Contact Centre Operation</li> </ul>
Mr. U Prabhakar Bhat Head – Equity Trading	64 years	MCOM, LLB, CAIIB	Over 33 years of experience	<p>Details:</p> <p><u>August 1990 till date</u></p> <p>Canara Robeco Asset Management Company Limited:</p> <ul style="list-style-type: none"> <li>- Equity Dealer (January 2008 till date)</li> <li>- Equity Fund Manager/Dealer (August 1990 - December 2007)</li> </ul>
Ms. Meenakshi Gururaj Asst. Dealer - Equities	43 years	Master Of Business Administration	Over 17 years of experience	<p>Details:</p> <p><u>November 2006 till date</u></p> <p>Canara Robeco Asset Management Company Limited:</p> <ul style="list-style-type: none"> <li>- Equities – Assistant Dealer (April 2012 to till date)</li> </ul>

				<ul style="list-style-type: none"> <li>- Equities – Senior Executive (April 2010 to March 2012)</li> <li>- Equities – Executive (November 2006 to March 2010)</li> </ul>
Ms. Aarti Gurav Dealer - Fixed Income	41 years	B. Com., PGDBA	Over 17 years of experience	Details: <u>December 2006 till date</u> Canara Robeco Asset Management Company Limited: <ul style="list-style-type: none"> <li>- Dealer – Fixed Income (April 2011 to till date)</li> <li>- Executive – Fixed Income (December 2008 to March 2011)</li> <li>- Executive (December 2006 to November 2008)</li> </ul>
Ms. Silky Jain Assistant Fund Manager – Equities	39 years	MS (Finance), M.Com	Over 14 years of experience	Details: <ul style="list-style-type: none"> <li>• <u>May 2015 to September 2021</u> Canara Robeco Asset Management Company Ltd. - Research Analyst</li> <li>• <u>January 2011 to May 2015</u> • Nirmal Bang Securities Pvt Ltd: Research Analyst</li> </ul>
Mr. Amit Kadam Fund Manager – Equities	41 years	BE (Electronics), MMS (Finance)	Over 14 years of experience	Details: <u>April 2024 till date</u> Canara Robeco Asset Management Company Ltd. - Fund Manager – Equities <u>October 2021 to April 2024</u> Canara Robeco Asset Management Company Ltd. – Assistant Fund Manager – Equities <u>September 2018 to September 2021</u> Canara Robeco Asset Management Company Ltd. - Research Analyst <u>June 2013 to September 2018</u> LIC Mutual Fund Asset Management Ltd. - Research Analyst <u>June 2010 to June 2013</u> Sykes and Ray Equities (I) Ltd. - Research Analyst
Mr. Darshan Chavan Chief Information Security Officer	48 years	B. Com.	Over 23 years of experience	Details: <u>May 2015 to November 2021</u> SBI Funds Management Ltd. - Information Security Officer <u>May 2007 to May 2015</u> Reliance Capital Asset Management Pvt. Ltd- Information Security Officer
Mr. Dhrushil Dhiren Jhaveri Fund Manager – Offshore Investments	37 years	PGDM (Finance)	Over 14 years of experience	Details: June 2017 to December 2021 Aditya Birla Sunlife Asset Management <ul style="list-style-type: none"> <li>- Fund Manager, PMS (January 2019 to December 2021)</li> <li>- Assistant Fund Manager, PMS (June 2017 to December 2018)</li> </ul> <u>April 2013 to May 2017</u> Tata Asset Management <ul style="list-style-type: none"> <li>- Assistant Fund Manager (May 2016 to May 2017)</li> <li>- Research Analyst (April 2013 to April 2016)</li> </ul> <u>February 2010 to March 2013</u> Prabhudas Lilladher <ul style="list-style-type: none"> <li>- Research Analyst (May 2012 to March 2013)</li> <li>- Research Associate (February 2010 to April 2012)</li> </ul>
Mr. Abhay Laijawala	57 years	Mcom, MBA	Over 31 years of experience	Details: <u>August 2018 to November 2021</u>



Head – Offshore Investment				<p>Aventus Capital: Fund Manager <u>June 2008 to July 2018</u></p> <p>Deutsche Bank: Head of India Equity Research and Equity Strategy</p>
Mr. Amit Nadekar Senior Fund Manager - Equities	45 Years	Masters in Management Studies - Finance Chartered Accountant, B. Com	Total experience - More than 21 Years	<p>Details: <u>From August 21, 2023 till Date</u></p> <ul style="list-style-type: none"> <li>- Canara Robeco Asset Management Company Limited: Senior Fund Manager <u>June 2022 - July 2023</u></li> <li>- LICMF Asset Management Limited: Senior Fund Manager <u>Oct 2005 - April 2022</u></li> <li>- Alchemy Capital Management Private Limited: Portfolio Manager <u>Dec 2004 - July 2005</u></li> <li>- Raymond Limited: Manager Corporate Planning &amp; strategy <u>Jun 2004 - Dec 2004</u></li> <li>- Apar Research Pvt Ltd: Co-Founder Director <u>April 2003 - May 2004</u></li> <li>- First Global: Lead Equity Analyst US Banking Sector <u>August 1999 – May 2001</u></li> <li>- Anil Patel &amp; Co: Consultant Accounts &amp; Taxation</li> </ul>
Mr. Pranav Gokhale Senior Fund Manager - Equities	45 Years	Masters in Commerce (Mumbai University) Chartered Accountant (ICAI)	Total experience – 21 years	<p>Details: <u>From November 01, 2023 till date</u></p> <ul style="list-style-type: none"> <li>- Canara Robeco Asset Management Company Limited: Senior Fund Manager – Equities <u>October 2008 to October 2023</u></li> <li>- Invesco Asset Management (India) Pvt. Ltd.: Fund Manager – Equities <u>May 2006 to October 2008</u></li> <li>- Infrastructure Leasing &amp; Financial Services (IL&amp;FS): Equity Research Analyst <u>(July 2005 to May 2006)</u></li> <li>- ICICI Web Trade Limited: Equity Research Analyst <u>(October 2004 to June 2005)</u></li> <li>- Rosy Blue Securities Private Limited: Research Analyst <u>(February 2004 to September 2004)</u></li> <li>- Rosy Blue Securities Private Limited: Manager Finance &amp; Accounts <u>(July 2001 to January 2004)</u></li> <li>- Kirtane &amp; Pandit Chartered Accountant: Assistant Audit Manager</li> </ul>
Mr. Hitash Dang Senior Equity Dealer	49 Years	BCOM and PGDBA in Finance	Total experience – 26 years	<p>Details: <u>From 1<sup>st</sup> April 2024 till date</u></p> <ul style="list-style-type: none"> <li>- Canara Robeco Asset Management Company Limited: Senior Equity Dealer <u>September 2013 to March 2024</u></li> <li>- PGIM India Asset Management Pvt. Ltd. - Head of Dealing and Arbitrage Fund Manager</li> </ul>

Mr. Dhaval Shah Head – Office Services	45 Years	B. Com	Total experience – 20 years	<p>Details:</p> <p><u>Canara Robeco Asset Management Company Limited</u></p> <ul style="list-style-type: none"> <li>• Head – Office Services (from 30th May 2024)</li> <li>• Deputy Head – Office Services (June 2021 to May 2024) –</li> <li>• Sr. Manager – Office Services (May 2019 to June 2021) - Manager – Office Services (July 2010 to May 2019)</li> </ul>
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**SECTION II - SERVICE PROVIDERS**

**i. Custodian:**

The Trustees of the Fund have appointed the following as Custodian/sub-custodian:

**Custodian:** Hongkong and Shanghai Banking Corporation Ltd., located at Plot No. 139-140 B, Western Express Highway, Sahar Road Junction, Vile Parle (E), Mumbai 400 057 registered with SEBI under Registration No.IN/CUS/009 dated 15.07.1998.

**Sub-custodian:** HDFC Bank Ltd., located at Lodha – I Think Techno Campus, Building Alpha, Custody Department, 8<sup>th</sup> Floor, Opp Crompton Greaves, Kanjurmarg (E), Mumbai – 400 042 registered with SEBI under Registration No.IN/CUS/001 dated 02.02.1998.

**ii. Registrar & Transfer Agents:**

The Registrar & Transfer Agents along with the dividend payment agent are:

**Live/Current Schemes and Redeemed Schemes:**

**KFin Technologies Limited**

Karvy Selenium Tower B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 008

KfinTech is registered with SEBI vide **Regn No. INR000000221** dated 11.09.2006.

**Redeemed Schemes: (Canstock, Canpep-94, Canpep-92, Canpep-91, Cangrowth, Canshare, CAN80CC90, CANSTARCG & 80L, Double Rollover, Stock Rollover, Double Redemption, CAN80CC89)**

**Canbank Computer Services Ltd (CCSL)**

1<sup>st</sup> Floor, J P Royale, 2nd Main, Sampige Road, Malleswaram, Bangalore - 560 003.

CCSL is registered with SEBI vide **Regn No. INR000003621** dated 07.11.2013.

The Board of the Trustees and CRAMC has ensured that the Registrar has adequate capacity to discharge responsibilities with regard to processing of applications and dispatching unit certificates to unitholders within the time limit prescribed in the Regulations and also have sufficient capacity to handle investor complaints.

The Trustees reserve the right to change the R&T Agents, as may be required from time to time, to ensure high service standards required for the Scheme.

**iii. Statutory Auditors of Schemes**

M/s. M. P. Chitale & Co, Chartered Accountants, having their office at 1/11, 1<sup>st</sup> Floor, Prabhadevi Industrial Estate, Opp. Siddhivinayak Temple, Veer Savarkar Marg, Prabhadevi, Mumbai 400 025.

**iv. Legal Advisor**

Mr. K. Raveendra

v. **Fund Accountant**

Hongkong and Shanghai Banking Corporation Ltd. (HSBC), located at 52/60, Mahatma Gandhi Road, Fort, Mumbai 400 001.

vi. **Collecting Bankers**

<b>Collecting Bankers</b>	<b>Address</b>	<b>SEBI Registration No.</b>
Canara Bank	112, J. C. Road, Bangalore 560 002.	INBI00000019
HDFC Bank Ltd.	Ground Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400013	INBI00000063

The above list is indicative and not exhaustive. The CRAMC reserves the right to change / modify the list of collecting Bankers.

**SECTION III – CONDENSED FINANCIAL INFORMATION**
**Condensed Financial Information in respect of the Schemes launched during the last three fiscal years 2021-2022, 2022-2023 and 2023-24 (excluding redeemed schemes):**
**CANARA ROBECO FOCUSED EQUITY FUND**
**Regular Plan**

<b>HISTORICAL PER UNIT STATISTICS</b>			
	YR. 1 (23-24)	YR. 1 (22-23)	YR. 1 (21-22)
NAV at the beginning of the year (as on April 1)	12.17	11.91	10*
Dividends (% per unit)	-	-	-
NAV at the end of the year (as on March 31)	16.57	12.17	11.91
Annualised return	36.39%	2.18%	19.10%
Net Assets end of period (Rs. Crs.)	2,090.29	1,582.33	1,377.22
Ratio of Recurring Expenses to net assets	2.00%	2.10%	2.23%

**Direct plan**

<b>HISTORICAL PER UNIT STATISTICS</b>			
	YR. 1 (23-24)	YR. 1 (22-23)	YR. 1 (21-22)
NAV at the beginning of the year (as on April 1)	12.57	12.10	10*
Dividends (% per unit)	-	-	-
NAV at the end of the year (as on March 31)	17.36	12.57	12.1
Annualised return	38.35%	3.88%	21.00%
Net Assets end of period (Rs. Crs.)	150.39	105.71	91.37
Ratio of Recurring Expenses to net assets	0.51%	0.46%	0.46%

\*Date of Inception – 17<sup>th</sup> May 2021

\*\*Annualized Return is from the date of inception till the end of the financial year.

**CANARA ROBECO VALUE FUND**
**Regular Plan**

<b>HISTORICAL PER UNIT STATISTICS</b>			
	YR. 1 (23-24)	YR. 1 (22-23)	YR. 1 (21-22)
NAV at the beginning of the year (as on April 1)	11.29	10.37	10*
Dividends (% per unit)	-	-	-
NAV at the end of the year (as on March 31)	15.90	11.29	10.37
Annualised return	41.10%	8.87%	3.70%
Net Assets end of period (Rs. Crs.)	1,030.34	711.85	606.77
Ratio of Recurring Expenses to net assets	2.20%	2.34%	2.45%

**Direct plan**

<b>HISTORICAL PER UNIT STATISTICS</b>			
	YR. 1 (23-24)	YR. 1 (22-23)	YR. 1 (21-22)
NAV at the beginning of the year (as on April 1)	11.59	10.47	10*
Dividends (% per unit)	-	-	-

NAV at the end of the year (as on March 31)	16.58	11.59	10.47
Annualised return	43.34%	10.70%	4.70%
Net Assets end of period (Rs. Crs.)	85.91	53.10	42.31
Ratio of Recurring Expenses to net assets	0.68%	0.70%	0.68%

\*Date of Inception – 03<sup>rd</sup> September 2021

\*\*Annualized Return is from the date of inception till the end of the financial year.

### **CANARA ROBECO BANKING AND PSU DEBT FUND**

#### **Regular Plan**

<b>HISTORICAL PER UNIT STATISTICS</b>			
	YR. 1 (23-24)	YR. 1 (22-23)	YR. 1 (21-22)
NAV at the beginning of the year (as on August 22 2022)	10.2939	10*	-
Dividends (% per unit)	-	-	-
NAV at the end of the year (as on March 31)	10.9949	10.2939	-
Annualised return	6.79%	2.94%	-
Net Assets end of period (Rs. Crs.)	192.35	221.11	-
Ratio of Recurring Expenses to net assets	0.71%	0.69%	-

#### **Direct plan**

<b>HISTORICAL PER UNIT STATISTICS</b>			
	YR. 1 (23-24)	YR. 1 (22-23)	YR. 1 (21-22)
NAV at the beginning of the year (as on August 22 2022)	10.3128	10*	-
Dividends (% per unit)	-	-	-
NAV at the end of the year (as on March 31)	11.0473	10.3128	-
Annualised return	7.10%	3.13%	-
Net Assets end of period (Rs. Crs.)	212.79	183.82	-
Ratio of Recurring Expenses to net assets	0.42%	0.40%	-

\*Date of Inception – 22<sup>nd</sup> August 2022

\*\*Annualized Return is from the date of inception till the end of the financial year.

### **CANARA ROBECO MID CAP FUND**

#### **Regular Plan**

<b>HISTORICAL PER UNIT STATISTICS</b>			
	YR. 1 (23-24)	YR. 1 (22-23)	YR. 1 (21-22)
NAV at the beginning of the year (as on December 02 2022)	9.67	10*	-
Dividends (% per unit)	-	-	-
NAV at the end of the year (as on March 31)	13.76	9.67	-
Annualised return	42.68%	-3.30%	-
Net Assets end of period (Rs. Crs.)	1,858.37	921.13	-
Ratio of Recurring Expenses to net assets	2.06%	2.26%	-

#### **Direct plan**

<b>HISTORICAL PER UNIT STATISTICS</b>			
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	YR. 1 (23-24)	YR. 1 (22-23)	YR. 1 (21-22)
NAV at the beginning of the year (as on December 02 2022)	9.72	10*	-
Dividends (% per unit)	-	-	-
NAV at the end of the year (as on March 31)	14.04	9.72	-
Annualised return	44.84%	-2.80%	-
Net Assets end of period (Rs. Crs.)	146.06	112.16	-
Ratio of Recurring Expenses to net assets	0.61%	0.60%	-

\*Date of Inception – 02<sup>nd</sup> December 2022

\*\*Annualized Return is from the date of inception till the end of the financial year.

### **CANARA ROBECO MULTI CAP FUND**

#### **Regular Plan**

<b>HISTORICAL PER UNIT STATISTICS</b>			
	YR. 1 (23-24)	YR. 1 (22-23)	YR. 1 (21-22)
NAV at the beginning of the year (as on April 1)	10*	-	-
Dividends (% per unit)	-	-	-
NAV at the end of the year (as on March 31)	11.82	-	-
Annualised return	NA	-	-
Net Assets end of period (Rs. Crs.)	1,882.98	-	-
Ratio of Recurring Expenses to net assets	1.99%	-	-

#### **Direct plan**

<b>HISTORICAL PER UNIT STATISTICS</b>			
	YR. 1 (23-24)	YR. 1 (22-23)	YR. 1 (21-22)
NAV at the beginning of the year (as on April 1)	10*	-	-
Dividends (% per unit)	-	-	-
NAV at the end of the year (as on March 31)	11.95	-	-
Annualised return	NA	-	-
Net Assets end of period (Rs. Crs.)	115.63	-	-
Ratio of Recurring Expenses to net assets	0.53%	-	-

\*Date of Inception – 28<sup>th</sup> July 2023

\*\*Annualized Return is from the date of inception till the end of the financial year.

### **CANARA ROBECO MANUFACTURING FUND**

#### **Regular Plan**

<b>HISTORICAL PER UNIT STATISTICS</b>			
	YR. 1 (23-24)	YR. 1 (22-23)	YR. 1 (21-22)
NAV at the beginning of the year (as on April 1)	10*	-	-
Dividends (% per unit)	-	-	-
NAV at the end of the year (as on March 31)	10.16	-	-
Annualised return	NA	-	-
Net Assets end of period (Rs. Crs.)	839.18	-	-
Ratio of Recurring Expenses to net assets	2.13%	-	-

#### **Direct plan**

<b>HISTORICAL PER UNIT STATISTICS</b>			
	YR. 1 (23-24)	YR. 1 (22-23)	YR. 1 (21-22)
NAV at the beginning of the year (as on April 1)	10*	-	-
Dividends (% per unit)	-	-	-
NAV at the end of the year (as on March 31)	10.17	-	-
Annualised return	NA	-	-
Net Assets end of period (Rs. Crs.)	280.77	-	-
Ratio of Recurring Expenses to net assets	0.49%	-	-

\*Date of Inception – 11<sup>th</sup> March 2024

\*\*Annualized Return is from the date of inception till the end of the financial year.

Please note that 'Growth option' has been considered for the purpose of calculation.

**Equity Schemes:** Returns are based on growth NAV and are calculated on compounded annualized basis for a period of more than (or equal to) a year and absolute basis for a period less than a year.

**Debt Schemes:** Returns are based on growth NAV and are calculated on compounded annualized basis for a period of more than (or equal to) a year and simple annualized basis for a period less than a year.



## SECTION IV - RISK FACTORS

**1. Standard Risk Factors:****a) Standard Risk Factors for investments in Mutual Fund**

- Mutual Fund Investments are subject to market risks, read all scheme related documents carefully.
- Mutual Funds and securities investments are subject to market risks and there can be no assurance or guarantee that the objectives of the Scheme will be achieved.
- Investment in Mutual Fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
- As the price / value / interest rates of the securities in which the scheme invests fluctuate, the value of your investment in the scheme may go up or down.
- The past performance of the Sponsors/AMC/Mutual Fund does not guarantee future performance of the Scheme.
- The name of the Scheme does not in any manner indicate either the quality of the Scheme, its future prospects or returns.
- Canara Bank and ORIX Corporation Europe N.V (formerly Robeco Groep N. V.), being the Sponsors, are not responsible or liable for any loss resulting from the operation of the Scheme beyond the initial contribution of Rs. 10 Lacs made by it towards setting up Canara Robeco Mutual Fund.
- The present schemes are not a guaranteed or assured return scheme.
- The Mutual Fund is not assuring any IDCW nor is it assuring that it will make any IDCW distributions. All IDCW distributions are subject to the availability of distributable surplus and would depend on the performance of the scheme.

**b) Risk factors of not maintaining average AUM of Rs. 20 crore on half yearly rolling basis**

Open ended debt oriented schemes shall maintain an average AUM of Rs. 20 crore on half yearly rolling basis. In case, the average AUM falls below Rs. 20 crore, the AMC shall scale up the AUM of such Scheme within a period of six months so as to maintain the average AUM of Rs. 20 crore on half yearly rolling basis, failing which the Scheme shall be wound up in accordance with the provisions of Regulation 39 (2) (c) of SEBI (Mutual Funds) Regulations, 1996 as amended from time to time.

**c) Risk associated with investment in derivatives and different derivative strategies:****Risk associated with investing in Derivatives:**

As and when Schemes 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.

Derivatives are highly leveraged instruments. Even a small price movement in the underlying security could have a large impact on their value. Derivatives can provide disproportionate gains as well as disproportionate losses to the investor. Execution of such strategies depends upon the ability of the Fund Manager to identify such opportunities. Identification and execution of the strategies to be pursued by the Fund Manager involve uncertainty and decision of Fund Manager may not always be profitable. No assurance can be given that the Fund Manager will be able to identify or execute such strategies.

The risk associated with the use of derivatives is different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments. Derivatives may be riskier than other types of investments because they may be more sensitive to changes in economic or market conditions than other types of investments and could result in the losses that significantly exceed the Scheme's original investment. Certain derivatives may give rise to a form of leverage. Due to the low margin deposits normally required in trading financial derivative instruments, an extremely high degree of leverage is typical for trading in financial derivative instruments. As a result, the Scheme may be more volatile than if the Scheme had not been leveraged because the leverage tends to exaggerate the effect of any increase or decrease in the value of the Scheme's portfolio. A relatively small price movement in a derivative contract may result in substantial losses to the investor.

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

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

- Trading in derivatives has the following risks:

- a) An exposure to derivatives in excess of the hedging requirements can lead to losses.
- b) An exposure to derivatives can also limit the profits from a genuine investment transaction.
- c) Efficiency of a derivative market depends on the development of a liquid and efficient market for underlying securities.
- d) **Particular Risks of Exchange Traded Derivative Transactions**  
The securities exchange on which the shares of the Scheme may be listed may have the right to suspend or limit trading in all securities which it lists. Such a suspension would expose the Scheme to losses and delays in its ability to redeem shares of the Scheme.
- e) **Stock Market Fluctuations**  
Investors may note that the value of their investment may fall as well as rise and they may get back less than they originally invested. The value of equity securities may go down as well as up in response to the performance of individual companies and general market conditions.
- f) **Income Distribution cum Capital Withdrawal (Dividends)**  
The Scheme may distribute not only investment income, but also realized capital gains or capital. Where capital is distributed, this will result in a corresponding reduction in the value of shares of the Scheme, and a reduction in the potential for long-term capital growth.
- g) **Warrants**  
The Scheme may invest in warrants, the values of these warrants are likely to fluctuate more than the prices of the underlying securities because of the greater volatility of warrant prices.
- h) **Futures and Options**  
The Scheme may use options and futures on securities, indices and interest rates for the purpose of efficient portfolio management. Transactions in futures and options carry a high degree of risk. A relatively small market movement will have a proportionately larger impact which may work for or against the investor. The placing of certain orders which are intended to limit losses to certain amounts may not be effective because market conditions may make it impossible to execute such orders.
- i) **Listing**  
In case the shares of the Scheme are listed, the exchanges on which those shares are listed will have no responsibility for the contents of any prospectus issued by the Scheme or will make no representations as to its accuracy or completeness and expressly disclaim any liability whatsoever for any kind of loss arising from or in reliance upon any part of any such prospectus.

**d) Other risk factors (viz. Swing pricing, investment in CDMDF, LRM etc.)**

**i) Swing pricing framework for open ended debt schemes of Canara Robeco Mutual Fund**

With a view of safeguarding the interest of small investors against any large redemptions, SEBI vide its circular SEBI/HO/IMD/IMD-II DOF3/P/CIR/2021/631 dated September 29, 2021 introduced provisions pertaining to Swing Pricing Framework for open ended debt schemes (except overnight funds, Gilt funds and Gilt with 10-year maturity funds) with effect from **May 01, 2022**.

In view of the provisions mentioned in aforesaid circular, a mandatory full swing pricing framework, during market dislocation times (as and when declared by SEBI), is being introduced in all open ended debt schemes of Canara Robeco Mutual Fund (except overnight funds, Gilt funds and Gilt with 10-year maturity funds) as given below:

**Meaning of Swing Pricing:**

Swing pricing refers to a process for adjusting a fund's Net Asset Value (NAV) to effectively pass on transaction costs stemming from net capital activity (i.e., flows into or out of the fund) to the investors associated with that activity during the life of a fund, excluding ramp-up period or termination. In other words, Swing Pricing is an anti-dilution technique which helps funds manage liquidity risks internally by effectively passing on transaction costs to the unitholder/investors associated with that activity. In a liquidity-challenged environment, quoted bid/ask spreads and overall trading cost can widen and may not be representative of the executed prices that can be achieved in the market. In such circumstances, swing pricing can be a useful mechanism to contribute to protect the interests of existing investors, specifically from the dilution of their holdings; and contribute to protect the value of the investors capital.

**Applicability of Swing Pricing Framework:**

The swing pricing framework will be made applicable only for scenarios related to net outflows from the debt schemes.

SEBI will determine 'market dislocation' either based on AMFI's recommendation or suo moto. Once market dislocation is declared, it will be notified by SEBI that swing pricing will be applicable for a specified period.

Subsequent to the announcement of market dislocation, the swing pricing framework shall be mandated only for open ended debt schemes which:

1. Have "High" or "Very High" risk on the risk-o-meter (as of the most recent period at the time of declaration of market dislocation) and
2. Potential Risk Class (PRC) cells A-III, B-II, B-III, C-I, C-II and C-III

**Minimum swing factor for open ended debt schemes:**

Following mandatory swing factor will be applied on redemption and subscription transactions in the above-mentioned schemes during market dislocation period announced by SEBI.

Minimum swing factor for open ended debt schemes			
Credit Risk of scheme → Interest Rate Risk of scheme ↓	Class A (CRV*≥12)	Class B (CRV>=10)	Class C (CRV<10)
Class I: (MD≤1 year)	Nil	Nil	1.50%
Class II: (MD≤3 years)	Nil	1.25%	1.75%
Class III: Any Macaulay Duration (MD)	1.00%	1.50%	2.00%

\*CRV: Credit Risk Value

**Applicability of Swing Pricing to Investors:**

When swing pricing mechanism is triggered and swing factor is made applicable during market dislocation, both the incoming and outgoing investors shall get NAV adjusted for swing factor. Swing pricing shall be made applicable to all

unitholders at PAN level, with an exemption for redemptions up to Rs. 2 lakhs for each mutual fund scheme for market dislocation.

**Illustration on swing pricing - market dislocation as announced by SEBI:**

When swing pricing is triggered, the NAV will be adjusted as follows:

Risk-O-meter	PRC	Computed NAV (Rs.)	Swing Factor Applied	Swing NAV (Rs.)
High / Very High	A-III	14.0000	1.00%	13.8600
	B-II	14.0000	1.25%	13.8250
	B-III	14.0000	1.50%	13.7900
	C-I	14.0000	1.50%	13.7900
	C-II	14.0000	1.75%	13.7550
	C-III	14.0000	2.00%	13.7200

**Disclosures pertaining to NAV adjusted for swing factor:**

The scheme performance shall be computed based on scheme NAV before swing adjustment i.e. the unswung NAV.

Disclosures pertaining to NAV adjusted for swing factor along with the performance impact shall be made in the SID's of respective schemes as per the format prescribed by SEBI and in scheme wise Annual Reports and Abridged summary and the same shall be disclosed on the website prominently only if swing pricing framework has been made applicable for the said mutual fund scheme.

The Swing Price Framework shall be subject to the provisions of circulars and guidelines laid down by SEBI and AMFI from time to time.

**ii) Investment by Specified Open Ended Debt Oriented Schemes of Canara Robeco Mutual Fund ("CRMF") and Canara Robeco Asset Management Co. Ltd. ("CRAMC") in units of Corporate Debt Market Development Fund ("CDMDF"):**

As per the requirement of Regulation 43A of SEBI (Mutual Funds) Regulations, 1996, SEBI circular no. SEBI/HO/IMD/PoD2/P/ CIR/2023/128 dated July 27, 2023 on 'Framework for Corporate Debt Market Development Fund ("CDMDF")' and SEBI circular no. SEBI/HO/IMD/PoD2/P/ CIR/2023/129 dated July 27, 2023 on 'Investment by mutual fund schemes and Asset Management Companies (AMCs) in units of CDMDF', following specified open ended debt-oriented schemes of Canara Robeco Mutual Fund ("CRMF") and Canara Robeco Asset Management Co. Ltd. ("CRAMC") shall invest such percentage of net assets in the units of the CDMDF:

Sr. No.	Name of specified open ended debt-oriented schemes of CRMF:
1.	Canara Robeco Dynamic Bond Fund
2.	Canara Robeco Savings Fund
3.	Canara Robeco Income Fund
4.	Canara Robeco Liquid Fund
5.	Canara Robeco Conservative Hybrid Fund
6.	Canara Robeco Ultra Short Term Fund
7.	Canara Robeco Short Duration Fund
8.	Canara Robeco Corporate Bond Fund
9.	Canara Robeco Banking and PSU Debt Fund

CDMDF is set up as a scheme of the Trust registered as an Alternative Investment Fund ("AIF") in accordance with the SEBI (Alternative Investment Funds) Regulations, 2012 ("AIF Regulations"). The objective of the CDMDF is to help to develop the corporate debt market by providing backstop facility at the time of market dislocation to benefit the wider corporate debt market. The primary motive to set up a backstop facility is to instill confidence amongst the participants in the corporate debt/bond market during times of market dislocation and to enhance the secondary market liquidity. Further, in times of market dislocation, the aforesaid specified debt-oriented schemes of CRMF shall have access to sell corporate debt securities held in the portfolio and CDMDF shall purchase listed corporate debt securities from the said schemes. The trigger and period for which the backstop facility will be open shall be as decided by SEBI.

**iii) Risks Factors Associated with Creation of Segregated Portfolio:**

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

**iv) Liquidity Risk Management Framework:**

AMFI vide Best Practice Circular dated October 12, 2022 has provided the following liquidity management tools. The said tools have been incorporated in the Liquidity Risk Management Policy which has been approved by the Investment Committee & Executive Risk Management Committee of the AMC, the Board of Directors AMC and Board of the Trustees of Mutual Fund.

Liquidity Management Tool	Brief Description
Potential Risk Matrix Circular & Risk-o-meter Circular	The maximum risk that a scheme will run as per design and a measurement of that risk on a regular basis. Remedial measures also in place in case any of the design boundaries are breached.
LRM Circular	Defines Liquidity Risk arising from the liability side and covers all potential liquidity risk scenarios upto 99% confidence interval. Has remedial measures both for managing this risk on an ongoing basis (LRaR & LCRaR) as well as action plan in case there is a difference between actual outcome and projected outcome.
Stress Testing Circular	Addresses the asset side risk from an Interest Rate, Credit and Liquidity Risk perspective at an aggregate portfolio level in terms of its impact on NAV.
RMC Circular	The RMC circular brings in ALM requirement which addresses potential Liquidity requirement over a 90-day period and required relevant asset side liquidity to be maintained.
Swing Pricing Circular	In case of severe liquidity stress at an AMC level or a severe dysfunction at market level, the Swing Pricing guidelines get triggered which offers the contingency plan in case all else fails.

**v) Stress testing:**

In accordance with SEBI circular and AMFI guidelines (issued from time to time), the AMC carries out stress testing for all open-ended debt schemes (except overnight scheme). Stress testing covers the impact on the scheme NAV on account of interest rate risk, credit risk and liquidity risk.

**2. Special Considerations**

- Prospective investors should study this Scheme Information Document and Statement of Additional Information carefully in its entirety and should not construe the contents hereof as advice relating to legal, taxation, financial, investment or any other matters and are advised to consult their legal, tax, financial and other professional advisors to determine possible legal, tax, financial or other considerations of subscribing to or redeeming Units, before making a decision to invest / redeem / hold Units.
- Neither this Scheme Information Document, Statement of Additional Information nor the Units have been registered in any jurisdiction. The distribution of this Scheme Information Document or Statement of

Additional Information in certain jurisdictions may be restricted or totally prohibited due to registration requirements and accordingly, persons who come into possession of this Scheme Information Document or Statement of Additional Information are required to inform themselves about and to observe any such restrictions and / or legal compliance requirements.

- The AMC, Trustees or the Mutual Fund have not authorized any person to issue any advertisement or to give any information or to make any representations, either oral or written, other than that contained in this Scheme Information Document or the Statement of Additional Information or as provided by the AMC in connection with this offering. Prospective Investors are advised not to rely upon any information or representation not incorporated in the Scheme Information Document or Statement of Additional Information or as provided by the AMC as having been authorized by the Mutual Fund, the AMC or the Trustees.
- Mutual Fund, its Trustees, AMC, its directors, its employees & Sponsors shall not be liable for any of the tax consequences that may arise, in the event that the Scheme is wound up for the reasons and in the manner provided in 'Statement of Additional Information (SAI)'.
- Redemption due to change in the fundamental attributes of the Scheme or due to any other reasons may entail tax consequences. Mutual Fund, their Trustees, AMC, its directors, its employees & Sponsors shall not be liable for any such tax consequences that may arise due to such redemptions.
- The liquidity of the Scheme's investments inherently restricted by trading volumes and settlement periods. In the event of an inordinately large number of redemptions or of a restructuring of the Scheme's investment portfolio, there may be delays in the redemption of units. Please refer to the section on "Right to limit repurchases".
- The value of the Scheme's investments may be affected by factors affecting capital markets generally, such as price and volume volatility in the stock markets, interest rates, currency exchange rates, foreign investments, changes in government policy, political, economic or other developments and closure of the stock exchanges. The NAV of the Scheme will be sensitive to changes in Interest / Bank / Prime Lending Rates. In case of investment in Money Market Instruments and in Central / State Govt. Securities by the Scheme, an increase in the Interest / Bank / Prime Lending Rates will impact the market value of existing investments leading to decrease in the Scheme's NAV.
- Debt securities are subject to the risk of an issuer's inability to meet principal and interest payments on the obligations (Credit Risk). Debt securities may also be subject to price volatility due to such factors as interest sensitivity, market perception or creditworthiness of the issuer and general market liquidity (Market Risk). While it is the intention of the Investment Manager to invest primarily in highly rated debt securities, the Scheme may from time to time invest in higher yielding, lower rated securities but not below investment grade and also in un-rated securities subject to provisions and restrictions laid down by SEBI, which would enhance the degree of risk. Changes in Government Policy in general and changes in tax benefits applicable to mutual funds may impact the returns to investors in the Scheme.
- The NAV of the scheme may be affected by the changes in the general market conditions, factors and forces affecting capital market in particular, level of interest rates, various market related factors, settlement periods and transfer procedures. If a Unit Holder invests in the scheme and acquires a substantial portion of the scheme units, the repurchase of units by the Unit Holder may have an adverse impact on the units of the schemes because the timing of such repurchase may impact the ability of other Unit holders to repurchase their units.
- The tax benefits described in this SID and SAI are as available under the present taxation laws and are available subject to relevant conditions. The information given is included only for general purpose and is based on advice received by the AMC regarding the law and practice currently in force in India as on the date of this Scheme Information Document and the Unit holders Investors should be aware that the relevant fiscal rules or their interpretation may change. As is the case with any investment, there can be no



guarantee that the tax position or the proposed tax position prevailing at the time of an investment in the Scheme will endure indefinitely. In view of the individual nature of tax consequences, each Investor is advised to consult his/her own professional tax advisor.

- If a Unit holder invests in the schemes and acquire a substantial portion of the scheme units. The repurchase of units by the Unit Holder may have an adverse impact on the units of the schemes, because the timing of such repurchase may impact the ability of other Unit holders to repurchase their units.
- The AMC and/ or its Registrars & Transfer Agent (RTA) reserve the right to disclose/share Unit holder's details of folio(s) and transaction details there under with the following third parties:
  - a) RTA, Banks and/or authorized external third parties who are involved in transaction processing, dispatching etc., of the Unitholder's investment in the Scheme;
  - b) Distributors or sub-brokers through whom the applications are received for the Scheme;
  - c) Any other organizations for compliance with any legal or regulatory requirements or to verify the identity of the Unitholders for complying with anti-money laundering requirements.
- The AMC may consider the overall level of risk of the portfolio; invest in lower rated / un-rated securities, offering higher yields as well as zero coupon securities that offer attractive yields. This may increase the absolute risk of the portfolio.
- Any disruption in the normal functioning of the Debt market or extreme illiquidity in any one of the Scheme's Securities, may affect the ability of The Fund Manager to buy or sell freely in the market. In the event of a large number of repurchase requests, the time taken by the Scheme for repurchase may become significant.
- It may be noted that no prior intimation/indication would be given to investors when the composition asset allocation pattern of the Scheme undergo changes within the permitted band as mentioned in this document. In the event of a large number of repurchase requests, the time taken by the Scheme for repurchase may become significant.
- Investors should study this Scheme Information Document carefully in its entirety and should not construe the contents hereof as advice relating to legal, taxation, investment or any other matters. Investors may, if they wish, consult their legal, tax, investment and other professional advisors to determine possible legal, tax, financial or other considerations of subscribing to or redeeming Units, before making a decision to invest/redeem Units. Canara Robeco Mutual Fund will not be responsible for any loss of tax benefits in the event of winding up of the Scheme or for any amendment in tax laws that may affect the tax benefits available under the Scheme. The tax benefits are based on the present laws and rules in force.
- The Mutual Fund may disclose details of the Investor's account and transactions thereunder to those intermediaries whose stamp appears on the application form. In addition, the Mutual Fund may disclose such details to the bankers / its agents, as may be necessary for the purpose of effecting payments to the Investor. Further, the Mutual Fund may disclose details of the Investor's account and transactions thereunder to any Regulatory/ Statutory entities as per the provisions of law.

The AMC sub-advises Robeco, Hongkong for Indian Securities pursuant to No Objection issued by SEBI vide its letter dated 29th June, 2011. The AMC is also the Portfolio Manager pursuant to Certificate of Registration INP000003740 dated 5th July, 2016 granted by SEBI.

- Controls and safeguards prescribed under the Regulation for managing the other business activities of AMC as mentioned above are being adhered to and there is no conflict of interest in managing the Schemes of the Fund and the said business activities of AMC. The AMC will ensure that any potential conflicts between other business activities and the Mutual Fund will be adequately addressed by (a) compliance with the requirements under Regulation 24(b) of the SEBI (Mutual Funds) Regulations, 1996 which require that the AMC cannot undertake any activity which is in conflict with the activities of the mutual fund; (b) ensuring

that the fund manager(s) of each scheme of the Mutual Fund, will not play any role in the day-to-day operations of the other business activities, and the key investment team of the other business activities is not involved with the activities of the Mutual Fund; and (c) ensuring that there is no inter se transfer of assets between the Mutual Fund and any account of the investor under Portfolio Management Services.

- Pursuant to the provisions of Prevention of Money Laundering Act, 2002, if after due diligence, the AMC believes that any transaction is suspicious in nature as regards money laundering, on failure to provide required documentation, information, etc. by the unit holder the AMC shall have absolute discretion to report such suspicious transactions to FIU - IND and / or to freeze the folios of the investor(s), reject any application(s) / redemptions / allotment of units.
- SEBI vide its circular dated June 15, 2022, as amended from time to time, has made it mandatory for investors subscribing to mutual fund units on or after October 1, 2022, to either provide nomination details or opt out of nomination in prescribed format. Further, all existing individual unit holder(s) (either sole or joint) are required to provide nomination / opt out of nomination by September 30, 2023 or such other timeline as may be notified by SEBI from time to time failing which their folios shall be frozen for debits.

**Know Your Customer ("KYC"):** The need to 'Know Your Customer' is vital for the prevention of money laundering. The Trustees / AMC may seek information or obtain and retain documentation used to establish identity. It may re-verify identity and obtain any missing or additional information for this purpose.

The Trustees / AMC shall have absolute discretion to reject any application, or prevent further transactions by a Unit holder, if after due diligence, the Investor / Unit holder / a person making the payment on behalf of the Investor does not fulfill the requirements of the 'Know Your Customer' or the Trustees / AMC believes that the transaction is suspicious in nature as regards money laundering. In this behalf the Trustees / AMC reserves the right to reject any application and / or effect a mandatory Redemption of Units allotted to the Unit holder.

If after due diligence, the Trustees / AMC believes that any transaction is suspicious in nature as regards money laundering, the AMC shall report any such suspicious transactions to competent authorities under PMLA and rules / guidelines issued thereunder by SEBI and / or the RBI, furnish any such information in connection therewith to such authorities and take any other actions as may be required for the purposes of fulfilling its obligations under PMLA and rules / guidelines issued thereunder by SEBI and / or RBI without obtaining the prior approval of the Investor / Unit holder / any other person.

As per SEBI circular No MRD/DoP/Cir- 05/2007 dated April 27, 2007, in order to strengthen the Know Your Client (KYC) norms and identify every participant in the securities market with their respective Permanent Account Number (PAN) thereby ensuring sound audit trail of all the transactions, PAN shall be the sole identification number for all participants transacting in the securities market, irrespective of the amount of transactions (except for specifically exempted cases). Exempted investors are required to provide alternate proof of identity in lieu of PAN for KYC purposes and are allotted PAN-exempt KYC Reference Number (PEKRN). Valid PAN/PEKRN and KYC is mandatory for all financial transactions including non-investor initiated. If not furnished, then from April 1, 2023, the impact on non-investor initiated transactions shall include:

1. No investments (Systematic transaction, lumpsum, redemption) shall be permitted in such folios wherein PAN/ PEKRN details are not available.
2. Such non compliant folios shall be liable for freezing w.e.f 1<sup>st</sup> April 2023
3. Further, non-investor-initiated transactions such as dividend pay-out, if any, declared by the Mutual Fund schemes shall also be disallowed.
4. Such payment when due shall be made electronically only upon complying with the PAN/PEKRN requirements.
5. PAN / PEKRN (as may be applicable) needs to be provide in respect of all joint holders."

**Linking of PAN with Aadhar:** As directed by the government of India, Investors are requested to link their Aadhaar with the PAN by 30th June, 2023. Failing which the PAN will become inoperative. TDS deduction / TCS will attract a higher rate applicable to PAN not present. Investor would not be able to execute any Financial Transactions in his folio.



Note: Presently, Aadhaar-PAN linking does not apply to any individual who is (a) residing in the States of Assam, Jammu and Kashmir, and Meghalaya; (b) a non-resident as per the Income Tax Act, 1961 (NRI as per Income Tax records); or (c) of the age of eighty years or more at any time during the previous year; or (d) not a citizen of India. However, these exemptions may change or be revoked later.

## SECTION V - HOW TO APPLY?

This section must be read in conjunction with the section 'Units and Offer' of the SID of the respective Scheme(s) of the Fund.

1. For Open Ended Schemes, investors can subscribe for the units of the Scheme either during the NFO of the Scheme or during the continuous offer, when the Scheme re-opens for purchase and sale on an ongoing basis.
2. For Close Ended Schemes, investors can subscribe for the units only during the NFO period. However pursuant to SEBI Circular SEBI/IMD/ CIR No. 12/147132/08 dated December 11, 2008, the units of all close ended schemes (except Equity Linked Savings Schemes) launched on after December 12, 2008 are required mandatorily to be listed on recognized stock exchange. Unit holders holding the units by way of an account statement (physical form) will not be able to redeem their units during the tenor of the Scheme and there will be redemption by the fund on the maturity of the Scheme. However, the units held in dematerialized form can be traded on the Stock Exchange.
3. An application for subscription to the units of any Scheme must be in the Name of (a) Resident/Non Resident Individual or Individuals not exceeding 3 in number; (b) Minor through his/her parent/ guardian; (c) A Hindu Undivided Family (by the Karta acting on behalf of the HUF); (d) An Association of persons or a Body of Individuals (e) Indian Companies or Body Corporates, Trusts and Societies; (f) Partnership Firm.
4. Signatures should be in English or in any of the Indian languages. Thumb Impression must be attested by an Authorised Official of the Bank or by a Magistrate or a Notary Public under his/her official seal. An application by Minor shall be signed by the Guardian. In case of a H. U. F., the Karta shall sign on behalf of the H.U.F. In case of an application under a Power of Attorney, the relevant Power of Attorney or certified copy thereof must be lodged along with the application.
5. Payment should be made by Cheque / Bank Draft drawn on any bank which is situated at and is a member or sub-member of the Bankers' Clearing House located at the place where the Application Form is submitted.

In case applications submitted along with demand draft, the Fund may bear the draft charges on actual basis. The investors have to attach the copy of the acknowledgment issued by the Bank for purchase of DD which indicates the DD charges. The investor will be allotted with units for the gross amount of investment.

All Cheques/Bank Drafts must be drawn in favour of "Canara Robeco Scheme Name" and the name of the First/Sole applicant and serial No. of the application form shall be indicated on the reverse of the Cheque/Bank Draft as the case may be. A separate cheque or bank draft must accompany each application of each Scheme. Cash/Money Orders will not be accepted.

6. The Investors must write the Existing Folio No. / Application Form number on the reverse of the cheques and bank drafts accompanying the Application Form.
7. Application Forms duly completed in all respects must be submitted at the Sales offices of CRAMC/Identified center for sale of units of the Scheme. The acknowledgement slip will be made in favour of First/Sole Applicant. **It may be noted that the primary holder's own email address and mobile number should be provided for speed and ease of communication in a convenient and cost-effective manner and to help prevent fraudulent transactions.**
8. Applications received by post will be deemed to have been submitted on the date of receipt at the office of CRAMC.
9. Agents are not permitted to accept cash with application. The Fund shall not be held responsible for any kind of wrong tenders.

10. Investor may opt for online investment. The online investments can be done through our website [www.canararobeco.com](http://www.canararobeco.com). Investors are requested to read all related terms and conditions carefully.
11. Investors transacting through MFSS / BSE StAR MF/MFU Platforms under the electronic order collection system for schemes which are unlisted and Stock Exchange(s) for the listed schemes will have to comply with norms/ rules as prescribed by Stock Exchange(s).
12. **Direct Plan:** Pursuant to SEBI circular dated 13<sup>th</sup> September, 2012 and with effect from 1<sup>st</sup> January 2013, the Trustees of CRMF have introduced a separate plan for direct investments (i.e. investments not routed through an AMFI Registration Number (ARN) Holder ("Distributor") known as "Direct Plan". Where any applications are received 'directly' from the investors, the same shall be processed under the 'Direct Plan' of the respective Scheme.

**Eligible Investors:** All categories of investors (whether existing or new Unitholders) as permitted under the Scheme Information Document of the Schemes are eligible to subscribe under the Direct Plan. Investments under the Direct Plan can be made through various modes offered by the Fund for investing directly with the Fund {except Stock Exchange Platform(s) and all other Platform(s) where investors' applications for subscription of units are routed through Distributors}.

- (i) CRMF has separate "Application Forms" for investors subscribing under Regular Plan & Direct Plan. The investors are requested to fill the appropriate form. Investors applying under Direct Plan can also fill the Regular Plan form, but should clearly indicate "Direct" in the ARN column of the application form. Where the application is received for Regular Plan without Distributor code or as "Direct" mentioned in the ARN Column, the application will be processed under Direct Plan.
- (ii) In case Distributor code is mentioned in the application form, but "Direct Plan" is indicated against the Scheme name, the Distributor code will be ignored and the application will be processed under Direct Plan.

**Recurring Expenses for Direct plan:** Recurring expenses charged to the Direct Plan of the respective open ended scheme(s) will be within the expense limits as prescribed under the applicable regulations. No distribution expenses, commission, etc. shall be charged to the direct plan of the respective open ended scheme(s). Accordingly, the said plan shall have lower expense ratio. For the actual current expenses being charged, the investor should refer to the website of the mutual fund [www.canararobeco.com](http://www.canararobeco.com).

**Existing Investment:**

- (i) Investors wishing to transfer their accumulated unit balance held under Regular Plan and/or discontinued plan (through lumpsum/ systematic investments made with or without Distributor code) to Direct Plan will have to switch their investments to Direct Plan. No Exit load shall be levied for such switch transactions. Switch transaction from Canara Robeco ELSS Tax saver shall be subject to lock-in as per the existing terms of SID. No exit load shall be levied in case of switches from Direct Plan to Regular Plan.
- (ii) Investors who have invested without Distributor code and have opted for IDCW Reinvestment facility under Regular Plan may note that the IDCW will continue to be reinvested in the Regular Plan only.
- (iii) In case of Systematic Investment Plan (SIP)/Systematic Transfer Plan (STP)/Dividend Transfer Plans facility registered prior to 1<sup>st</sup> January 2013 without distributor code under the Regular plan of the respective schemes, installments falling on or after the 1<sup>st</sup> January 2013 will automatically be processed under the Direct Plan of the respective scheme(s).
- (iv) Investors who had registered for Systematic Investment Plan facility prior to 1<sup>st</sup> January 2013 with distributor code and wishing to invest their future installments into the Direct Plan of the respective schemes shall make a written request to the Fund in this behalf. The Fund will take at least 15 days to process such requests. Intervening installments will continue in the Existing Plan.

- (v) In case of (iii) and (iv) above, the terms and conditions of the existing registered enrolment shall continue to apply.
- (vi) In case of Systematic Transfer Plan (registered with Distributor code prior to 1<sup>st</sup> January 2013), future installments shall continue under the Regular Plan. In case such investors wish to invest under the Direct Plan of the respective schemes through these facilities, they would have to cancel their existing enrolments and register afresh for such facilities.
- (vii) Where Units under a Scheme are held under Regular, discontinued plan and Direct Plans and the redemption/switch request pertains to the Direct Plan, the same must clearly be mentioned on the request (along with the folio number), failing which the redemption would be made from the discontinued plan to the extent of unit balance in the said Plan and thereafter from Regular plan. However, where Units under the requested Option are held only under one Plan, the request would be processed under such Plan.

**Tax Consequence:** Switch/redemption may entail tax consequences. Investors should consult their professional tax advisor before initiating such requests.

- 13.** The number of units allotted will be the amount invested divided by the sale price applicable for the day on which applications are accepted by the Investment Manager, rounded off to four decimals. Such allotment will be for a minimum amount prescribed.
- 14.** AMC shall send allotment confirmation specifying the number of units allotted to the investor by way of email and/or SMS's to the investors' registered email address and/or mobile number not later than 5 (five) business days from the date of allotment.  
Allotment of units will be at the absolute discretion of the Trustees and the applications can be rejected without assigning any reason whatsoever.
- 15.** Applications which are incomplete are liable to be rejected and the Trustees of CRMF shall not be responsible for any consequences thereof. The right to accept or reject any application in whole or in part lies with the Trustees.
- 16.** Where an Application is rejected in full or part, application money will accordingly be refunded to the applicant. No interest will be paid on the amount so refunded. Letters of regret together with refund cheques, if any, will be despatched by post at the applicant's sole risk.
- 17.** First/Sole applicant, should fill in the particulars of their operative Bank Account which is mandatory and application without bank details is liable to be rejected. Further, AMC/Mutual Fund also provides a facility to investors to register multiple bank accounts in the same folio. By registering multiple bank account, investor can use any of the registered bank account to receive redemption proceeds.
- 18.** Documents to be submitted :
- a) For Charitable and Religious Trusts/Association / Society:  
(a) Trust Deed / Bye-Laws, (b) Certified copy of resolution,  
(c) List of authorised signatories with specimen signatures.
  - b) For Companies :  
(a) Certified Copy of the Board Resolution, (b) Memorandum & Articles of Association,  
(c) List of authorised signatories with specimen signatures.
  - c) For Partnership Firms : Copy of the Partnership Deed
  - d) For FPI/FII  
(a) List of Authorised signatories (b) KYC Acknowledgement/ Proof of KYC  
(c) PAN (d) Certificate of Registration from Designated Depository Participant (DDP).
- 19.** Pursuant to Para 15.11 of SEBI Master Circular for Mutual Funds dated May 19, 2023 investors shall have the provision in the application / transaction form to specify the unique identity number (EJIN) of the employee/relationship

manager/sales person (sales person) of the distributor interacting with the investor/s for the sale of mutual fund products, along with the Association of Mutual Fund in India (AMFI) Registration Number (ARN) of the distributor. Investors are hereby requested to note the following with respect to EUIN:

- AMFI has allotted EUIN to all the sales person of AMFI registered distributors.
- Investor/s shall specify the valid ARN code, and the valid EUIN of the sales person in the application/transaction form. This will assist in handling the complaints of mis-selling, if any, even if the sales person on whose advice the transaction was executed leaves the employment of the distributor.
- Investors are requested to use the new application /transaction forms which have space for sub-broker ARN code and EUIN.

**20. Applications by NRIs, FIIs/FPIs and PIOs:** NRIs and PIOs may purchase units on a repatriation and non-repatriation basis, while FIIs/FPIs may purchase units only on a repatriation basis.

They shall enclose along with the application form a copy of the payment cheque / FIRC / Debit Certificate, to enable the AMC to ascertain the repatriation status of the amount invested. The account type shall be clearly ticked as NRE or NRO or FCNR, to enable the AMC determine the repatriation status of the investment amount.

Repatriation Basis:

NRIs and PIOs may pay their subscription amounts by way of (a) Indian Rupee drafts purchased abroad or (b) cheques drawn on Non - Resident (External) (NRE) Account or (c) Indian Rupee drafts purchased out of funds held in NRE/FCNR Accounts payable at par at the city where Investor Relations Centres of the AMC or its authorised agents are located.

In case Indian Rupee drafts are purchased abroad or from FCNR/NRE accounts, an account debit certificate from the bank issuing the draft confirming the debit shall also be enclosed. NRIs shall also be required to furnish such other documents as may be necessary and as desired by the AMC/Mutual Fund/Registrar, in connection with the investment in the schemes.

FIIs/FPIs may pay their subscription amounts either by way of (a) inward remittance through normal banking channels or (b) out of funds held in Foreign Currency Accounts or Non-Resident Rupee Accounts maintained by the FIIs/FPIs with a designated branch of an authorised dealer with the approval of RBI.

Non-Repatriation basis :

NRIs / PIOs seeking to apply for units on a non-repatriation basis, may pay their subscription amounts either by (a) inward remittance through normal banking channels or (b) out of funds held in Non-Resident Ordinary Rupee Account (NRO).

In case Indian rupee drafts are purchased abroad or from Foreign Currency Accounts or Non-resident Rupee Accounts an account debit certificate from the Bank issuing the draft confirming the debit shall also be enclosed.

**21. Real Time Gross Settlement (RTGS) & National Electronic Funds Transfer (NEFT):** CRAMC provides the facility of 'Real Time Gross Settlement (RTGS)' & 'National Electronic Funds Transfer (NEFT)' offered by Reserve Bank of India (RBI), which aims to provide credit of redemption and dividend payouts (if any) directly into the bank account of the Unit holder maintained with the banks (participating in the RTGS/NEFT System). Unit holders can check the list of banks participating in the RTGS/NEFT System from the RBI website i.e. [www.rbi.org.in](http://www.rbi.org.in) or contact any of our Investor Service Centres.

However, in the event of the name of Unit holder's bank not appearing in the 'List of Banks participating in RTGS/NEFT' updated on RBI website [www.rbi.org.in](http://www.rbi.org.in), from time to time, the instructions of the Unit holder for

remittance of redemption/ dividend (if any) proceeds via RTGS/NEFT System will be discontinued by CRMF/CRAMC without prior notice to the Unit holder and the payouts of redemption / dividend (if any) proceeds shall be effected by sending the Unit holder(s) a cheque / demand draft.

For more details on NEFT or for frequently asked questions (FAQs) on RTGS/NEFT, Unit holders are advised to visit the RBI website [www.rbi.org.in](http://www.rbi.org.in).

**Electronic Clearing Service (ECS) (available only in respect of dividend payments):**

Investors who have opted for the ECS facility of RBI for dividend payment will receive a direct credit of the amount due to them in their mandated account whenever the payment is made through ECS. A separate advice regarding credit of amount(s) via ECS will be sent to the unit holder. It should be noted that while CRMF will make all efforts, there is no commitment that this facility will be made available to all desirous investors.

Applicants in cities not covered under ECS facility will receive dividend payments, if any by cheques or demand drafts and the same will be mailed to the Unitholders. The ECS Facility is available only in respect of dividend payments and not in the case of Redemption of Units. Therefore, the Investors will receive their redemption / dividend proceeds (if any) directly into their bank accounts in the following order:

- (i) In case the bank account of an investor is covered under RTGS/ NEFT system offered by the RBI then the payment of redemption / dividend proceeds (if any) shall be effected via RTGS/NEFT mechanism only.
- (ii) The facility for payment of dividend proceeds, if any via ECS shall be effected only in case the bank account of an investor is not covered under the RTGS/ NEFT system.

Each of the above facilities aims to provide direct credit of the redemption proceeds and dividend payouts (if any) into the bank account of the Unit holder and eliminates the time lag between despatch of the cheque, its receipt by the Unit holders and the need to personally bank the instrument and await subsequent credit to the Unit holders account. Further, the potential risk of loss of instruments in transit through courier/post is also eliminated. Each of the said facility as a mode of payment is faster, safer and reliable.

In case the bank account as communicated by the Unit holder is with any of the banks participating in the RTGS/NEFT System offered by RBI, CRAMC shall automatically extend this facility to the Unit holders provided unitholders have furnished all requisite information to CRAMC to receive such credits.

CRMF/CRAMC shall not be held liable for:

- any losses / claims, etc. arising on account of processing the credit via RTGS/NEFT/ECS of redemption / dividend proceeds on the basis of Bank Account details as provided by the unit holder in the Application Form.
- delayed receipt /non receipt of redemption /dividend amount for reason of incomplete /inaccurate information provided by the unit holders.

However, if the Unit holders are not keen on availing of any of the said facilities and prefer receiving cheques/demand drafts, Unit holders may indicate their intention in the Application Form in the space provided specifically. CRAMC would then ensure that the payouts are effected by sending the Unit holders a cheque / demand draft. In case of unforeseen circumstances, CRAMC reserves the right to issue a cheque/demand draft.

## 22. Default Plan / Option

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

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

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

## 23. Applications Supported by Blocked Amount (ASBA) facility: Investors are provided ASBA facility for all NFOs.

ASBA means "Application supported by Blocked Amount". ASBA is an application containing an authorization given by the Investor to block the application money in his/her specified bank account towards the subscription of Units offered during the NFO of a Scheme.

### Process:

- An ASBA investor shall submit a duly filled up ASBA Application form, physically or electronically, to the Self Certified Syndicate Bank (SCSB) with whom the bank account to be blocked, is maintained.
  - In case of ASBA application form in physical mode, the investor shall submit the ASBA Application Form at the Bank branch of SCSB, which is designated for the purpose and the investor must be holding a bank account with such SCSB.
  - In case of ASBA application form in electronic form, the investor shall submit the ASBA Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for subscribing to units of Mutual Fund scheme authorising SCSB to block the subscription money in a bank account.
- Investors shall correctly mention the Bank Account number in the ASBA Application Form and ensure that funds equal to the subscription amount are available in the bank account maintained with the SCSB before submitting the same to the designated branch.
- Upon submission of an ASBA Application Form with the SCSB, whether in physical or electronic mode, investor shall be deemed to have agreed to block the entire subscription amount specified and authorized the Designated Branch to block such amount in the Bank Account.
- On the basis of an authorisation given by the account holder in the ASBA Application Form, the SCSB shall block the subscription money in the Bank Account specified in the ASBA Application Form. The subscription money shall



remain blocked in the Bank Account till allotment of units under the scheme or till rejection of the application, as the case may be.

- If the Bank Account specified in the ASBA Application Form does not have sufficient credit balance to meet the subscription money, the ASBA application shall be rejected by the SCSB.
- The ASBA Application Form should not be accompanied by cheque, demand draft or any mode of payment other than authorisation to block subscription amount in the Bank Account.
- All grievances relating to the ASBA facility may be addressed to the BANK/AMC / RTA to the Issue, with a copy to the SCSB, giving full details such as name, address of the applicant, subscription amount blocked on application, bank account number and the Designated Branch or the collection centre of the SCSB where the ASBA Application Form was submitted by the Investor.
- ASBA facility extended to investors shall operate in accordance with the SEBI guidelines in force from time to time.
- Name of the First account holder in bank to be the first unitholder in folio. If the name is not matched the application will be rejected and amount to be refunded if any.
- SCSB means Self Certified Syndicate Bank registered with the SEBI, which offers the facility of ASBA. The current list of SCSBs as available on SEBI website is as follows:

1. Axis Bank Ltd 2. Bank of Baroda 3. Bank of India 4. Bank of Maharashtra 5. Canara Bank 6. Central Bank of India 7. CITI Bank 8. Deutsche Bank 9. HDFC Bank Ltd. 10. HSBC Ltd. 11. ICICI Bank Ltd. 12. IDBI Bank Ltd. 13. Indian Bank 14. Indian Overseas Bank 15. IndusInd Bank 16. J P Morgan Chase Bank, N.A. 17. Karur Vysya Bank Ltd. 18. Kotak Mahindra Bank Ltd. 19. Nutan Nagarik Sahakari Bank Ltd. 20. Punjab National Bank 21. South Indian Bank 22. Standard Chartered Bank 23. State Bank of India 24. The Federal Bank 25. UCO Bank 25. Union Bank of India 27. YES Bank Ltd.

For the complete list of controlling / designated branches of above mentioned SCSBs, please refer to websites - [www.sebi.gov.in](http://www.sebi.gov.in), [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).

**24. Option to hold Units in dematerialized (demat) form:** The Unit holders/investors would have an option to hold the Units in dematerialized form. The Applicant intending to hold units in dematerialized form will be required to have a beneficiary account with a Depository Participant (DP) of NSDL/CDSL and will be required to mention, in the application form, the DP ID Number and the Beneficiary account number of the applicant held with the DP at the time of subscribing to the units. Applicants must ensure that the sequence of the names as mentioned in the application form matches with that of the beneficiary account held with the DP. Names, PAN details, KYC details etc. mentioned in the Application Form will be verified against the Depository records. Only those applications where the details are matched with the depository data, will be treated as valid applications. In case the demat details mentioned in the application are incomplete/incorrect or do not match with the depository records, the application shall be treated as invalid for processing under demat mode and therefore may be considered for processing in non-demat form i.e. in physical mode if the application is otherwise valid.

Unitholders who have opted to hold and are thereby allotted units in dematerialized form will receive payment of redemption/dividend proceeds into bank account linked to their Demat account. In case, the Unit holder desires to hold the Units in a Dematerialized/Rematerialized form at a later date, the request for conversion of units held in non-demat form into Demat form or vice versa should be submitted alongwith a Demat/Remat Request Form to their Depository Participants. Investors should ensure that the combination of names in the account statement is the same as that in the demat account.

The allotment of units in demat form shall be subject in terms of the guidelines /procedural requirements as laid by the Depositories (NSDL/CDSL) from time to time. Units held in demat form will be transferable subject to the provisions laid under the respective Scheme(s)/Plan(s) and in accordance with provisions of Depositories Act, 1996 and the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as may be amended from time to time.



In case of Exchange traded Funds, Units of the scheme shall be available and compulsorily be issued/repurchased and traded in dematerialized form.

## 25. Applicable NAV:

### (I) For schemes other than Canara Robeco Liquid Fund and Canara Robeco Overnight Fund

#### A. Applicable NAV for Purchases/Switch-ins

Pursuant to SEBI Circular dated September 17, 2020 and December 31, 2020 for purchase application (including switch-in) received within cut-off time on a Business Day, irrespective of the amount, the closing Net Asset Value (NAV) of the day on which the funds are available for utilization.

Accordingly, the below cut-off timings and applicability of NAV shall be applicable in respect of valid applications received at the Official Point(s) of Acceptance on a Business Day.

#### For Purchase (including switch-in) of any amount:

- In respect of valid applications received up to the cut off time of 3.00 p.m. and where the funds for the entire amount are available for utilization before the cut-off time i.e. credited to the bank account of the Scheme before the cut-off time, the closing NAV of the day shall be applicable.
- In respect of valid applications received after the cut off time of 3.00 p.m. and where the funds for the entire amount are credited to the bank account of the Scheme either on the same day or before the cutoff time of the next Business Day i.e. available for utilization before the cut-off time of the next Business Day, the closing NAV of the next Business Day shall be applicable.
- Irrespective of the time of receipt of application, where the funds for the entire amount are credited to the bank account of the Scheme before the cut-off time on any subsequent Business Day i.e. available for utilization before the cut-off time on any subsequent Business Day, the closing NAV of such subsequent Business Day shall be applicable.

#### For Switch-ins of any amount:

For determining the applicable NAV, the following shall be ensured:

- Application for switch-in is received before the applicable cut-off time.
- Funds for the entire amount of subscription/purchase as per the switch-in request are credited to the bank account of the Scheme before the cut-off time.
- The funds are available for utilization before the cut-off time.
- In case of 'switch' transactions from one scheme to another, the transfer of funds shall be in line with the timelines for redemption payouts.

For investments through systematic investment routes such as Systematic Investment Plans (SIP), Systematic Transfer Plans (STP), Transfer of Income Distribution cum Capital Withdrawal Plan, etc. the units will be allotted as per the closing NAV of the day on which the funds are available for utilization by the Target Scheme irrespective of the installment date of the SIP, STP or record date of dividend etc

#### B. Applicable NAV for redemptions including switch - outs

- In respect of valid applications received upto 3.00 p.m. by the Mutual Fund, closing NAV of the day of receipt of application, shall be applicable.
- In respect of valid applications received after 3.00 p.m. by the Mutual Fund, the closing NAV of the next business day shall be applicable.
- The Trustees/AMC may alter the limits and other conditions in line with the SEBI Regulations.

### (II) For Canara Robeco Liquid Fund and Canara Robeco Overnight Fund

#### A. Applicable NAV for Sale of Units / Switch In

- I. Where the application is received upto 1.30 p.m. on a day and funds are available for utilization before the cut-off time without availing any credit facility, whether, intra-day or otherwise - the closing NAV of the day immediately preceding the day of receipt of application;

- II. Where the application is received after 1.30 p.m. on a day and funds are available for utilization on the same day without availing any credit facility, whether, intra-day or otherwise - the closing NAV of the day immediately preceding the next business day; and
- III. Irrespective of the time of receipt of application, where the funds are not available for utilization before the cut-off time without availing any credit facility, whether, intra-day or otherwise - the closing NAV of the day immediately preceding the day on which the funds are available for utilization.

**B. Applicable NAV for Repurchase of units/Switch Out**

- a) For applications received up to 3 p.m., same day's closing NAV shall be applicable.
- b) For applications received after 3 p.m., closing NAV of the next business day shall be applicable.

The Trustees reserve the right to amend the cut off timings subject to SEBI regulations for the smooth and efficient functioning of the Scheme/s.

**26. Foreign Account Tax Compliance Act (FATCA)**

FATCA is an acronym for Foreign Account Tax Compliance Act ("FATCA"), a United States Federal law to increase compliance by US taxpayers and is intended to bolster efforts to prevent tax evasion by the US taxpayers with offshore investments.

The Government of India and the United States of America (US) have reached an agreement in substance on the terms of an Inter- Governmental Agreement (IGA) and India is now treated as having an IGA in effect from April 11, 2014. CRAMC/CRMF are likely to be classified as a 'Foreign Financial Institution' (Investment Entity as per Annexure 1(i)) under the FATCA provisions.

In accordance with FATCA provisions, CRAMC/CRMF will be required to undertake due diligence process and identify US reportable accounts and collect such information/documentary evidences of the US and/or non-US status of its investors/Unit holders and disclose such information (through its agents or service providers) as far as may be legally permitted about the holdings, investment returns and/or to US Internal Revenue Service (IRS) or the Indian Tax Authorities, as the case may be for the purpose of onward transmission to the IRS pursuant to the new reporting regime under FATCA.

FATCA due diligence will be directed at each investor/Unit holder (including joint investor) and on being identified as a reportable person/specified US person, all the folios will be reported. In case of folios with joint holders, the entire account value of the investment portfolio will be attributable under each such reportable person. An investor/Unit holder will therefore be required to comply with the request of CRAMC/CRMF to furnish such information as and when sought by CRAMC/CRMF to comply with the information reporting requirements stated in IGA and circulars issued by SEBI/ AMFI from time to time in this regard. The information disclosed may include (but is not limited to) the identity of the investors and their direct or indirect beneficiaries, beneficial owners and controlling persons. Investors/Unit holders should consult their own tax advisors regarding FATCA requirements with respect to their own situation.

Notwithstanding anything contained in SAI, the provisions of SEBI (MF) Regulations, 1996 and guidelines there under shall be applicable. Further, investor may ascertain about any further changes from the Mutual Fund investor service centers/distributors or brokers.

**Common Reporting Standards (CRS)**

India has joined the Multilateral Competent Authority Agreement (MCAA) on automatic exchange of financial information in Tax Matters, commonly known as Common Reporting Standards ('CRS'). All countries which are signatories to the MCAA are obliged to exchange a wide range of financial information after collecting the same from financial institutions in their jurisdiction. In accordance with Income Tax Act read with SEBI Circular nos. CIR/ MIRSD/2/2015 dated August 26, 2015 and CIR/MIRSD/3/2015 dated September 10, 2015 regarding implementation of CRS requirements, it shall be mandatory for all new investors to provide details and declaration pertaining to CRS in the application form, failing which CRAMC shall have authority to reject the application.

**FATCA & CRS Instructions**

The Central Board of Direct Taxes has notified Rules 114F to 114H, as part of the Income-tax Rules, 1962, which Rules require Indian financial institutions such as the Bank to seek additional personal, tax and beneficial owner information and certain certifications and documentation from all our account holders.

In relevant cases, information will have to be reported to tax authorities / appointed agencies. Towards compliance the Mutual Fund/AMC may be required to provide information to any institutions such as withholding agents for the purpose of ensuring appropriate withholding from the account or any proceeds in relation thereto.

The investors are advised to promptly inform the Mutual Fund/AMC of any change in any information previously provided by the investors within 30 days of such change.

It may be noted that the investors may receive more than one request for information from the Mutual Fund/AMC if the said investor has multiple relationships with any FI or its group entities. Therefore, the investors are requested to respond to the said request, even if the same information has already been supplied previously.

The Fund/AMC reserves the right to reject any application or redeem the units held directly or beneficially in case the applicant/investor(s) fails to furnish the relevant information and/or documentation in accordance with the FATCA provisions, notified.

If the investor has any questions about his/her tax residency, the investor is requested to contact his/her tax advisor. If the investor is a US citizen or resident or greencard holder, the investor is requested to include United States in the foreign country information field along with his/her US TAX Identification Number.

It is mandatory to supply a TIN or functional equivalent if the country in which the investor is requested is tax resident issues such identifiers. If no TIN is available or has not yet been issued, the investor is required to provide an explanation and attach the same to the form.

In case customer has the following Indicia pertaining to a foreign country and yet declares self to be non-tax resident in the respective country, customer to provide relevant Curing Documents as mentioned below:

<b>FATCA &amp; CRS Indicia observed (Ticked)</b>	<b>Documentation required for Cure of FATCA/CRS Indicia</b>
U.S. place of birth	<ol style="list-style-type: none"> <li>1. Self-certification that the account holder is neither a citizen of United States of America nor a resident for tax purposes;</li> <li>2. Non-US passport or any non-US government issued document evidencing nationality or citizenship (refer list below); AND</li> <li>3. Any one of the followingw documents:               <ol style="list-style-type: none"> <li>a) Certified Copy of "Certificate of Loss of Nationality</li> <li>b) or Resonable explanation of why the customer does not have such a certificate despite renouncing US citizenship;</li> <li>c) or Reason the customer did not obtain U.S. citizenship at birth</li> </ol> </li> </ol>
Residence/mailling address in a country other than India	<ol style="list-style-type: none"> <li>1. Self-certification that the account holder is neither a citizen of United States of America nor a tax resident of any country other than India; and</li> <li>2. Documentary evidence (refer list below)</li> </ol>
Telephone number in a country other than India	<p><b><i>If no Indian telephone number is provided</i></b></p> <ul style="list-style-type: none"> <li>• Self-certification that the account holder is neither a citizen of United States of America nor a tax resident of any country other than India; and</li> <li>• Documentary evidence (refer list below)</li> </ul> <p><b><i>If Indian telephone number is provided along with a foreign country telephone number</i></b></p> <ul style="list-style-type: none"> <li>• Self-certification that the account holder is neither a citizen of United States of America nor a tax resident of tax purposes of any country other than India; OR</li> </ul>

	<ul style="list-style-type: none"> <li>Documentary evidence (refer list below)</li> </ul>
Telephone number is a country other than India	<ol style="list-style-type: none"> <li>Self-certification that the account holder is neither a citizen of United States of America nor a tax resident of any country other than India; and</li> <li>Documentary evidence (refer list below)</li> </ol>

List of acceptable documentary evidence needed to establish the residence(s) for tax purposes:

- Certificate of residence issued by an authorized government body\*
  - Valid identification issued by an authorized government body\* (e.g. Passport, National Identity card, etc.)
- \*Government or agency thereof or a municipality of the country or territory in which the payee claims to be a resident.

**Note:**

- Multiple nominations are permitted i.e. more than one person can be nominated under the same folio (not in case of minor applicant).
- Each application has to be accompanied by a separate cheque/RTGS letter. A single application with multiple cheques and multiple applications with a single cheque will not be accepted.
- If the Scheme names on the application form and on the payment instrument are different, the application may be processed and units allotted at applicable NAV of the scheme mentioned in the application/transaction slip duly signed by investor(s).

**27. Treatment of Financial Transactions received through Suspended Distributors**

The financial transactions of an investor where his distributor's AMFI Registration Number (ARN) has been suspended temporarily or terminated permanently by Association of Mutual Funds in India (AMFI) shall be processed as follows with effect from October 31, 2019:

- All Purchase / Switch requests (including under fresh registrations of Systematic Investment Plan ("SIP") / Systematic Transfer Plan ("STP") or under SIPs / STPs registered prior to the suspension period) received during the suspension period shall be processed under "Direct Plan" and continue to be processed under "Direct Plan" perpetually\*.  
(\*Note: If the AMC receives a written request / instruction from the unit holder to shift back to Regular Plan under the ARN of the distributor post the revocation of suspension of ARN, the same shall be honored).
- All Purchase / Switch transactions including SIP / STP transactions received through the stock exchange platform, from any distributor whose ARN has been suspended, shall be rejected.
- In cases where the ARN of the distributor is permanently terminated, the unitholders have the following options:
  - Switch their existing investments under the Regular Plan to Direct Plan (Investors may be liable to bear capital gains taxes per their individual tax position for such transactions); or
  - Continue their existing investments under the Regular Plan under ARN of another distributor of their choice.

**28. Special facilities for transaction of Units**

- a) **Systematic Investment Plan (SIP):** Systematic Investment Plan is a simple and time honoured investment strategy aiding disciplined investing over a period of time. The features of Systematic Investment Plan are as under:

<b>Any Date/Monthly SIP</b> Minimum amount per SIP installment	Rs. 1,000.00 and multiple of Re. 1.00 thereafter <b>For Canara Robeco ELSS Tax Saver:</b> Rs. 500/- and in multiples of Re. 1/- thereafter. <b>For Canara Robeco Ultra Short Term Fund:</b> Rs. 500/- and in multiples of Re. 1/- thereafter. <b>For Canara Robeco Blue Chip Equity Fund:</b> Rs 100/- and in multiples of Re 1/- thereafter. <b>For Canara Robeco Flexi Cap Fund:</b> Rs 100/- and in multiples of Re 1/- thereafter.
<b>Quarterly SIP</b>	Rs. 2000.00 and multiple of Re. 1.00 thereafter

Minimum amount per SIP installment	<p><b>For Canara Robeco ELSS Tax Saver:</b> Rs. 1000/- and in multiples of Re. 1/- thereafter.</p> <p><b>For Canara Robeco Ultra Short Term Fund:</b> Rs. 500/- and in multiples of Re. 1/- thereafter.</p> <p><b>For Canara Robeco Blue Chip Equity Fund:</b> Rs 100/- and in multiples of Re 1/- thereafter.</p> <p><b>For Canara Robeco Flexi Cap Fund:</b> Rs 100/- and in multiples of Re 1/- thereafter.</p>
No. of SIP Installments (applicable for both Monthly & Quarterly SIP) Minimum Maximum	<p>Six installments</p> <p>No Limit</p>
Periodicity	Any Date SIP/Monthly/Quarterly
The facility can be exercised on	<p><b>For Any Date SIP:</b> Investors can choose any date, as applicable, of their preference as SIP Debit Date between 1<sup>st</sup> to 28<sup>th</sup> of the month. In case no date is mentioned, the default date considered will be 15<sup>th</sup>. In case the chosen date falls on a Non-Business Day, then the SIP will be processed on the immediate next Business Day.</p> <p><b>For month and Quarterly frequency:</b> 1<sup>st</sup> or 5<sup>th</sup> or 15<sup>th</sup> or 20<sup>th</sup> or 25<sup>th</sup> of every month /quarter. In case, the date fixed happens to be a holiday / non-business day, the cheques shall be deposited / ECS/Auto Debit Facility will be effected on the next business day.</p>
Applicable NAV and Cut-off time	as applicable as per the prevailing regulations
Notice Period	Investors are given option to discontinue SIP by giving 15 days' notice prior to the due date of the next installment.

Note: SIP facility is not available under Canara Robeco Overnight Fund.

### ➤ SIP Top -Up Facility

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

The salient features of the said facility are as follows:

- a) SIP Top- Up facility is applicable to an Investor who is enrolling for a new SIP.
- b) Minimum Top – Up Amount for the said facility except Canara Robeco Blue Chip Equity Fund and Canara Robeco Flexi Cap Fund will be Rs. 500/- & in multiples thereof.

Minimum Top – Up Amount for the said facility for Canara Robeco Blue Chip Equity Fund and Canara Robeco Flexi Cap Fund will be Rs. 100/- & in multiples thereof.

In case the Top –Up amount is not mentioned but the upper limit is included in the application/mandate form, the default Top –Up amount will be Rs. 500/- or Rs. 100/-, as may be applicable.

- c) Frequency for the Top up facility :
  - i) The said facility is available only for the SIP facility having frequency of Monthly and Quarterly.

- ii) The investor can choose a frequency for the Top Up depending on the SIP frequency being opted. In case of a Monthly SIP, the investor can choose either a 'Half-yearly' or 'Annual' based Top-up frequency; while in case of a Quarterly SIP, the available Top-up frequency will only be 'Annual' based.
  - iii) In case SIP Top-Up frequency is not mentioned, the default frequency will be considered as 'Annual' for both Monthly and Quarterly SIP.
- d) The facility is available only for the investors who submit "One Time Mandate Form" i.e. NACH/ECS/Direct Debit Form mentioning the Maximum Amount. This will allow an investor to limit the total investment to a maximum amount as decided by the investor while filling up the Mandate Form.
  - e) Once the SIP Top-Up upper limit is reached, the Top – Up will be discontinued. However, the SIP will continue at the upper limit for the remaining SIP enrolment period. For further clarification, please refer the *illustrations* as mentioned below.
  - f) The Top-up details cannot be modified once enrolled. In order to make any changes, the investor must cancel the existing SIP and enroll for a fresh SIP with Top-up option.
  - g) SIP Top-up facility shall be available for SIP Investments through ECS (Debit Clearing) / Direct debit facility /NACH facility only.
  - h) For further details and Forms, investors are requested to refer our website ([www.canararobeco.com](http://www.canararobeco.com)) or visit the nearest sales office of AMC/Investor's Service Center of Registrar viz. KFin Technologies Limited.

Illustrations:

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

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

Starting Monthly SIP amount : Rs. 10000

Top Up Amount: Rs. 2000

Top Up frequency: Half-Yearly

Top Up limit : Rs. 16000

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

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

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

Starting Quarterly SIP amount : Rs. 10000

Top Up Amount: Rs. 2000

Top Up frequency: Annually

Top Up limit : Rs. 16000

From date	To date	Quarterly Installment (Rs.)	SIP Top Up Amount (Rs.)	Total Amount of SIP (Rs.)
1-Jan-16	1-Dec-16	10000	NA	10000
1-Jan-17	1-Dec-17	10000	2000	12000
1-Jan-18	1-Dec-18	12000	2000	14000
1-Jan-19	1-Dec-19	14000	2000	16000
1-Jan-20	1-Dec-21	16000	-	16000

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

➤ **Systematic Investment Plan including Micro SIP**

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

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

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

Investors who wish to enrol for Micro Investment Plans (including micro SIP) are required to fill in the Micro SIP Enrolment Form available with the ISCs, distributors and also displayed on the website [www.canararobeco.com](http://www.canararobeco.com). Investors are advised to read the terms and conditions carefully before enrolment.

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

➤ **Pause facility under Systematic Investment Plan (SIP)**

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

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

1. Following SIPs shall be eligible for pause facility:
  - i. Online SIP's (ISIP registered from CRAMC website, Kfinkart and BSE StAR MF Platform of Bombay Stock Exchange Limited)
  - ii. Offline SIPs registered through NACH, Direct Debit & Auto Debit
  - iii. SIP frequency with Monthly frequency options only
2. Any SIP registered through Channel Partners, MF Utility and Exchange platforms shall not be eligible with pause facility.
3. The SIP shall continue from the subsequent instalment after the completion of Pause period automatically.
4. Pause request under SIP can be for minimum of 1 installment and for maximum of 6 installments.
5. Investor can opt for Pause facility twice during the tenure of a particular SIP.
6. The request for SIP Pause should be submitted at least 10 days prior to the subsequent SIP date.
7. SIP pause facility would be available for SIP opted by the investors, only under Monthly frequency.

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



➤ **National Automated Clearing House Facility (NACH)**

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

**b) Systematic Transfer Plan (STP):**

STP is a facility wherein a unit holder of a CRMF scheme can opt to transfer a fixed amount or capital appreciation amount at regular intervals to another scheme of CRMF. The amount transferred under the STP from the Transferor scheme to the Transferee scheme, shall be effected by redeeming units of Transferor scheme and subscribing to the units of the Transferee scheme.

The features of Systematic Transfer Plan are as under:

<b>Daily STP</b> Minimum amount per STP installment	Rs. 1,000 and multiple of Re. 1.00 thereafter per day for a minimum of One Month. <b>For Canara Robeco ELSS Tax Saver:</b> Rs. 500/- and in multiples of Re. 1/- thereafter. <b>For Canara Robeco Ultra Short Term Fund:</b> The minimum amount for STP will be subject to the minimum investment amount as detailed in switch-in scheme.
<b>Weekly STP</b> Minimum amount per STP installment	Rs. 1,000 and multiple of Re. 1.00 thereafter <b>For Canara Robeco ELSS Tax Saver:</b> Rs. 500/- and in multiples of Re. 1/- thereafter. <b>For Canara Robeco Ultra Short Term Fund:</b> The minimum amount for STP will be subject to the minimum investment amount as detailed in switch-in scheme.
<b>Monthly STP</b> Minimum amount per STP installment	Rs. 1,000.00 and multiple of Re. 1.00 thereafter <b>For Canara Robeco ELSS Tax Saver:</b> Rs. 500/- and in multiples of Re. 1/- thereafter. <b>For Canara Robeco Ultra Short Term Fund:</b> The minimum amount for STP will be subject to the minimum investment amount as detailed in switch-in scheme.
<b>Quarterly STP</b> Minimum amount per STP installment	Rs. 2,000.00 and multiple of Re. 1.00 thereafter <b>For Canara Robeco ELSS Tax Saver:</b> Rs. 1,000/- and in multiples of Re. 1/- thereafter. <b>For Canara Robeco Ultra Short Term Fund:</b> The minimum amount for STP will be subject to the minimum investment amount as detailed in switch-in scheme.
Minimum No. of STP Installments: For Daily Frequency For Weekly Frequency For both Monthly & Quarterly STP	Twenty-Five Installments Six Installments Six Installments
Maximum No. of STP Installments:	



For Daily Frequency For Weekly Frequency For both Monthly & Quarterly STP	No Limit No Limit No Limit
Periodicity	Daily/Weekly/Monthly/Quarterly
The facility can be exercised on	<b>Daily:</b> On all Business Days. In case the chosen date falls on a Non-Business Day, then the STP will be processed on the immediate next Business Day. <b>Weekly:</b> Transfers will happen only on Mondays by default. In case, Monday being a non-business day, next business day will be considered for Transfer. <b>Monthly/ Quarterly:</b> 01 <sup>st</sup> or 5 <sup>th</sup> or 15 <sup>th</sup> or 20 <sup>th</sup> or 25 <sup>th</sup> of every month / quarter. In case, the date fixed happens to be a holiday / non-business day, the cheques shall be deposited / Auto Debit/Credit Facility will be affected on the next business day.
Applicable NAV and Cut-off time	Applicable NAV and cut-off time as prescribed under the Regulation shall be applicable.
Notice Period	Investors are given option to discontinue STP by giving 15 days' notice prior to the due date of the next installment.

**c) Systematic Withdrawal Plan (SWP):**

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

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

<b>Monthly SWP</b> Minimum amount per SWP installment	Rs. 1,000.00 and multiple of Re. 1.00 thereafter <b>For Canara Robeco ELSS Tax Saver:</b> Rs. 500/- and in multiples of Re. 1/- thereafter. <b>For Canara Robeco Ultra Short Term Fund:</b> Rs. 100/- and multiple of Re. 1/- thereafter.
<b>Quarterly SWP</b> Minimum amount per SWP installment	Rs. 2,000.00 and multiple of Re. 1.00 thereafter <b>For Canara Robeco ELSS Tax Saver:</b> Rs. 1000/- and in multiples of Re. 1/- thereafter. <b>For Canara Robeco Ultra Short Term Fund:</b> Rs. 100/- and multiple of Re. 1/- thereafter.
Periodicity	Monthly/Quarterly
Dates available for SWP Facility	01 <sup>st</sup> or 5 <sup>th</sup> or 15 <sup>th</sup> or 20 <sup>th</sup> or 25 <sup>th</sup> of every month / quarter (In case, the date fixed happens to be a holiday / non-business day, the cheque shall be deposited / Auto Debit Facility will be affected on the next business day.)
No. of SWP Installments (applicable for both Monthly & Quarterly SWP) a) Minimum b) Maximum	Six installments No Limit

Applicable NAV and Cut-off time	Applicable NAV and cut-off time as prescribed under the Regulation shall be applicable.
Notice Period	Investors are given option to discontinue SWP by giving 15 days' notice prior to the due date of the next installment.

#### d) Switching Options

##### **Inter-Scheme Switching Option for Open-ended Schemes:**

The Unit holders under the open-ended Scheme(s) ('Parent Scheme') have the option to Switch part or all of their Unit holdings in the said Scheme(s) to (a) other scheme(s) ('Target Scheme') of CRMF available for subscription on the date of switch-out, or (b) within the Scheme from one Plan / Option to another Plan / Option (subject to completion of lock-in period, if any) which is available for investment at that time.

This Option is useful to Unit holders who wish to alter the allocation of their investment among the scheme(s) / plan(s) / option(s) of the Mutual Fund in order to meet their changed investment needs. The Switch will be effected by way of Redemption of Units from the Parent Scheme / Plan and reinvestment of the Redemption proceeds in the Target Scheme / Plan. Accordingly, to be effective, the Switch must comply with the Redemption rules of the Parent Scheme/Plan and the allotment rules of the Target Scheme/Plan (e.g. as to the minimum number of Units that may be redeemed or issued, Exit load etc). The price at which the Units will be switched out of the Parent Scheme/Plan will be based on the Redemption Price and the proceeds will be invested in the Target Scheme / Plan at the prevailing sale price of units in that Scheme / Plan. No load shall be imposed for switching between the Plans/Options within the Scheme.

The Switch request can be made on a pre-printed form or by using the relevant tear off section of the Transaction Slip attached with the Account Statement and should be submitted at / may be sent by mail to any of the ISCs. CRAMC retains the right to charge different Loads on Switching of Units as compared to Sale / Redemption of Units as the case may be. CRAMC reserves the right to impose loads for switching between (a) the Plans within the Scheme or (b) Options within the respective Plans at a future date.

##### **Optional automatic switch of redemption proceeds on maturity of Close-ended Schemes (Auto Maturity Switch):**

CRMF provides the investors the flexibility to switch their redemption proceeds receivable on maturity of the Parent Scheme to any of the other Scheme/Plan (Target Scheme) of CRMF available for subscription on the date of maturity of the Parent Scheme, as may be specified by the investor in the application form. The switch-in requests will be effected based on the applicable NAV of Parent and Target Schemes/Plans, subject to applicable cut-off timing provisions.

The Investor can choose to avail of this facility, (a) during the New Fund Offer (NFO) period, by selecting the option at the designated space provided in the application form or (b) or at any time before maturity of the Scheme by submitting a written request or transaction slip, confirming their intention to avail switch on maturity of the Scheme. Where the request is made after the NFO period but before maturity/ transaction slip and confirming their intention to avail switch on maturity, the request shall be processed on the date of maturity of the Parent Scheme. In case the Auto-switch option is selected in the Application Form but details of Target Scheme are not mentioned, the default scheme to be considered for switch would be Canara Robeco Liquid Fund (Regular Plan - Growth Option or Direct Plan - Growth Option) based on Plan & Option opted by the investor in the Parent Scheme. The switch out transaction will be processed based on the applicable Net Asset Value (NAV) on the date of maturity. In case of any inconsistency in selection of option viz, Payout of redemption proceeds on maturity of scheme or Maturity switch, payout of redemption proceeds shall be considered as default mode. Further, investor shall also have an option to alter his preference from maturity switch to Payout of redemption proceeds by submitting a written request, at any time during the tenure of the scheme, not later than 10 working days prior to the maturity of the scheme. To make the switch effective, investor shall be required to hold all the units till maturity of the scheme. The switch shall be subject to the applicable terms and conditions of both the switch-out (Parent) scheme and switch-in (Target) scheme as regards the minimum number of Units that may be redeemed or allotted, Load etc.

**e) Transactions through Stock Exchange Platform for Mutual Funds:**

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

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

**2. Transaction through BSE STAR MF platform of Bombay Stock Exchange Limited:**

In addition to the existing modes for transactions in the units of the Regular Plan of the Schemes, Investors can also transact through the BSE STAR MF platform of Bombay Stock Exchange Limited ("BSE").

The Salient features of the facility are as follows:

- i) Transaction for this purpose shall include purchase (including registration of SIP) and redemption only.
- ii) The facility for purchase/redemption of units on BSE StAR MF will be available on all business days between 9.00 a.m. to 3.00 p.m. or such other time as may be decided from time to time.
- iii) Official Point of Acceptance
  - a. All trading members of BSE who are registered with Association of Mutual Funds in India (AMFI) as Mutual Fund Advisors and empanelled with CRMF shall be eligible to offer purchase and redemption of units to the investors of the scheme and shall be treated as official point of Acceptance.
  - b. Clearing Members of registered Stock Exchanges and Depository participants of registered Depositories will also be considered as official point of Acceptance of CRMF. However Depository Participants will be permitted to process only redemption requests of units held in demat form.
- iv) Clearing members and depository participants shall be required to comply with conditions stipulated in Para 15.6.2 of SEBI Master Circular dated May 19<sup>th</sup> 2023 for stock broker's viz. AMFI /NISM certification, code of conduct prescribed by SEBI for Intermediaries of Mutual Fund.
- v) Investors will be required to comply with Know Your Customer (KYC) norms as prescribed by BSE/NSDL/CDSL and CRMF to participate in this facility.
- vi) Cut off timing for purchase /redemption of units  
Time stamping as evidenced by confirmation slip given by stock exchange mechanism will be considered for the purpose of determining applicable NAV and cut off timing for the transactions. The applicability of NAV will be subject to guidelines issued by SEBI from time to time on uniform cut-off time for applicability of NAV.

- vii) CRMF will not send account statement to unitholders holding units in demat mode. The statement provide by the Depository Participant will be equivalent to account statement.
- viii) For all the transactions done through the platform separate folio number will be allotted and the bank account, address, nomination details, etc. shall be same as per the demat account of the investor.
- ix) For any grievances with respect to transactions in BSESTAR MF, the investors/unitholders should approach the Stock Broker or the investor grievances cell of the stock exchange.
- x) This facility of transacting in the scheme through stock exchange infrastructure is available subject to such limits, regulations, operating guidelines, terms and conditions as may be prescribed by SEBI/ BSE from time to time. The operating guidelines are available at BSE website viz., [www.bseindia.com](http://www.bseindia.com)

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

### **3. Transaction through Mutual Fund Service System ("MFSS") platform of National Stock Exchange of India Limited:**

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

1. Transaction for this purpose shall include purchase (including registration of SIP) and redemption. Switching of units will not be permitted through this platform.
2. The facility for purchase/redemption of units on MFSS will be available on all business days between 9.00 a.m. to 3.00 p.m. for Schemes other than Liquid and between 9.00 a.m. to 2.00 p.m. for Liquid Scheme or such other time as may be decided from time to time.
3. Official Points of Acceptance -
  - o All trading members of NSE who are registered with Association of Mutual Funds in India (AMFI) as Mutual Fund Advisors and empanelled with CRMF shall be eligible to offer purchase and redemption of units to the investors of the scheme and shall be treated as official point of Acceptance.
  - o Clearing Members of registered Stock Exchanges and Depository participants of registered Depositories will also be considered as official point of Acceptance of CRMF.
4. Clearing members and depository participants shall be required to comply with conditions stipulated in Para 15.6.2 of SEBI Master Circular dated May 19<sup>th</sup> 2023 for stock brokers viz. AMFI/NISM certification, code of conduct prescribed by SEBI for Intermediaries of Mutual Fund.
5. Investors will be required to comply with Know Your Customer (KYC) norms as prescribed by NSE/NSDL/CDSL and CRMF to participate in this facility.
6. Cut off timing for purchase /redemption of units :- Time stamping as evidenced by confirmation slip given by stock exchange mechanism will be considered for the purpose of determining applicable NAV and cut off timing for the transactions. The applicability of NAV will be subject to guidelines issued by SEBI from time to time on uniform cut-off time for applicability of NAV.
7. CRMF will not send account statement to unitholders holding units in demat mode. The statement provide by the Depository Participant will be equivalent to account statement.
8. For all the transactions done through the platform separate folio number will be allotted and the bank account, address, nomination details, etc. shall be same as per the Demat account of the investor.

9. For any grievances with respect to transactions in MFSS, the investors/unitholders should approach the Stock Broker or the investor grievances cell of the stock exchange.
10. This facility of transacting in the scheme through stock exchange infrastructure is available subject to such limits, regulations, operating guidelines, terms and conditions as may be prescribed by SEBI/ NSE from time to time. The operating guidelines are available at NSE website viz., [www.nseindia.com](http://www.nseindia.com).

**f) Transaction through MF utilities India Private Limited:**

CRAMC Facility of online transactions is also available on the platform of MF Utilities India Private Limited ("MFUI"), a "Category II - Registrar to an Issue" under SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 i.e. [www.mfuindia.com](http://www.mfuindia.com). MF Utility ("MFU") is a shared services initiative of various Asset Management Companies under the aegis of Association of Mutual Funds in India ("AMFI"), which acts as a transaction aggregation portal for transacting in multiple Schemes of various Mutual Funds with a single form/transaction request and a single payment instrument/instruction.

Accordingly, all financial and non-financial transactions pertaining to Schemes of CRMF can be submitted through MFU either electronically or physically through the authorized Points of Service ("POS") of MFUI. The list of POS of MFUI is published on the website of MFUI at [www.mfuindia.com](http://www.mfuindia.com) and may be updated from time to time.

The Investors are requested to note that the time of receipt of transaction recorded on the server(s) of Karvy will to be reckoned for electronic transactions received through the MFUI Platform, subject to credit of funds to bank account of scheme(s), wherever applicable.

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

**g) Transactions executed through Channel Distributors:**

Investors may enter into an agreement with certain distributors (with whom AMC also has a tie up) referred to as "Channel Distributors" who provide the facility to investors to transact in units of mutual funds through various modes such as their website / other electronic means or through Power of Attorney in favour of the Channel Distributor, as the case may be. Under such arrangement, the Channel Distributors will aggregate the details of transactions (viz. subscriptions/redemptions/swiches) of their various investors and forward the same electronically to CRAMC / RTA for processing on daily basis as per the cut-off timings applicable to the relevant schemes.

The Channel Distributor is required to send copy of investors' KYC proof and agreement entered into between the investor & distributor to the RTA (one time for central record keeping) as also the transaction documents / proof of transaction authorization as the case may be, to CRAMC / RTA as per agreed timelines. In case KYC proof and other necessary documents are not furnished within the stipulated timeline, the transaction request, shall be liable to be rejected. Normally, the subscription proceeds, when invested through this mode, are by way of direct credits to the specified bank account of the Fund. The Redemption proceeds (subject to deduction of tax at source, if any) and dividend payouts, if any, are paid by CRAMC to the investor directly through direct credit in the specified bank account of the investor or through issuance of payment instrument, as applicable. It may be noted that investors investing through this mode may also approach CRAMC / Official Point(s) of Acceptance directly with their transaction requests (financial / non-financial) or avail of the online transaction facilities offered by CRAMC. CRMF, CRAMC, the Trustees, along with their directors, employees and representatives shall not be liable for any errors, damages or losses arising out of or in connection with the transactions undertaken by investors/distributors through above mode.

**h) Online Transaction on the Canara Robeco Website:**

Facility of online transactions is available on the official website of CRMF i.e. [www.canararobeco.com](http://www.canararobeco.com). Consequent to this, the said website is declared to be an “official point of acceptance” for applications for subscriptions, redemptions, switches and other facilities. The Uniform Cut-off time as prescribed by SEBI and as mentioned in the Scheme Information Documents of respective schemes shall be applicable for applications received on the website. The time of receipt of transaction recorded on the server(s) of Karvy will to be reckoned for electronic transactions received through AMC website subject to credit of funds to bank account of scheme(s), wherever applicable. However, investors should note that transactions on the website shall be subject to the eligibility of the investor, any terms & conditions as stipulated by CRMF/CRAMC from time to time and any law for the time being in force.

**i) Online Transactions through KFin Technologies Limited:**

**(i) Transactions through KfinTech website:**

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

**(ii) Transactions through Electronic platform (Mobile app) of KFin Technologies Limited:**

Transaction facility for investors is also available through mobile application of KfinTech i.e. ‘KFinKart. The uniform cut off time as prescribed under the SEBI (Mutual Funds) Regulations, 1996 and as mentioned in Scheme Information Documents (‘SIDs’)/Key Information Memorandums (‘KIMs’) of respective schemes of CRMF will be applicable for transactions received through KfinTech’s electronic platforms and the time of receipt of transaction recorded on the server of KfinTech will be reckoned as the time of receipt of transaction for the purpose of determining applicability of NAV, subject to credit of funds to bank account of scheme(s), wherever applicable. The facility is subject to operating guidelines, terms and conditions as may be prescribed by KfinTech or as may be specified by CRAMC from time to time.

Time of receipt of transaction recorded on the server(s) of KfinTech will continue to be reckoned for electronic transactions received through AMC website/Distributor website/applications etc. subject to credit of funds to bank account of scheme(s), wherever applicable. For operating guidelines, terms and conditions, registration form and further details, investors are requested to visit <https://mfs.kfintech.com/mfs/>.

**(iii) Transactions through KBOLT GO Mobile Application:**

Facility of online transactions is also available through “KBOLT GO Mobile Application”, an electronic platform provided by Kfintech for all schemes of CRMF. The KBOLT GO Mobile Application will be considered as Official Points of Acceptance of Transactions (“OPAT”) of CRAMC.

The uniform cut off time as prescribed under the SEBI (Mutual Funds) Regulations, 1996 and as mentioned in Scheme Information Documents (“SIDs”)/Key Information Memorandums (“KIMs”) of the respective schemes of the CRMF will be applicable for transactions undertaken through the KBOLT GO Mobile Application and the time of receipt of transaction recorded on the server of Kfintech will be reckoned as the time of receipt of transaction for the purpose of determining applicability of NAV, subject to credit of funds to bank account of scheme(s) wherever applicable.

The facility to transact in schemes of the Canara Robeco Mutual Fund through KBOLT GO Mobile App is available subject to the terms & conditions as stipulated by Canara Robeco Mutual Fund/Canara Robeco Asset Management Company Limited from time to time and any law for the time being in force.



**j) Transactions through Canara Robeco MF Investor App (“CRMF Investor Mobile Application”):**

Unitholders are requested to note that Canara Robeco Mutual Fund (“CRMF”) has decided to launch the facility of online transactions through “Canara Robeco MF Investor App” (hereinafter referred to as the “CRMF Investor Mobile Application”), an electronic platform provided by Canara Robeco Asset Management Company Ltd (CRAMC). The above facility is available for all schemes of the Canara Robeco Mutual Fund with effect from 30th May 2022. The CRMF Investor Mobile Application will be considered as Official Points of Acceptance of Transactions (“OPAT”) of the CRAMC. The uniform cut off time as prescribed under the SEBI (Mutual Funds) Regulations, 1996 and as mentioned in Scheme Information Document (“SID”)/Key Information Memorandum (“KIM”) of the respective schemes of the CRMF will be applicable for transactions undertaken through the CRMF Investor Mobile Application and the time of receipt of transaction recorded on the server of CRMF will be reckoned as the time of receipt of transaction for the purpose of determining applicability of NAV, subject to credit of funds to bank account of scheme(s) wherever applicable. Investors/Unit holders can download the CRMF Investor Mobile Application on both, Google Play Store and App Store - Apple. The facility to transact in schemes of the Canara Robeco Mutual Fund through CRMF Investor Mobile Application is available subject to the terms & conditions as stipulated by Canara Robeco Mutual Fund/ Canara Robeco Asset Management Company Limited (CRAMC) from time to time and any law for the time being in force.

**k) Appointment of MFCentral as Official Point of Acceptance:**

With a view to comply with the provisions of SEBI circular dated July 26, 2021 and to increase digital penetration of Mutual funds, Canara Robeco Mutual Fund designated MFCentral as one of its Official point of acceptance (DISC – Designated investor Service Centre) w.e.f. 23<sup>rd</sup> September 2021.

MFCentral is a digital platform for Mutual Fund investors, jointly developed by the Qualified RTA’s, Kfin Technologies Private Limited (“Kfintech”) and Computer Age Management Services Limited (“CAMS”).

MFCentral is created with an intent to be a one stop portal / mobile app for all Mutual fund investments and service-related needs that significantly reduces the need for submission of physical documents by enabling various digital / physical services to Mutual Fund investors across fund houses subject to applicable Terms and Conditions of the Platform. MFCentral will be enabling various features and services in a phased manner. MFCentral may be accessed using <https://mfcentral.com/> and a Mobile App in future.

Any registered user of MFCentral, requiring submission of physical document as per the requirements of MFCentral, may do so at any of the Designated Investor Service Centres or collection centres of Kfintech or CAMS.

**Transaction through MFCentral - A digital platform for Mutual Fund investors.**

Pursuant to SEBI circular no SEBI/ HO/IMD/IMD- II DOF3/P/CIR/2021/604 dated July 26, 2021, to comply with the requirements of RTA interoperable Platform for enhancing investors’ experience in Mutual Fund transactions / service requests, the Qualified RTA’s, Kfin Technologies Private Limited (“Kfintech”) and Computer Age Management Services Limited (“CAMS”) have jointly developed MFCentral - A digital platform for Mutual Fund investors. MFCentral is created with an intent to be a one stop portal / mobile app for all Mutual fund investments and service-related needs that significantly reduces the need for submission of physical documents by enabling various digital / physical services to Mutual Fund investors across fund houses subject to applicable Terms and Conditions of the the Platform. MFCentral will be enabling various features and services in a phased manner. MFCentral may be accessed using <https://mfcentral.com/> and a Mobile App in future. With a view to comply with all provisions of the aforesaid circular and to increase digital penetration of Mutual funds, Canara Robeco Mutual Fund has designated MFCentral as one of its Official point of acceptance (DISC - Designated investor Service Centre) w.e.f. 23<sup>rd</sup> September 2021. Any registered user of MFCentral, requiring submission of physical document as per the requirements of MFCentral, may do so at any of the Designated Investor Service Centres or collection centres of Kfintech or CAMS.

**l) One Time Bank Mandate (OTBM) Facility:**

One Time Bank Mandate (OTBM) facility enables the investors to register a one-time bank mandate(s). Through this facility, Investors can authorize Canara Robeco Mutual Fund to honour any nature of investment instructions i.e., be it lumpsum, additional investment or periodic investments via Systematic Investment Plans etc. To avail this facility, Investors may furnish the required details by duly filling the "One Time Bank Mandate Form". It may be noted that for all subsequent purchase instructions, the investor is required to specifically mention to debit the investment amount from the Designated Bank which has been mentioned in the OTBM. Investors are requested to ensure that the amount specified in the Additional Purchase Application/SIP application is lower than or equal to the maximum amount limit specified in the OTBM form. It may also be noted that the said facility is available for all investor categories w.e.f. 18th July 2023. This facility can be availed by existing investors having a valid and KYC complied folio with CRMF. The investors can register for the OTBM facility with multiple banks within the same Folio. All other rules related to NAV applicability based on realization of application amount shall remain in force. It shall also be noted that the Maximum applicable OTBM amount shall be in accordance with the arrangement with the investor's bank.

**m) Transfer of Income Distribution cum Capital Withdrawal (IDCW) Plan:**

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

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

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

**Terms & Conditions:**

1. Transfer of Income Distribution cum Capital Withdrawal Plan is a facility wherein eligible unit holders~ under Income Distribution cum Capital Withdrawal Option of schemes all existing open & close ended scheme(s) (Source scheme(s)) of CRMF can opt to automatically invest the dividend (as reduced by the amount of applicable statutory levy) as may be declared by the Source Scheme(s) from time to time into any investment option (other than Daily Reinvestment of Income Distribution cum Capital Withdrawal option, Weekly Income Distribution cum Capital Withdrawal option) of other eligible schemes\* (Target Schemes) of CRMF.  
~ The Facility will be available only to unit holder(s) holding units in non-demat form under Income Distribution cum Capital Withdrawal option of the source scheme(s) (other than Daily Reinvestment of IDCW option, weekly IDCW option).  
\* Under the facility, investors cannot transfer their dividends into close ended schemes, & ELSS scheme of CRMF.
2. The facility is available to unit holder(s) only under the IDCW Option of the Source Scheme(s). However, the facility will not be available to unit holder(s) under the Daily IDCW Option in the Source Scheme(s). Unit holder(s)' enrolment under the facility will automatically override any previous instructions for 'Payout of IDCW Option' or 'Reinvestment of IDCW option' facility in the Source Scheme.
3. The enrolment for this facility should be for all units under the respective IDCW Option of the Source Scheme. Instructions for part IDCW Transfer of IDCW and part Payout/Reinvestment of IDCW will not be accepted. The dividend amount will be invested in the Target Scheme under the same folio. Accordingly, the unit holder(s) details and mode of holding in the Target Scheme will be same as in the Source Scheme.  
The dividend amount eligible for this Facility would be subject to minimum investment requirement, as applicable from time to time, of the scheme to which dividend is being transferred (Target Scheme).
4. The enrolment to avail this facility has to be specified for each Scheme/Plan/Option separately and not at the folio level.



5. Under this facility, dividend declared (as reduced by the amount of applicable statutory levy) in the Source scheme will be automatically invested into the Target Scheme, as opted by the unit holder, on the immediate next Business Day after the Record Date at the applicable NAV of the Target Scheme, subject to applicable load as specified under point 8 below and accordingly equivalent units will be allotted in the Target Scheme, subject to the terms and conditions of the respective Target Scheme. For example: If the Dividend Record Date of the Source Scheme is June 26 (Friday) and the next Business Day of the Target Scheme (non-Liquid scheme) is June 29 (Monday), the unit holder will be allotted units in the Target Scheme at the closing NAV of June 29 (Monday).
6. Load Structure (Target Scheme):
  - Entry Load – Not Applicable
  - Exit Load - Nil i.e., no exit load would be applicable in case of redemption of units allotted as a result of DTP.
7. Unitholders who wish to enroll for the facility are required to fill Enrolment Form available with the ISCs, distributors and also displayed on the website [www.canararobeco.com](http://www.canararobeco.com). The Enrolment Form should be completed in English in Block Letters only. The Enrolment Form complete in all respects should be submitted at any of the Official Points of Acceptance of CRMF.
8. The request for enrolment for Transfer of IDCW must be submitted at least 07 days prior to the Record Date for the dividend. In case of the condition not being met, the enrolment would be considered valid from the immediately succeeding Record Date of the dividend, provided the difference between the date of receipt of a valid application for enrolment under the facility and the next Record Date for dividend is not less than 07 days.
9. Unitholder(s) are advised to read the Scheme Information Documents of Target Scheme(s) carefully before investing. The Scheme Information Documents/Key Information Memorandum(s) of the respective Scheme(s) are available with the ISCs of CRAMC, brokers/distributors and also displayed on the CRMF website i.e. - [www.canararobeco.com](http://www.canararobeco.com)
10. The facility will be terminated in the event of following incidents:
  - a) The unit holding under the scheme becomes nil.
  - b) In the case of death of the first unit holder
  - c) Unit holders will have the right to discontinue the facility at any time by sending a written request to the ISC. Notice of such discontinuance should be received at least 07 days prior to the Dividend Record Date. On receipt of such request, the facility will be terminated. At the time of discontinuation of facility, the Unit holders should indicate their choice of option i.e. reinvestment or payout of IDCW. In the event the Unitholder does not indicate his choice of IDCW option, the dividend, if any, will be reinvested (compulsory payout if reinvestment of IDCW option is not available) in the Source Scheme. Once the request for Transfer of IDCW plan is registered, then it shall remain in force unless it is terminated as aforesaid.

## **JOINT APPLICATIONS**

In the event of joint application, applicant shall specify the 'mode of holding' as 'Jointly' or 'Anyone or Survivor'.

1. If specified as 'Jointly', redemption/additional purchase/switch and all other requests shall be signed by all the joint holders.
2. If the holding is specified as 'Anyone or Survivor', any one of the unit holders will be entitled to make redemption/additional purchase/switch and other requests, without the need for all the unit holders to sign.
3. If the mode of holding is not specified, it shall be deemed that the holding is on 'Anyone or Survivor' basis.

However, in the event of joint holding, the first-named holder shall receive the accounts statement, all notices and correspondence with respect to the account as well as the proceeds of redemption or dividends or other distributions. The investors should ensure that the primary holder's own email address and mobile number are provided for speed and ease of communication in a convenient and cost-effective manner and to help prevent fraudulent transactions.

All payments and settlements made to the first named applicant would constitute valid discharge by the Fund.

In case of death / insolvency of any one or more of the persons named in the register of Unitholders as the joint holders of any Units, CRAMC shall not be bound to recognise any person(s) other than the remaining holders. In all such cases, redemption proceeds shall be paid to the first named of such remaining Unitholders.

**WHO CAN INVEST:**

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

- Adult Individual(s) and also minor(s) through their parent/ legal guardian. (Application of minors jointly with adults not allowed). Investment in units of CRMF in the name of minor through parent/legal guardian will be subject to SEBI circular no. SEBI/HO/IMD/DF3/CIR/P/2019/166 dated December 24, 2019 and SEBI/HO/IMD/POD-II/CIR/P/2023/0069 dated May 12, 2023.
- 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 and 2013, 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
- Foreign Institutional Investors (FIIs) registered with SEBI
- Foreign Portfolio Investors (FPI)
- 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
- Qualified Foreign Investor (QFI) as per SEBI circular CIR/IMD/DF/14/2011 dated August 9, 2011 as and when applicable
- NRIs and PIOs
- 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.

Any other category of investors that may be permitted by the Trustees so long as wherever applicable they are in conformity with SEBI (MF) Regulations.

NRIs and PIOs All category of investors (whether existing or new) as permitted above are eligible to subscribe under Direct Plan. Investments under the Direct Plan can be made through various mode offered by the Fund for investing directly in the Fund.

**Notes:**

- a. Non Resident Indians (NRIs) and Persons of Indian Origin (PIOs) residing abroad /Overseas Citizens of India (OCI) / Foreign Institutional Investors (FIIs)/ Foreign Portfolio Investors (FPIs) have been granted a general permission by Reserve Bank of India under Schedule 5 of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 for investing in / redeeming units of the mutual funds subject to conditions set out in the aforesaid regulations.
- b. In case of application(s) made by Individual Investors under a Power of Attorney, the original Power of Attorney or a certified true copy duly notarised should be submitted. .

In case of application under a Power of Attorney or by a limited company or a corporate body or an eligible institution or a registered society or a trust fund, the original Power of Attorney or a certified true copy duly notarised or the relevant resolution or authority to make the application as the case may be, or duly notarised copy thereof, along with a certified copy of the Memorandum and Articles of Association and/or bye-laws and/or trust deed and/or partnership deed and Certificate of Registration should be submitted. The officials should sign the application under their official designation. A list of specimen signatures of the authorised officials, duly certified/attested should also be attached to the Application Form. In case of a Trust/Fund it shall submit a resolution from the Trustee(s) authorising such purchases.

In case of applications made by Non-Individual Investors, the authorized signatories/ officials of Non-Individual investors should sign the application under their official designation and as per the authority granted to them under their Constitutive Documents/Board resolutions, etc. A list of specimen signatures of the authorized officials, duly certified/attested should also be attached to the Application Form. The Fund/AMC/Trustees shall deem that the investments made by the Investors are not prohibited by any law/Constitutive documents governing them and they possess the necessary authority to invest/transact.

- c. Investors desiring to invest / transact in mutual fund schemes are required to comply with the KYC norms applicable from time to time. Under the KYC norms, Investors are required to provide prescribed documents for establishing their identity and address such as copy of the Memorandum and Articles of Association / bye-laws/trust deed/partnership deed/ Certificate of Registration along with the proof of authorization to invest, as applicable, to the KYC Registration Agency (KRA) registered with SEBI.

The Fund / AMC / Trustees / other intermediaries will rely on the declarations/ affirmations provided by the Investor(s) in the Application/Transaction Form(s) and the documents furnished to the KRA that the Investor(s) is permitted/ authorised by the Constitution document/ their Board of Directors etc. to make the investment / transact. Further, the Investor shall be liable to indemnify the Fund / AMC / Trustee / other intermediaries in case of any dispute regarding the eligibility, validity and authorization of the transactions and / or the applicant who has applied on behalf of the Investors. The Fund / AMC / Trustee reserves the right to call for such other information and documents as may be required by it in connection with the investments made by the investor.

- d. Returned cheques are liable not to be presented again for collection, and the accompanying application forms are liable to be rejected. In case the returned cheques are presented again, the necessary charges are liable to be debited to the investor.
- e. The Trustee reserves the right to recover from an investor any loss caused to the Scheme on account of dishonour of cheques issued by the investor for purchase of Units of the Scheme.
- f. No request for withdrawal of application will be allowed after the closure of New Fund Offer Period/ after cut-off time on any business day on an ongoing basis.
- g. Subject to the SEBI (MF) Regulations, any application for Units may be accepted or rejected in the sole and absolute discretion of the Trustee. The Trustee may inter-alia reject any application for the purchase of Units if the application is invalid or incomplete or if the Trustee for any other reason does not believe that it would be in the best interest of the Scheme or its Unitholders to accept such an application.
- h. A minor Unit holder, on becoming major, shall inform the Registrar about attaining majority and provide his specimen signature duly authenticated by his banker as well as his details of bank account and a certified true copy of the PAN card, to enable the Registrar to update his records and allow him to operate the account in his own right.

## **WHO CANNOT INVEST?**

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

1. Pursuant to RBI A.P. (DIR Series) Circular No. 14 dated September 16, 2003, Overseas Corporate Bodies (OCBs) cannot invest in Mutual Funds.
2. NRIs and foreign nationals residing in Non-Compliant Countries and Territories (NCCTs) PIOs who are residents of jurisdictions under increased monitoring or high-risk jurisdictions as determined by the Financial Action Task Force (FATF), from time to time.
3. Any individual who is a foreign national or any other entity that is not an Indian resident under the Foreign Exchange Management Act, 1999 (FEMA Act) except where registered with SEBI as a FPI or FII or sub account of FII or otherwise

explicitly permitted under FEMA Act/ by RBI/ by any other applicable authority, or as stated in the exception in point no. 4 hereunder.

4. NRIs and PIOs who are residents of the United States of America/defined as United States Persons under applicable laws/ statutes and the residents of Canada and USA.
5. Such other persons as may be specified by AMC from time to time.

#### **DETAILS OF ULTIMATE BENEFICIAL OWNERSHIP**

- Non-individual Investors shall mandatorily provide 'Ultimate Beneficial Ownership (UBO)\* details at the time of creation of new folio / account.

*\*Pursuant to SEBI Circular No. CIR/ISD/AML/3/2010 dated December 31, 2010 UBO means the natural person or persons who ultimately own, control or influence a client and/or persons on whose behalf a transaction is being conducted, and includes those persons who exercise ultimate effective control over a legal person or arrangement.*

Details of the identity of all natural person(s) such as their Name(s), PAN number/Passport details, Address etc together with a self-attested PAN Card copy is to be provided by the Investor to the Official Points of Acceptance (OPAs) of the Canara Robeco MF Schemes while submitting the Application Form. Such natural persons include those who are acting alone or together, or through one or more juridical person and exercising control through ownership or who ultimately has a controlling ownership interest.

- Investors should mandatorily provide additional KYC information such as Income details, occupation, Net worth etc. as mentioned in the "Application Form" at the time of creation of new folio / account. The Application Form(s) are available at the Investor Service Centres and on the website of the CRMF ([www.canararobeco.com](http://www.canararobeco.com)).
- For "KYC- on Hold" cases, investors need to submit missing information or update pending KYC related information with the Fund / Registrar and Transfer Agent / KYC Registration Agency to enable the Fund / AMC to process valid purchase / additional purchase / switch transactions request in the Schemes of the Fund received on or after the Effective Date. However, the investors enrolled under Systematic Investment Plan (SIP), Systematic Transfer Plan (STP), Dividend Transfer Plan Facility (DTP) etc. registered till October 31, 2015 will be continued to be processed. The said clause is applicable for both new as well as existing investors.
  - For existing non-individual investors it shall be mandatory to update the beneficiary ownership details in order to continue to make additional subscriptions (including switches) in their existing folios/accounts.
  - For existing investors it shall be mandatory to provide/update additional KYC details (not furnished to KRAs) as prescribed in "Application Form".
  - For existing investors it shall be mandatory to provide the missing information, and complete IPV in order to continue to make additional subscriptions (including switches) in their existing folios.

#### **KNOW YOUR CUSTOMER (KYC) COMPLIANCE**

Investors should note that, in respect of non-PAN-exempt folios, it is mandatory for all unit holders, including for all joint holders and the guardian in case of folio of a minor investor to complete the KYC requirements. For all financial transactions (purchases, redemptions, switches and all types of systematic plans ) it is mandatory to quote the KYC Compliance Status of each applicant (guardian in case of minor) in the application and attach proof of KYC Compliance viz. KYC Acknowledgement Letter. Applicants intending to apply for units through a Power of Attorney (PoA) must ensure that the issuer of the PoA and the holder of the PoA must mention their KYC Compliance Status and attach proof of KYC Compliance at the time of investment.

It may further be noted that in respect of non-PAN-exempt folios the financial transactions and non-financial requests received will not be processed if the unit holders have not completed KYC requirements.

With effect from January 1, 2012, SEBI has introduced a common KYC Application Form for all the SEBI registered intermediaries. New investors are therefore requested to use the common KYC Application Form and carry out the KYC process including In-Person Verification (IPV) with any SEBI registered intermediaries including mutual funds. The KYC Application Forms are also available on our website [www.canararobeco.com](http://www.canararobeco.com). Existing KYC compliant investors can continue the practice of providing copy of KYC Acknowledgement Letter. Once the investor has done KYC with any SEBI registered intermediary, the investor need not undergo the same process again. However, the Mutual Fund reserves the right to carry out fresh KYC of the investor.

With effect from December 03, 2012, if those investors with "MF-VERIFIED BY CVLMF" status wish to invest in the scheme(s) of CRMF for the first time (or not opened a folio earlier), they will be required to submit the 'missing/not available' KYC information and complete the 'In Person Verification' (IPV) requirements.

In case of Individual investors, the following details need to be submitted:

1. Father's/Spouse's Name,
2. Marital Status,
3. Nationality,
4. Gross Annual Income or Net worth (not older than 1 year)
5. In-Person Verification (IPV)

Individual investors are requested to fill in 'KYC Details Change Form' issued by CVL-KRA which is also available on the CRMF website [www.canararobeco.com](http://www.canararobeco.com). This duly filled form along with IPV completed status can be submitted along with purchase application, to any of the Investor Service Centers (ISC) of CRMF as mentioned in the Scheme Information Document and the above website of CRMF. Alternatively, investors may also approach their existing mutual funds at any investor service centre for completion of this KYC requirement.

In case of Non Individuals who wish to invest first time in the scheme(s) of CRMF from the effective date, KYC is required to be done again with any SEBI registered KRA due to significant changes in KYC requirements. Non Individual investors are requested to fill in 'KYC Form' issued by CVL-KRA which is also available on the CRMF website [www.canararobeco.com](http://www.canararobeco.com).

For units held in demat form, the KYC performed by the Depository Participant of the applicants will be considered as KYC verification done by the Trustee / AMC. In the event of non compliance of KYC requirements, the Trustee/AMC reserves the right to freeze the folio of the investor(s) and effect mandatory redemption of unit holdings of the investors at the applicable NAV, subject to payment of exit load, if any.

It is mandatory for existing investors:-

- A) To update the beneficiary ownership details in order to continue to make additional subscriptions including switches in their existing folio.
- B) To provide / update additional KYC details as prescribed in Part-II of the Account Opening Forms of the Mutual Funds (Where such information were not provided earlier, to be able to continue to make additional subscription (including switches) in their existing folios with the respective schemes.
- C) To provide the missing information and complete IPV in order to continue to make additional subscriptions, including switches in their existing folios with the respective schemes.

Further, please note that as per the provisions mentioned under the SEBI circular dated 10<sup>th</sup> November, 2016 and AMFI Best Practices Guidelines Circular No. 68, with effect from 1st February, 2017 every prospective investor who is new to the KRA system and whose KYC is not registered or verified by the KRA system, is required to register his/her KYC by filing up the new CKYC forms (for both individual and non-individual) as provided by AMFI/CERSAI. In case any such new individual investor uses the old KYC form, he/she shall provide additional/missing information by filling the Supplementary CKYC form or the new CKYC form. Existing investors who are registered or verified in the KRA system can continue making

investments without any additional documentation. However, for any modification to their existing records, they need to fill up the CKYC form. The aforesaid forms are available on the website of CRMF viz. [www.canararobeco.com](http://www.canararobeco.com) and for completion of CKYC process the investors are required to visit the nearest Point of Service or Point of Acceptance of transactions of CRAMC.

**Introduction of e-KYC Facility:** Investors are requested to note that Canara Robeco Mutual Fund ("CRMF") has decided to provide the facility of e-KYC to start investing in Canara Robeco Mutual Fund through Canara Robeco Investor Portal w.e.f. 22nd July 2022.

**E-KYC:** E-KYC is a paperless Aadhaar-based process for fulfilling your KYC requirements to start investing in Mutual Funds. SEBI has allowed Aadhaar-based KYC to be used for MF investments, for the convenience of investors. E-KYC facility is an electronic, 100% paperless process for first time investors investing in Mutual Funds to complete their Know Your Customer (KYC) process using their PAN card, Aadhaar and Bank Account details. All first-time investors who have not completed their KYC or whose KYC has got rejected for some reason can complete KYC using this facility at the time of

signing-up into the Canara Robeco Investor Portal or Canara Robeco Mobile App. Currently, this facility is only available for Resident Individual investors and not available for NRI, Non-individual and minor investors. Investors can start their investment journey as soon as E-KYC process is completed without any limitation on the amount which can be invested. This facility is available on Canara Robeco Investor portal and Canara Robeco Mobile App.

#### **PREVENTION OF MONEY LAUNDERING**

SEBI vide its circular reference number ISD/CIR/RR/AML/1/06 dated January 18, 2006 mandated that all intermediaries including Mutual Funds should formulate and implement a proper policy framework as per the guidelines on anti-money laundering measures and also to adopt a Know Your Customer (KYC) policy.

The Investor(s) should ensure that the amount invested in the Scheme is through legitimate sources only and does not involve and is not designated for the purpose of any contravention or evasion of the provisions of the Income Tax Act, Prevention of Money Laundering Act (PMLA), Prevention of Corruption Act and / or any other applicable law in force and also any laws enacted by the Government of India from time to time or any rules, regulations, notifications or directions issued thereunder.

To ensure appropriate identification of the Investor(s) and with a view to monitor transactions for the prevention of money laundering, CRAMC/ CRMF reserves the right to seek information, record investor's telephonic calls and or obtain and retain documentation for establishing the identity of the Investor(s), proof of residence, source of funds, etc. It may re-verify identity and obtain any incomplete or additional information for this purpose.

CRAMC, CRMF, the Trustees and their Directors, employees and agents shall not be liable in any manner for any claims arising whatsoever on account of freezing the folios/rejection of any application / allotment of Units or mandatory redemption of Units due to non compliance with the provisions of the PMLA, SEBI/AMFI circular(s) and KYC policy and / or where CRAMC believes that transaction is suspicious in nature within the purview of the PMLA and SEBI/AMFI circular(s) and reporting the same to FIU-IND.

#### **Process of Validation of Investor's Bank Accounts Registered with the Canara Robeco Asset Management Co. Ltd. (CRAMC):**

As a part of our product offerings and risk mitigation measures, CRAMC may initiate validation of investor's bank accounts registered with the CRAMC via Penny Drop/IMPS validation process by crediting Re.1/- into the registered account(s) with it. Validation of accounts shall be carried out for Subscriptions, Redemption and Change of Bank Mandates. This shall be applicable for all eligible investors transacting via physical or online mode(s). For transactions submitted through Stock Exchanges and Channel Partners, such verification shall be applicable exclusively for redemption transactions. CRAMC may introduce such a verification facility in respect of HUF, Corporates and Non-Resident Investors in future. Investors may please note that this validation process is to verify the customers' name registered with the bank with the records of CRAMC and to satisfy the genuine investor is being paid as per the regulatory turnaround times.



## **INVESTMENT OF UNCLAIMED REDEMPTION AND DIVIDEND AMOUNTS OF THE SCHEMES OF THE CRMF**

Pursuant to Para 14.3 of SEBI Master Circular for Mutual Fund dated May 19, 2023 issued on "Treatment of unclaimed redemption and dividend amounts", the new plan viz. Canara Robeco Liquid Fund– Unclaimed Redemption & Dividend Plan – Direct Growth Option has been introduced with the limited purpose of deploying the unclaimed redemption and dividend amounts of the schemes of the CRMF.

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

Investors who claim the unclaimed amounts during a period of three years from the due date shall be paid initial unclaimed amount along-with the income earned on its deployment. Investors, who claim these amounts after 3 years, shall be paid initial unclaimed amount along-with the income earned on its deployment till the end of the third year. After the third year, the income earned on such unclaimed amounts shall be used for the purpose of investor education.

## **RESTRICTION ON ACCEPTANCE OF THIRD-PARTY PAYMENTS FOR SUBSCRIPTION OF UNITS**

1. CRAMC/CRMF shall not accept applications for subscriptions of units accompanied with Third Party Payment instruments except in cases as enumerated in para 2 below.  
 "Third Party Payment Instrument" means payment made through an instrument issued from a bank account other than that of the first named applicant/ investor mentioned in the application form. In case the payment is made from a joint bank account, the first holder of the mutual fund folio has to be one of the joint holders of the bank account from which payment is made.
2. AMC shall not accept subscription with third party instruments except in following exceptional situation subject to submission of requisite documentation / declarations:
  - a) Payment by Employer on behalf of employee under Systematic Investment Plans or lump sum / one-time subscription, through Payroll deductions or deductions out of expense reimbursements.
  - b) Custodian on behalf of an FII or a client.
  - c) Payment by AMC to a Distributor empanelled with it on account of commission/incentive etc. in the form of the Mutual Fund Units of the Funds managed by AMC through Systematic Investment Plans or lump sum / one-time subscription, subject to compliance with SEBI Regulations and Guidelines issued by AMFI, from time to time. AMC should exercise extra due diligence in terms of ensuring the authenticity of such arrangements from a fraud prevention and ensure compliance with provisions of PMLA Act regarding prevention of money laundering etc.
  - d) Payment by Corporate to its Agent/Distributor/Dealer (similar arrangement with Principal agent relationship), on account of commission/incentive payable for sale of its goods/services, in the form of the Mutual Fund Units through Systematic Investment Plans or lump sum one-time subscription, subject to compliance with SEBI Regulations and Guidelines issued by AMFI, from time to time.
3. In case of above exceptional cases, investors are required to submit following documents alongwith the application without which such applications for subscriptions for units will be rejected / not processed / refunded.
  - a) Mandatory KYC for all investors and the person making the payment i.e. third party. In order for an application to be considered as valid, investors and the person making the payment should attach their valid KYC Acknowledgement Letter to the application form.
  - b) Submit the Declaration Form containing the details of the bank account from which the payment is made and the relationship with the investor(s). The declaration has to be given by the person making the payment i.e Third Party. Please contact the nearest Investor Service Centre (ISC) of CRAMC or visit CRMF website [www.canararobeco.com](http://www.canararobeco.com) for the said Declaration Form.
4. The Mutual Fund shall adopt the following procedures to ascertain whether payments are Third Party Payments and investors are therefore required to comply with the requirements specified here in below:



**(i) If invested through cheque via Bank account other than pay-out bank account**

An investor at the time of his / her purchase of units must provide in the application form the details of his pay-in bank account (i.e. account from which a subscription payment is made) and his pay-out bank account (i.e. account into which redemption / dividend proceeds are to be paid). The details of the pay-in bank account will be matched with the details of the pay-out bank account to identify the third party cheque. If the name is not pre-printed on the cheque or signature on the cheque does not match or the account number is handwritten, then the investor should submit any one of the following documents:

- (a) Bank Statement / Pass Book Page with account number, account holders' name and address. If copy is submitted, unitholder should bring the original to the office for verification to the ISCs/Official Points of Acceptance of CRMF for their verification. The original documents will be returned across the counter to the Unit holder after due verification.
- (b) a letter (in original) from the bank on its letterhead certifying that the investor maintains an account with the bank, along with information like bank account number, bank branch, account type, the MICR code of the branch & IFSC Code (where available).
- (c) Investors should note that where the bank account numbers have changed on account of the implementation of core banking system at their banks, any related communication from the bank towards a change in bank account number should accompany the application form for subscription of units.

The Mutual Fund also provides a facility to the investors to register multiple bank accounts in a folio. It allows registration upto 5 different bank account for a folio in case of individuals and HUFs and upto 10 different bank accounts in case of non-individuals. By registering multiple bank accounts, the investors can use any of the registered bank accounts to receive redemption proceeds. These registered account details will be used for verification of instrument used for subscription to ensure that third party payments are not used for mutual fund subscription, except where permitted. Investors are requested to avail the facility of registering multiple bank accounts by filling in the Application Form for Registration of Multiple Bank Accounts available at our Investor Service Centres (ISCs) or on our website [www.canararobeco.com](http://www.canararobeco.com).

**(ii) If invested through pre-funded instruments such as Pay Order, Demand Draft, Banker's cheque etc.**

Investors should provide a Certificate (in original) from the issuing banker with the application, stating the Account holder's name and the Account Number which has been debited for issue of the instrument. The account number mentioned in the Certificate should be a registered bank account or the first unitholder should be one of the account holders to the bank account debited for issue of such instruments.

**(iii) If invested through a pre-funded instrument issued by the Bank against Cash**

CRMF will not accept any investment of Rs.50,000 or more from investors through a pre-funded instrument issued by a bank against cash. The investor should submit a Banker's Certificate (in original) for issuance of a DD against cash giving investor's name, address, bank account number and PAN (if available) as per bank records of the person who has requested for the payment instrument. The name mentioned on the Certificate should match with the name of the first unitholder. Such bank account number of the investor should be the same as the/one of the registered bank account mandate(s) with CRMF or the bank details mentioned in the application form.

**(iv) If invested through RTGS, NEFT, ECS, bank transfer etc.**

Investors should provide an acknowledged copy of the instruction to the bank stating the account number debited with the application. The account number mentioned on the instruction copy should be a registered bank account or the first unitholder should be one of the account holders to the bank account.

**(v) Payments towards subscription of Units - DD issued against debit to investor's bank account**

Where an investor subscribes for units vide a DD issued by way of debit to his/her bank account, the investor shall submit either of the following :

- a. a proof of debit to the investor's bank account in the form of a bank manager's certificate with details of account holder's Name, bank account number and PAN as per bank records, if available.
- b. a copy of the acknowledgement from the bank, wherein the instructions to debit carry the bank account details **and** name of the investor as an account holder are available.
- c. a copy of the passbook/bank statement evidencing the debit for issuance of a DD

**(vi)** For payments through net banking and debit cards, AMCs shall endeavour to obtain the details of the bank account debited from the payment gateway service provider and match the same with the registered pay-in accounts. In case

it is found that the payment is not made from a registered bank account or from an account not belonging to the first named unit holder, CRAMC/R&TA shall reject the transaction with due intimation to the investor. Currently, where the investor account details are not made available by the payment gateway service provider, CRAMC shall obtain the name of the bank making the payment for the subscription.

### ***Cash Investments in mutual funds***

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

1. Compliance with Prevention of Money Laundering Act, 2002 and Rules framed there under; the SEBI Circular(s) on Anti Money Laundering (AML) and other applicable Anti Money Laundering Rules, Regulations and Guidelines; and
2. Sufficient systems and procedures in place.

However, payment towards redemptions, dividend, etc. with respect to aforementioned investments shall be paid only through banking channel. The Fund/AMC is currently in the process of setting up appropriate systems and procedures for the said purpose. Appropriate notice shall be displayed on its website viz. as well as at the Investor Service Centres, once the facility is made available to the investors.

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

## **INVESTMENT ON BEHALF OF MINOR**

### **Application on behalf of Minor:**

1. Investments (including via on-going SIP registrations) in the name of minors shall be permitted only from bank account of the minor/parent or the legal guardian of the minor or from a bank account held by the minor along with the parent or legal guardian as joint holder(s). It is reiterated that the redemption/Income Distribution cum Capital Withdrawal (IDCW) proceeds for investments held in the name of such Minor folio(s) continue to be paid/transferred to the "Verified Bank Account of the Minor" (i.e., bank account of the minor or minor with parent/legal guardian(s) only). Therefore, investors must ensure to update the folios with appropriate bank account details of the minor as the 'Pay-out Mandate Bank' by providing necessary documents before tendering redemption requests/for receiving IDCW distributions.
2. Upon the minor attaining the status of major, the minor in whose name the investment was made, shall be required to provide all the KYC details, updated bank account details including cancelled original cheque leaf of the new account. No further transactions shall be allowed till the status of the minor is changed to major.
3. Nomination facility is not available for applications/folios on behalf of a minor. Joint holders' details and nomination details, even if mentioned and signed will not be considered.
4. The Mutual Fund/AMC has a system control at the account set up stage of Systematic Investment Plan (SIP), Systematic Transfer Plan (STP) and Systematic Withdrawal Plan (SWP) on the basis of which, the standing instruction is suspended when the minor attains majority, till the status is changed to major.
5. Guardian of the minor should either be a natural guardian (i.e. father or mother) or a court appointed legal guardian
6. The information on the relationship/status of the guardian as father, mother or legal guardian shall be mentioned in the application form.  
In case of natural guardian, a document evidencing the relationship with the minor shall be submitted.  
In case of court appointed legal guardian, a copy of the court order in respect of the appointment of the Legal Guardian shall be obtained.
7. If the mandatory details and/or documents are not provided, the application is liable to be rejected without any information to the applicant.

**Change in Guardian:**

When there is a change of guardian of the minor unitholder either due to mutual consent between the parents or due to demise of the existing guardian, the following documents shall be submitted prior to registering the new guardian:

1. An application for change in guardian of the minor unitholder in a standard / prescribed form along with PAN card copy and KYC acknowledgement of the new guardian and a cancelled cheque evidencing the change of guardian in respect of the minor's registered bank account with the new guardian's name.
2. A Consent Letter from existing guardian or Court Order for new guardian, in case the existing guardian is alive.
3. A copy of the Death Certificate of the deceased guardian, where applicable duly attested by a Notary Public or a Judicial Magistrate First Class (JMFC) or a Gazetted Officer. The attestation may also be done by authorised official of the AMC after verifying the original.
4. The new guardian must be a natural guardian (i.e. father or mother) or a court appointed legal guardian and the new guardian's name & signature should have been registered as the guardian with the minor's bankers in respect of the minor's bank account.

The relationship/ status of the guardian as father, mother or legal guardian shall be mentioned in the application form.

In case of natural guardian, AMC shall obtain a document evidencing the relationship with the minor, if the same is not available as part of the documents submitted.

In the case of a court appointed legal guardian, a copy of the court order in respect of the appointment of Legal Guardian shall be obtained.

5. In case of change in guardian with mutual consent between the parents, the signature of the new guardian shall be duly attested by the existing guardian whose signature is registered in the records of the mutual fund against the folio of the minor unitholder in the space provided in the form.
6. In all other cases, Bank attestation in respect of the signature of the new guardian shall be obtained on a separate letter / form from the bank where the bank account of the minor where the new guardian should have been registered as the guardian.
7. The new guardian shall be registered as the guardian in respect of the registered bank account of the minor unitholder. A cancelled cheque evidencing the change of guardian in respect of the minor's registered bank account shall be attached to the application for change in Guardian of Minor Unitholder.
8. Wherever the minor's PAN has been provided in the MF folio:
  - a. Where Guardian in the folio is a natural guardian, TDS shall be paid against /quoting the PAN of Guardian.
  - b. Where Guardian in the folio is a court appointed guardian (other than one of the parents), TDS shall be paid against / quoting the minor's PAN.

**Change in Status on Minor attaining Majority (MAM):**

Upon the minor attaining the status of major, the minor in whose name the investment was made, shall be required to provide all the KYC details, updated bank account details including cancelled original cheque leaf of the new account. No further transactions shall be allowed till the status of the minor is changed to major.

Accordingly, when a minor turns a major, AMCs shall obtain relevant documents and follow the guidelines as mentioned below:

1. The AMC shall send an advance intimation to the registered address of the minor unitholder at least 30 days prior to the minor attaining the age of majority, advising the unitholder to submit a prescribed application form for change in status of the Unitholder from Minor to Major (hereinafter referred to as MAM form for brevity), along with the prescribed documents (as per para 4 below). The prescribed MAM form shall be enclosed with the above intimation. AMCs may also consider sending a reminder via email / SMS advising the unitholder to complete the process for change in status from minor to major.

Note: Before submitting the MAM application form for change in status from Minor to Major, the unitholder should –

- i Apply for PAN & obtain a PAN card;
- ii Complete the KYC process; and
- iii Change his/her status in his/her existing bank account from Minor to Major OR open a new bank account immediately upon becoming a major and procure a new cheque book with his/her name pre-printed on the cheque. Only after fulfilling the above steps, he/she should submit the prescribed MAM form duly completed to the AMC/ Registrar along with the requisite supporting documents.

It shall also be clearly stated in the above communication that –

- i. The guardian shall not be allowed undertake any financial or non-financial transactions from the date of the minor attaining majority.
  - ii. All existing standing instructions like SIP, SWP & STP, if registered for a period beyond the date on which the minor attains majority, will cease to be executed from the date of the minor attaining majority.
  - iii. The unitholder (erstwhile minor) will need to submit a fresh SIP, STP, SWP mandate in the prescribed form while applying for change in status from minor to major, in order to continue the SIP, STP, SWP.
2. The minor's account shall be frozen for operation by the guardian on the day the minor attains the age of majority and no further customer-initiated transactions shall be permitted till the status is changed from minor to major.

Note:

Dividend pay-out or dividend reinvestment shall continue to be processed, being a corporate action and not investor initiated. In such cases, dividend amount, net of TDS (wherever applicable), shall be credited to the unitholder's registered bank account or reinvested in the folio, as the case may be.

3. All standing instructions for all existing running SIPs, SWPs, STPs etc. shall be discontinued with effect from the date of the minor attaining majority.
4. List of documents to be obtained to change the status from minor to major:
  - i. The prescribed MAM form duly filled in all respects.  
Signature of the applicant (minor who has turned major) in the MAM form shall be duly attested in the space provided therein by the parent/guardian whose signature is registered in the records of the mutual fund against the folio of the minor unitholder or by a Notary or a Judicial Magistrate First Class. Alternatively, the applicant's signature may be attested by the unitholder's bankers in the prescribed form.
  - ii. Copy of PAN Card of the applicant
  - iii. KYC Acknowledgment or a duly completed KYC form.
  - iv. A cancelled cheque leaf with the applicant's name pre-printed or the applicant's latest Bank Statement/Passbook.
  - v. Nomination Form.

#### **MULTIPLE BANK ACCOUNTS REGISTRATION FACILITY**

The investors have the option to register multiple bank accounts (currently upto 5 for Individuals and 10 for Non – Individuals) for receiving redemption/ dividend proceeds etc. by providing necessary documents. The option will be registered in a folio/account at the folio level only. This facility is available at AMC level. Investors must specify any one account as the "Default Bank Account". The investor, may however, specify any other registered bank account for credit of redemption proceeds at the time of requesting for the redemption. This facility can be availed by using a designated "Multiple Bank Accounts Registration Form" available at Investor Service Centers or on our website [www.canararobeco.com](http://www.canararobeco.com).

In case of first-time investors, the bank account mentioned on the purchase application form, will be treated as default bank account till a separate request to register multiple bank accounts and change the default bank account to any of other registered bank account is submitted by such investor. Registered bank accounts may also be used for verification of pay-ins (i.e. receiving of subscription funds) to ensure that a third party payment is not used for mutual fund subscription.

The default bank account will be used for all dividends and redemptions payouts unless Unit holder(s) specifies one of the existing registered bank account in the redemption request for receiving redemption proceeds. Where Unit holder(s) do not specify the default account, the Mutual Fund reserves the right to designate any of the registered bank accounts as default bank account.

New bank accounts can only be registered using the designated "Multiple Bank Accounts Registration Form". If Unit holder(s) provide a new and unregistered bank mandate or a change of bank mandate request with specific redemption/ dividend payment request (with or without necessary supporting documents), such bank account will not be considered for payment of redemption/ dividend proceeds, or the Mutual Fund withhold the payment for upto 10 calendar days to ensure validation of new bank mandate mentioned.

Any request without the necessary documents will be treated invalid and will not be acted upon and any financial transaction, including redemptions, will be carried with the previously registered details only. Valid change of bank mandate requests with supporting documents will be processed within ten days of documents reaching the head office of the Registrar and any financial transaction request received in the interim will be carried based on the previously registered details.

Investors are requested to note the following with respect to the Multiple Bank Registration Facility:

1. Bank registration/deletion request from Unit holder(s) will be accepted and processed only if all the details and necessary documents are attached. The request is liable to be rejected if it is not filled completely and in case of any ambiguous/incorrect/incomplete information.
2. The first/sole Unit holder in the folio should be amongst any one of the bank account holders. Unit holder(s) cannot provide the bank account(s) of any other person or where the first/sole Unit holder is not an account holder in the bank account provided.
3. Unit holder(s) need to attach any one of the following mandatory documents in original, in respect of each bank account for registering the bank accounts, failing which the particular bank account will not be registered. This will help in verification of the account details and register them accurately.
  - ✓ Cancelled cheque with name and account number pre-printed
  - ✓ Bank Statement
  - ✓ Certified Copy of Pass book
  - a. If the document is not in original, the copy should be certified by the bank or the original document should be produced for verification at the offices of CRAMC
  - b. All documents submitted should clearly evidence the bank name, account number and name of all bank account holders.
4. While registering multiple bank accounts, the Unit holder(s) has to specify any one bank account as the Default Bank Account. If the Default Bank Account is not specified, the Mutual Fund reserves the right to designate any of the bank accounts as Default Bank Account. Default Bank Account will be used for all dividend payouts and redemption payouts under circumstances mentioned below.
  - a. No other registered bank account is specified in the specific redemption request for receiving redemption proceeds.
  - b. A new non-registered bank account is specified in the specific redemption request for receiving redemption proceeds.
  - c. Maturity proceeds of investments in Fixed Maturity Plans (i.e. FMPs).
5. Investors can change the default bank account by submitting the Bank Account Registration Form. In case multiple bank accounts are opted for registration as default bank account, the mutual fund retains the right to register any one of them as the default bank account at its discretion.

## **PROCEDURE FOR CHANGE/UPDATION OF BANK DETAILS, CHANGE OF ADDRESS**

### **I. Process for change in Bank Mandate**

1. Investors should submit duly filled "Multiple Bank Account Registration Form or Change of Bank Mandate form" at any of the official point of acceptance of transaction of CRMF.
2. The investors have to submit, in original, any one of the following documents of the new bank account:
  - a. Cancelled original cheque of the new bank mandate with first unit holder name and bank account number printed on the face of the cheque.
  - b. Self-attested copy of bank statement.
  - c. Bank passbook with current entries not older than 3 months.
  - d. Bank Letter duly signed by branch manager/authorized personnel.
3. Investors are also required to submit in original any one of the following document of the existing bank account:

- a. Cancelled original cheque with first unit holder name and bank account number printed on the face of the cheque.
  - b. Bank account statement/Pass book.
  - c. Bank letter on the letterhead confirming the bank account holder with the account details, duly signed and stamped by the Branch Manager/authorized personnel.
  - d. In case such bank account is already closed, a duly signed and stamped original letter from such bank on the letter head of bank, confirming the closure of said account.
4. If photocopies of the above stated documents are submitted, investor must produce the original for verification at the official point of acceptance of transaction. The original shall be returned to the investor over the counter upon verification. Kindly note that the photocopies submitted should be attested in original by the Branch Manager or Authorised personnel of the Bank.
  5. There shall be a cooling period of 10 calendar days for validation and registration of new bank account. In case of receipt of redemption request during this cooling period, the validation of new Bank mandate and dispatch of redemption proceeds shall be completed within 10 working days.
  6. In case, the request for change in bank mandate is invalid/incomplete/dissatisfactory in respect of signature mismatch/document insufficiency/not complying with any requirement as stated above, the request for such change will not be processed and redemption/Dividend proceeds, if any, will be processed in the last registered Bank account.

## II. Process for change in Address

1. Investor should submit duly filled "Change of Address form" alongwith any one of the following documents at any of the official point of acceptance of transaction of CRMF.
  - a) **KYC Not Complied Folios/Clients:**
    - ✓ Proof of new Address, and
    - ✓ Proof of Identity (POI): Only PAN card copy if PAN is updated in the folio, or PAN/other proof of identity if PAN is not updated in the folio.
  - b) **KYC Complied Folios/Clients**
    - ✓ Proof of new Address (POA),
    - ✓ Any other document/form that the KRA may specify from time to time.
2. If photocopies of the above stated documents are submitted, investor must produce the original for verification at the official point of acceptance of transaction. The original shall be returned to the investor over the counter upon verification. Kindly note that the photocopies submitted should be properly attested/verified by entities authorized for attesting/verification of document.

## Bank Mandate:

- a. No bank account shall be registered in the investor account as part of account opening or subsequent addition or change of bank request unless a validation is undertaken through any one of the following modes whereby the investors name, account number /details are verified:
  - i. Original cancelled cheque
  - ii. Self-certified cheque copy & verified with the original by AMC / RTA
  - iii. Self-certified copy of bank passbook and verified with the original by AMC/RTA
  - iv. Penny Drop Facility or PAN based account validation facility provided by NPCI.
- b. Redemption proceeds shall be credited only to a verified Bank Mandate.
- c. There shall be a cooling period of 10 days for acceptance of change of bank mandate digitally post change of both email ID and mobile number in an investor folio.



- d. Confirmation of registration / change of bank details, or information regarding rejection of a registration or change of bank details shall be intimated via a physical letter sent to the investor's registered address, in addition to sms and / or email at the mobile number and email id registered in the AMC records.

**EMPLOYEE UNIQUE IDENTIFICATION NUMBER (EUIIN):**

SEBI has made it compulsory for every employee/ relationship manager/ sales person of the distributor of mutual fund products to quote the EUIIN obtained by him/her from AMFI in the Application Form. EUIIN, particularly in advisory transactions, would assist in addressing any instance of mis-selling even if the employee/ relationship manager/sales person later leaves the employment of the distributor. Individual ARN holders including senior citizens distributing mutual fund products are also required to obtain and quote EUIIN in the Application Form. Hence, if any investments are routed through a distributor, the Investor is requested to ensure that the EUIIN is correctly filled up in the Application Form.

However, if the distributor has not given any advice pertaining to the investment, the EUIIN box may be left blank. In this case, the investors are required to provide a duly signed declaration to this effect, as given in the Application Form.

**Dividend Policy**

The Scheme may distribute, surplus if any, by way of dividend, as may be decided by the Trustees from time to time. As per the provisions of SEBI circular dated 5th October, 2020, dividend can be distributed out of the investor's capital (Equalization Reserve), which is part of sale price that represents realized gains. Whenever distributable surplus will be distributed, a clear segregation between income distribution (appreciation on NAV) and capital distribution (Equalization Reserve) shall be suitably disclosed in the Consolidated Account Statement provided to investors as required under Regulation 36(4) of SEBI (Mutual Funds) Regulations, 1996 and SEBI Circular dated November 12, 2014.

If there is no distributable surplus or surplus amount is too small for distribution, in the opinion of the Trustees, the Dividend declaration may not take place. The Scheme is not assuring or guaranteeing any dividend or returns. Dividend, if declared, shall be dispatched to the unit holders the dividend payments within 7 working days from the record date.

The Dividend declared out of the Distributable Surplus of the Scheme will be paid net of tax deducted at source (TDS), to those unit holders whose names appear in the register of unit holders. Pursuant to payment of dividend, the NAV of the Income Distribution cum capital withdrawal option of the scheme would fall to the extent of payout and statutory levy (if applicable).

In the event of failure of dispatch of dividend payments within the stipulated time period in terms of Regulation 53(a) of SEBI (MF) Regulations, it is clarified that the interest for the delayed payment of dividend shall be calculated from the record date.

Those unit holders who have opted for Reinvestment of Income Distribution cum Capital Withdrawal option, the dividend due will be reinvested net of TDS, as applicable, by allotting Units for the dividend amount at the prevailing ex-dividend NAV per Unit on the Record Date.

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

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

**Dividend Distribution Procedure**

In accordance with Chapter 11 of SEBI Master Circular for Mutual Fund dated May 19, 2023, the procedure for Dividend Distribution would be as under:

1. Quantum of dividend and the record date will be fixed by the Trustees. Dividend so decided shall be paid, subject to availability of distributable surplus.
2. Within one calendar day of decision by the Trustees, the AMC shall issue notice to the public communicating the decision about the dividend including the record date, in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of the region where the head office of the Mutual Fund is situated.
3. Record date shall be the date, which will be considered for the purpose of determining the eligibility of investors whose names appear on the register of unit holders for receiving dividends. The record date shall be 2 working days



from the date of publication in at least one English newspaper or in a newspaper published in the language of the region where the Head Office of the mutual fund is situated, whichever is issued earlier.

4. The notice will, in font size 10, bold, categorically state that pursuant to payment of dividend, the NAV of the Scheme would fall to the extent of payout and statutory levy (if applicable).
5. The NAV will be adjusted to the extent of dividend distribution and statutory levy, if any, at the close of business hours on record date.
6. Before the issue of such notice, no communication indicating the probable date of dividend declaration in any manner whatsoever will be issued by Mutual Fund.

#### **Reinvestment of Income Distribution cum Capital Withdrawal Option**

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

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

On reinvestment of dividends, the number of units to the credit of unit holder will increase to the extent of the dividend reinvested divided by the first 'Ex-income Distribution NAV' on the day of reinvestment as explained above. There shall, however, be no entry load on the dividends so reinvested. Those unit holders who have opted for Reinvestment facility under the Income Distribution cum Capital Withdrawal Option(s), the dividend due will be reinvested net of TDS, as applicable, by allotting Units for the dividend amount at the prevailing ex-dividend NAV per Unit on the Record Date.

#### **Threshold Limit for 'Payout of Income Distribution cum Capital Withdrawal option'**

If the dividend amount payable to the unit holders under the 'Payout of Income Distribution cum capital withdrawal option' option under a folio is less than or equal to Rs. 250/- and where complete bank account details are not provided by the unitholders, then such amount will be compulsorily reinvested wherever reinvestment option is available under the scheme(s) and an account statement will be sent to the investors at their Registered Address/email id. The dividend shall be re-invested at the prevailing ex-dividend Net Asset Value per Unit on the record date. There shall be no Exit Load on the dividend so reinvested. The dividends so reinvested shall constitute a constructive payment of dividends to the Unit holders and a constructive receipt of the same amount from each Unit holder for reinvestment in Units.

### **UNITHOLDERS' INFORMATION**

#### **➤ Allotment**

Allotments of units, upto 3 decimals/fractions, will be subject to realization of payment instrument and subject to the AMC having been reasonably satisfied of having received clear funds.

**For NFO period subscriptions:** Subject to the receipt of the specified minimum subscription amount, full allotment of Units applied for will be made within 5 business days from the date of closure of the NFO Period for all valid applications received during the NFO Period.

#### **For Ongoing offer period subscriptions:**

An applicant in the scheme whose application has been accepted shall have the option either to receive the statement of accounts or to hold the units in dematerialised form. On acceptance of the application for subscription, an allotment confirmation specifying the number of units allotted by way of e-mail and/or SMS within 5 business days from the date of receipt of transaction request will be sent to the Unitholders registered email address and/or mobile number. The AMC shall issue a statement of accounts specifying the number of units allotted to the applicant as soon as possible but not later than five working days from the date of receipt of the application. Further, the AMC shall issue units in dematerialized form to a unit holder in a scheme within two working days of the receipt of request from the unit holder. However, acceptance of application and allotment of units will be at the absolute discretion of the Trustees and the application can be rejected without assigning any reason whatsoever.

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

**ACCOUNT STATEMENT:****➤ Consolidated Account Statement (CAS)**

A Consolidated Account Statement (CAS) shall also be sent to the unitholder in whose folio transactions have taken place during that month, on or before 15<sup>th</sup> of the succeeding month by e-mail/mail. In case of specific request received from investors, Mutual Fund will provide an account statement to the investors within 5 (five) Business Days from the receipt of such request.

Further, as required under SEBI circular ref. no. CIR/MRD/DP/31/2014 dated November 12, 2014, the Depositories shall generate and dispatch a single consolidated account statement for investors having mutual fund investments and holding demat accounts. In view of the said requirements, the account statements for transactions in units of the Fund by investors will be dispatched to investors in following manner:

**➤ Account Statement for Investors who do not hold Demat Account**

Consolidated account statement\*, based on PAN of the holders, shall be sent by AMC/ RTA to investors not holding demat account, for each calendar month within 15<sup>th</sup> day of the succeeding month to the investors in whose folios transactions have taken place during that month. Consolidated account statement shall be sent by AMC/RTA every half yearly (September/ March), on or before 21<sup>st</sup> day of succeeding month, detailing holding at the end of the six month, to all such investors in whose folios there have been no transactions during that period.

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

**➤ Account Statement for investors who hold demat account holders:**

Consolidated account statement\*\*, based on PAN of the holders, shall be sent by Depositories, for each calendar month within the 15<sup>th</sup> day of the succeeding month to those investors holding a demat account and in whose folios transactions have taken place during that month.

Further, CAS shall be sent by Depositories every half yearly (September/March), on or before the 21<sup>st</sup> day of the succeeding month, detailing the holdings at the end of the six-month period, to all such investors in whose folios and demat accounts there have been no transactions during that period.

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

*\*\*Consolidated account statement sent by Depositories is a statement containing details relating to all financial transactions made by an investor across all mutual funds viz. purchase, redemption, switch, Reinvestment of Income Distribution cum Capital Withdrawal Option, Payout of Income Distribution cum Capital Withdrawal Option, systematic investment plan, systematic withdrawal plan, systematic transfer plan, bonus etc. (including transaction charges paid to the distributor and total purchase value / cost of investment in each scheme) and transaction in dematerialised securities across demat accounts of the investors and holding at the end of the month.*

The CAS issued by the DP will be deemed adequate compliance with the requirements in respect of dispatch of Statement of Account. In case of any specific requirements/queries on the account statement, investor should directly contact the respective DPs.

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

- a) Investors are requested to note that for folios which are not included in the CAS, AMC shall henceforth issue monthly account statement to the unit holders, pursuant to any financial transaction done in such folios; the monthly statement will be sent on or before fifteenth day of succeeding month. Such statements shall be sent in physical form if no email id is provided in the folio.
- b) The statement sent within the time frame mentioned above is provisional and is subject to realisation of payment instrument and/or verification of documents, including the application form, by the RTA/AMC.
- c) In the event the folio/demat account has more than one registered holder, the first named Unit holder/Account holder shall receive the CAS (AMC/RTA or Depository). For the purpose of CAS (AMC/RTA or Depository), common investors across mutual funds/depositories shall be identified on the basis of PAN. Consolidation shall be based on the common sequence/order of investors in various folios/demat accounts across mutual funds / demat accounts across depository participants.
- d) The transactions viz. purchase, redemption, switch, dividend payout, etc., carried out by the Unitholders shall be reflected in the CAS on the basis of Permanent Account Number (PAN). Investors whose folio(s)/demat account(s) are not updated with PAN, shall not receive CAS. Investors are therefore requested to ensure that their folio(s)/demat account(s) are updated with PAN.
- e) For Unit Holders who have provided an e-mail address in KYC records, the CAS will be sent by e-mail.
- f) The unitholder may request for a physical account statement by writing/calling CRAMC/ISC/R&T. In case a specific request is received from investors, an account statement shall be issued to the investors within 5 (five) business days from the receipt of such request without any charges.
- g) Account Statements shall not be construed as proof of title and are only computer printed statements indicating the details of transactions under the Schemes during the current financial year and giving the closing balance of Units for the information of the Unit Holder.
- h) The Units are transferrable in compliance with Regulation 37 of SEBI (MFs) Regulations, 1996.

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

➤ **Annual Account Statement:**

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

The account statements in such cases may be generated and issued along with the Portfolio Statement or Annual Report of the Scheme. Alternately, soft copy of the account statements shall be mailed to the investors' e-mail address, instead of physical statement, if so mandated.

➤ **Half Yearly Consolidated Account Statement:**

A consolidated account statement detailing holding across all schemes at the end of every six months (i.e. September/ March), on or before 21st day of succeeding month, to all such Unit holders in whose folios no transaction has taken place during that period shall be sent by mail to the investor's mailing address.

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

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

For ease of communication, first applicant's own email ID and mobile number should be provided. As per AMFI Circular No. 135/BP/97/2021-22, if email ID and Contact number of Primary Unit Holder is not available then email ID and Mobile number of family member can be provided.

Further, the CAS issued for the half-year shall also provide the following:

- The amount of actual commission paid by AMCs/Mutual Fund to distributors (in absolute terms) during the half-year period against the concerned investor's total investments in each scheme. *(The term 'commission' here refers to all direct monetary payments and other payments made in the form of gifts / rewards, trips, event sponsorships etc. by AMCs/MFs to distributors. The commission disclosed is gross commission and does not exclude costs incurred by distributors such as GST (wherever applicable, as per existing rates), operating expenses, etc.)*
- The scheme's average Total Expense Ratio (in percentage terms) for the half-year period for each scheme's applicable plan (regular or direct or both) where the concerned investor has actually invested in.

Such half-yearly CAS shall be issued to all investors, excluding those investors who do not have any holdings in MF schemes and where no commission against their investment has been paid to distributors, during the concerned half-year period.

The Consolidated Account Statement (CAS) will issued in line with SEBI circular issued from time to time.

#### **Transfer of redemption or repurchase proceeds:**

The redemption proceeds shall be dispatched to the unitholders within 3 working days from the date of redemption or repurchase, complete/in good order in all respects.

In addition to above, investors shall also note that pursuant to Clause 2 (II) (c) of Circular dated November 25, 2022, AMFI, in consultation with SEBI had published a list of exceptional circumstances for schemes unable to transfer redemption or repurchase proceeds to investors within revised timeline stipulated above. AMFI in it's communication has also provided the additional timelines for making redemption payment alongwith list of exceptional situations as below:

Sr. No.	Exceptional Situations	Additional Timelines allowed
1	Payment of redemption proceeds through physical instruments (cheque/DD) where electronic fund transfer is not possible.	Additional 2 working days.
2	On such days, where it is a bank holiday in some or all the states, but a business day for the stock exchanges.	Additional 1 working day following the bank holiday(s) in the State where the investor has bank account
3	Exceptional circumstances such a sudden declaration of a business day as a holiday or as a non-business day due to any unexpected reason/Force Majeure events.	In all such exceptional situations, the timelines prescribed in above table as per SEBI circular dated November 25, 2022 shall be counted from the date the situation becomes normal
4	In all such cases where a request for Change of Bank account has been received just prior to (upto 10 days prior) OR simultaneously with redemption request	In all such cases, the AMCs/RTAs can make the redemption payment after the cooling off period of 10 days from the date of receipt of COBM. The credit may either be given in the existing bank account or the new bank account post due

		diligence within 1 working day after cooling off period.
5	Need for additional due diligence in instances such as Transmission reported in one fund, but not in the current fund, proceedings by Income Tax authorities, Folio under lock/bank lien etc	Additional 3 working days.

## How to Redeem

A Transaction Slip can be used by the Unitholder to request for Redemption. The requisite details should be entered in the Transaction Slip and submitted at an ISC/Official Point of Acceptance. Transaction Slips can be obtained from any of the ISCs/Official Points of Acceptance.

## Procedure for payment of redemption

### 1. Resident Unitholders

Unitholders will receive redemption proceeds directly into their bank account through various electronic payout modes such as Direct credit / NEFT / RTGS / IMPS unless they have opted to receive the proceeds through Cheque/ Demand Draft. Redemption proceeds will be paid in favour of the Unit holder (registered holder of the Units or, if there is more than one registered holder, only to the first registered holder) through "Account Payee" cheque / demand draft with bank account number furnished to the Mutual Fund (please note that it is mandatory for the Unit holders to provide the Bank account details as per the directives of SEBI, even in cases where investments are made in cash). Redemption cheques will be sent to the Unit holder's address (or, if there is more than one holder on record, the address of the first-named Unitholder). The redemption proceeds will be sent by courier or (if the addressee city is not serviced by the courier) by registered post / UCP to the registered address of the sole / first holder as per the records of the Registrars. For the purpose of delivery of the redemption instrument, the dispatch through the courier / Postal Department, as the case may be, shall be treated as delivery to the investor. The AMC / Registrar are not responsible for any delayed delivery or non-delivery or any consequences thereof, if the dispatch has been made correctly as stated above.

### 2. Non-Resident Unitholders

Payment to NRI / FII Unit holders will be subject to the relevant laws / guidelines of the RBI as are applicable from time to time (also subject to deduction of tax at source as applicable).

#### i. In the case of NRIs:

Credited to the NRI investor's NRO account, where the payment for the purchase of the Units redeemed was made out of funds held in NRO account; or

ii. Remitted abroad or at the NRI investor's option, credited to his NRE /FCNR / NRO account, where the Units were purchased on repatriation basis and the payment for the purchase of Units redeemed was made by inward remittance through normal banking channels or out of funds held in NRE / FCNR account.

In the case of FIIs, the designated branch of the authorized dealer may allow remittance of net sale / maturity proceeds (after payment of taxes) or credit the amount to the Foreign Currency account or Non-resident Rupee account of the FII maintained in accordance with the approval granted to it by the RBI.

The Fund will not be liable for any delays or for any loss on account of any exchange fluctuations, while converting the rupee amount in foreign exchange in the case of transactions with NRIs / FIIs. The Fund may make other arrangements for effecting payment of redemption proceeds in future.

**Effect of Redemption:**

The number of Units held by the Unit Holder in his/ her/ its folio will stand reduced by the number of Units Redeemed. Units once redeemed will be extinguished and will not be re- issued. The normal processing time may not be applicable in situations where details like bank name, bank account no. etc. are not provided by investors/ Unit holders. The AMC will not be responsible for any loss arising out of fraudulent encashment of cheques and/or any delay/ loss in transit.

**Redemption by investors transacting through the Stock Exchange Mechanism:**

Investors who wish to transact through the stock exchange shall place orders for redemptions as currently practiced for secondary market activities. Investors must submit the Delivery Instruction Slip to their Depository Participant on the same day of submission of redemption request, within such stipulated time as may be specified by NSE/BSE, failing which the transaction will be rejected. Investors shall seek redemption requests in terms of number of Units only and not in Rupee amounts. Redemption amounts shall be paid by the AMC to the bank mandate registered with the Depository Participant.

**Redemption by investors who hold Units in dematerialized form**

Redemption request for Units held in demat mode shall not be accepted at the offices of the Mutual Fund/AMC/Registrar. Unit holders shall submit such request only through their respective Depository Participants. In case of demat redemption, process of authentication as laid down by the Depository Participants shall be followed. Process of Two-Factor authentication as laid down by the Depository Participants shall be followed. Payment of redemption/IDCW proceeds will be made to the bank account linked to their Demat account.

**Delay in payment of redemption /repurchase proceeds**

The AMC shall be liable to pay interest to the Unit holders at 15% or such other rate as may be prescribed by SEBI from time to time, in case the redemption / repurchase proceeds are not made within 3 Business/ Working Days of the date of Redemption / repurchase. However, the AMC will not be liable to pay any interest or compensation or any amount otherwise, in case the AMC / Trustee is required to obtain from the investor / unitholders verification of identity or such other details relating to subscription for Units under any applicable law or as may be requested by a regulatory body or any government authority, which may result in delay in processing the application.

Investors shall further note that pursuant to Para 14.1.3 of SEBI Master Circular for Mutual Fund dated May 19, 2022, AMFI, in consultation with SEBI had published a list of exceptional circumstances for schemes unable to transfer redemption or repurchase proceeds to investors within timeline stipulated above. AMFI has also published/provided the additional timelines for making redemption payment alongwith list of exceptional situations. For details investors are requested to refer Notice cum Addendum No. 47 dated January 19, 2023, published by CRMF on its website.

**HALF YEARLY DISCLOSURES: PORTFOLIO/FINANCIAL RESULTS**

The Mutual Fund shall host half yearly disclosures of the Schemes' unaudited financial results in the prescribed format on its website viz. [www.canararobeco.com](http://www.canararobeco.com) within one month from the close of each half year i.e. on 31st March and on 30th September. CRAMC shall publish an advertisement disclosing the hosting of such financial results on its website, in atleast one English daily newspaper having nationwide circulation and in a newspaper having wide circulation published in the language of the region where the Head Office of CRMF is situated. The unaudited financial results will also be displayed on the website of AMFI.

**Portfolio:** The Mutual Fund/AMC shall disclose portfolio (along with ISIN) of the Scheme as on the last day of the half year on website of Mutual Fund ([www.canararobeco.com](http://www.canararobeco.com)) and on the website of AMFI ([www.amfiindia.com](http://www.amfiindia.com)) within 10 days from the close of each half-year respectively in a user-friendly and downloadable spread-sheet format. In case of Unitholders whose e-mail addresses are registered, the Mutual Fund / AMC shall send via e-mail half-yearly statement of Scheme portfolio within 10 days from the close of each half-year. Further, the Mutual Fund/AMC shall publish an advertisement in the all India edition of at least two daily newspapers, one each in English and Hindi, every half-year



disclosing the hosting of the half-yearly statement of the Scheme portfolio on the website of the Mutual Fund ([www.canararobeco.com](http://www.canararobeco.com)) and on the website of AMFI ([www.amfiindia.com](http://www.amfiindia.com)).

Unit holders may request for a physical or electronic copy of the scheme portfolio through SMS, telephone, email, written request or by choosing the relevant option under the scheme application forms (applicable for new subscribers). A physical copy shall be provided to the unit holders free of cost on specific request.

### **MONTHLY AND FORTNIGHTLY PORTFOLIO DISCLOSURE**

The Mutual Fund/AMC shall disclose portfolio (along with ISIN) of the Scheme as on the last day of the fortnight and the month on website of Mutual Fund ([www.canararobeco.com](http://www.canararobeco.com)) and on the website of AMFI ([www.amfiindia.com](http://www.amfiindia.com)) within 5 days and 10 days respectively from the close of each fortnight/month respectively in a user-friendly and downloadable spread-sheet format.

In case of Unitholders whose e-mail addresses are registered, the Mutual Fund / AMC shall send via e-mail both the fortnightly and monthly statement of Scheme portfolio within 5 days or 10 days from the close of each fortnight/month respectively. Unit holders may request for a physical or electronic copy of the scheme portfolio through SMS, telephone, email, written request or by choosing the relevant option under the scheme application forms (applicable for new subscribers). A physical copy shall be provided to the unit holders free of cost on specific request.

### **ANNUAL REPORT**

The scheme wise annual report and abridged summary thereof shall be hosted on the CRMF website ([www.canararobeco.com](http://www.canararobeco.com)) and on the website of AMFI ([www.amfiindia.com](http://www.amfiindia.com)) not later than four months (or such other period as may be specified by SEBI from time to time) from the date of closure of the relevant accounting year (i.e. 31<sup>st</sup> March each year) and link for the same will be displayed prominently on the CRMF website.

In case of Unit holders whose e-mail addresses are registered with CRMF, CRAMC shall e-mail the annual report or an abridged summary to such unit holders.

The Unit holders whose e-mail addresses are not registered with CRMF will have an option to opt-in to continue receiving physical copy of the scheme wise annual report or an abridged summary thereof.

CRMF /CRAMC shall publish an advertisement in the all India edition of at least two daily newspapers, one each in English and Hindi, every year disclosing the hosting of the scheme wise annual report on the website of CRMF ([www.canararobeco.com](http://www.canararobeco.com)) and on the website of AMFI ([www.amfiindia.com](http://www.amfiindia.com)). Physical copies of Full annual report/abridged summary thereof shall also be available for inspection at all times at the registered office of CRAMC.

Unit holders may request for a physical or electronic copy of the said report through SMS, telephone, email, written request or by choosing the relevant option under the scheme application forms (applicable for new subscribers). Such copies shall be provided to the unit holders free of cost. Further, the unitholders, if they so desire, may request for the annual report of CRAMC.

### **NET ASSET VALUE**

Direct Plan under a Scheme will have a Separate NAV (not applicable to Exchange Traded Funds CRAMC will calculate the NAV of the Scheme every business day and shall prominently disclose the NAVs of the Schemes under a separate head on the website of CRMF ([www.canararobeco.com](http://www.canararobeco.com)) and on the website of AMFI ([www.amfiindia.com](http://www.amfiindia.com)) upto 11.00 p.m. on every Business Day (on or before 10.00 a.m. on the next Business Day for Fund of Fund Schemes). If the NAVs are not available before the commencement of business hours on the following day due to any reason, CRMF shall issue a press release giving reasons and explaining when CRMF would be able to publish the NAVs. Further the CRMF/ CRAMC will extend facility of sending latest available NAVs of the Scheme to the Unit holders through SMS upon receiving a specific request in this regard. Also, information regarding NAVs can be obtained by the Unit holders/Investors by calling or visiting the nearest investor service center.



**OPTION TO HOLD UNITS IN DEMAT MODE**

Investors shall have an option to subscribe to/hold the units in electronic (demat) form in accordance with the guidelines/procedural requirements as laid by the Depositories (NSDL/CDSL) from time to time. In case of SIP, units will be allotted based on the applicable NAV as per provisions of Scheme Information Document and will be credited to demat account of the investors on weekly basis (upon realisation of funds). However, Special Products/Facilities such as Systematic Withdrawal Plan, Systematic Transfer Plan and Switching facility offered by Mutual Fund shall be available for unitholders under the scheme in case the units are held/opted to be held in physical (non-demat) mode. Investors intending to hold units in electronic (demat) form will be required to have beneficiary account with a Depository Participant (DP) (registered with NSDL/CDSL) and will be required to indicate, in the application form, the DP's name, DP ID Number and the Beneficiary account number of the applicant held with the DP at the time of subscribing to the units. Applicants must ensure that the sequence of the names as mentioned in the application form matches with that of the beneficiary account held with the DP. Names, PAN details, KYC details etc. mentioned in the Application Form will be verified against the Depository records. If the details mentioned in the application form are found to be incomplete/incorrect or not matching with the depository records, the application shall be treated as application for physical (non-demat) mode and accordingly units will be allotted in physical (non-demat) mode, subject to it being complete in all other aspects.

Unitholders who have opted to hold and thereby allotted units in electronic (demat) form will receive payment of redemption/dividend proceeds into bank account linked to their Demat account. In case, the Unitholder desires to hold the Units in a Dematerialized/Rematerialized form at a later date, the request for conversion of units held in physical (non-demat) mode into electronic (demat) form or vice-versa should be submitted alongwith a Demat/Remat Request Form to their Depository Participant(s). Investors should ensure that the combination of names in the account statement is the same as that in the demat account.

The allotment of units in demat form shall be subject in terms of the guidelines/ procedural requirements as laid by the Depositories (NSDL/CDSL) from time to time.

Further, the units held in electronic (demat) form will be transferable in accordance with provisions of Depositories Act, 1996 and the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as may be amended from time to time.

If investor holding units in electronic (demat) form wishes to change the bank account, or any change in his/her profile, then he needs to contact his DP (Depository Participant) and the process laid down by the DP should be followed in this regard.

**SECTION VI – RIGHTS OF UNITHOLDERS OF THE SCHEME**

1. Unit holders of the Scheme have a proportionate right in the beneficial ownership of the assets of the Scheme.
2. When the Mutual Fund declares an Income Distribution cum Capital Withdrawal (IDCW)/dividend under a scheme, IDCW/ dividend warrants shall be dispatched to the Unit Holders within 7 working days from the record date of IDCW/dividend. Consolidated Account Statement ('CAS') at mutual fund industry level for each calendar month will be issued on or before 15th day of succeeding month to all unit holders having financial transactions and who have provided valid Permanent Account Number (PAN). For folios not included in the CAS, the AMC shall issue a monthly account statement to the unit holders, pursuant to any financial transaction done in such folios; the monthly statement will be send on or before 15th day of succeeding month. In case of a specific request received from the unit holders, the AMC shall provide the account statement to the unit holder within 5 business days from the receipt of such request. If a Unit holder so desires the Mutual Fund shall issue a Unit certificate (non- transferable) within 5 Business Days of the receipt of request for the certificate.
3. The redemption proceeds shall be dispatched to the unitholders within 3 working days from the date of redemption or repurchase, complete/in good order in all respects.
4. As per Paragraph 12.19.2 of the Master Circular prescribes a list of permissible investments for the purpose of overseas investments. For schemes investing atleast 80% of total assets in such permissible overseas investments, the transfer of redemption or repurchase proceeds to the unitholders shall be made within five working days from the date of redemption or repurchase.
5. In addition to above, investors shall also note that pursuant to Clause 2 (II) (c) of Circular dated November 25, 2022, AMFI, in consultation with SEBI had published a list of exceptional circumstances for schemes unable to transfer redemption or repurchase proceeds to investors within revised timeline stipulated above. AMFI in it's communication has also provided the additional timelines for making redemption payment alongwith list of exceptional situations as below:

<b>Sr. No.</b>	<b>Exceptional Situations</b>	<b>Additional Timelines allowed</b>
1	Payment of redemption proceeds through physical instruments (cheque/DD) where electronic fund transfer is not possible.	Additional 2 working days.
2	On such days, where it is a bank holiday in some or all the states, but a business day for the stock exchanges.	Additional 1 working day following the bank holiday(s) in the State where the investor has bank account
3	Exceptional circumstances such a sudden declaration of a business day as a holiday or as a non-business day due to any unexpected reason/Force Majeure events.	In all such exceptional situations, the timelines prescribed in above table as per SEBI circular dated November 25, 2022 shall be counted from the date the situation becomes normal
4	In all such cases where a request for Change of Bank account has been received just prior to (upto 10 days prior) OR simultaneously with redemption request	In all such cases, the AMCs/RTAs can make the redemption payment after the cooling off period of 10 days from the date of receipt of COBM. The credit may either be given in the existing bank account or the new bank account post due diligence within 1 working day after cooling off period.
5	Need for additional due diligence in instances such as Transmission reported in one fund, but not in the current fund, proceedings by Income Tax authorities, Folio under lock/bank lien etc	Additional 3 working days.

6. The Trustee is bound to make such disclosures to the Unit holders as are essential in order to keep the unitholders informed about any information known to the Trustee which may have a material adverse bearing on their investments.
7. The appointment of the AMC for the Mutual Fund can be terminated by majority of the Directors of the Trustee Board or by 75% of the Unit holders of the Scheme.
8. 75% of the Unit holders of a Scheme can pass a resolution to wind- up a Scheme.
9. The Trustee shall obtain the consent of the Unit holders:
  - whenever required to do so by SEBI, in the interest of the Unit holders.
  - whenever required to do so if a requisition is made by three- fourths of the Unit holders of the Scheme. when the Trustee decides to wind up the Scheme or prematurely redeem the Units.
10. The Trustee shall ensure that no change in the fundamental attributes of any Scheme or the trust or fees and expenses payable or any other change which would modify the Scheme and affects the interest of Unit holders, shall be carried out unless:
  - (i) 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
  - (ii) the Unit holders are given an option to exit at the prevailing Net Asset Value without any Exit Load.
11. In specific circumstances, where the approval of unitholders is sought on any matter, the same shall be obtained by way of a postal ballot or such other means as may be approved by SEBI.
12. Disclosure - Unclaimed Redemption and Dividend Amounts:  
As per Para 14.3 of SEBI Master Circular for Mutual Fund dated May 19, 2023 issued by SEBI, the unclaimed redemption and dividend amounts shall be deployed by the Fund as under:
  - i. The Fund may deploy the unclaimed Redemption and Dividend amounts in Call Money Market or Money Market instruments or such other instruments / investments that may be permitted by SEBI from time to time.
  - ii. The unit holders who claim the redemption amount during the period of three years from the Due Date shall be paid at the prevailing Net Asset Value.
  - iii. After a period of 3 years, such amounts can be transferred to pool account and the unit holders can claim the amount at NAV prevailing at the end of third year.
  - iv. The income earned on such funds after completion of 3 years may be utilised for the purpose of investor education.
  - v. The management fee charged the AMC for managing such unclaimed amounts shall not exceed 0.50% of the average weekly net assets.

In terms of the above circular, the Fund reminds the investors about the position of unclaimed redemption/dividends through Monthly Connect, Newsletters and unit holders Annual Reports.

The Investors who have not received / encashed the dividends distributed by the Schemes, may write to the respective Registrar, duly furnishing the Name of the Scheme, Folio Nos. and the details of dividends not receive.

Online Resolution of Disputes:

SEBI vide its circular dated July 31, 2023 read along with circular dated August 04, 2023, has introduced an Online Dispute Resolution Portal (ODR Portal), a platform for resolution of disputes arising in the Indian Securities Market

with Market participant including Mutual Funds. ODR Portal named SMART ODR Portal – ‘Securities Market Approach for Resolution Through ODR’ is being made available for investors on <https://smartodr.in/login>.

The ODR portal offers a platform to investors to file any complaints in case the investor is not satisfied with the resolution of the complaints raised directly with the Asset Management Company/ Mutual Fund or through the SCORES platform of SEBI. Investors can raise the dispute resolution process through the ODR portal only when within the applicable law of limitation and when it is not under consideration under SCORES guidelines or not pending before any court.

For further information on Online Dispute Resolution, Conciliation and Arbitration process, Investors are requested to refer to the above-mentioned SEBI circulars.

**SECTION VII - INVESTMENT VALUATION NORMS FOR SECURITIES AND OTHER ASSETS****A. Background**

SEBI has amended Regulation 47 and the Eighth Schedule relating to valuation of investments on February 21, 2012 to introduce overriding principles in the form of "Principles of Fair Valuation".

Prior to this amendment, Eighth schedule and various circulars issued from time to time provided detailed guidelines on valuation of traded securities, non-traded securities, thinly traded securities, etc.

The amended regulations require that mutual funds shall value their investments in accordance with principles of fair valuation so as to ensure fair treatment to all investors i.e. existing investors as well as investors seeking to subscribe or redeem units.

It further prescribes that the valuation shall be reflective of the realizable value of securities and shall be done in good faith and in a true and fair manner through appropriate valuation policies and procedures approved by the Board of the asset management company (AMC).

The amendment also states that in case of any conflict between the principles of fair valuation and valuation guidelines as per Eighth Schedule and circulars issued by SEBI, the Principles of Fair Valuation shall prevail.

**B. Policy Coverage**

This policy shall cover the following:

1. Valuation methodologies for particular types of securities.
2. Inter-scheme transfers.
3. Composition and role of the Valuation Committee.
4. Periodic review.
5. Exceptional events.
6. Record keeping.

**C. Valuation methodologies**

1. The Annexure describes the methodologies for valuing each type of security held by the schemes.
2. Investment in any new type of security shall be made only after establishment of the valuation methodology for such security with the approval of the Valuation Committee which has been authorized by the boards of the AMC and the Trustees.

**D. Inter-scheme transfers**

1. Inter-scheme transfers shall be effected as per process defined in the valuation policy and at prevailing market price (essentially fair valuation price).
2. The Annexure describes the methodology to determine the fair valuation of securities which are intended to be transferred from one scheme to another.

**E. Valuation Committee**

1. Valuation committee shall comprise of the following personnel:
  - a. Chief Operating Officer
  - b. Head Fixed Income
  - c. Head Equities
  - d. Head Risk Management
  - e. Head Compliance
  - f. Head Operations

The Chief Executive Officer and the Chief Operating Officer jointly can reconstitute or nominate additional members for the valuation committee.

2. Following shall be the scope of the Valuation committee:
  - a. Recommendation and drafting of valuation policy for AMC Board approval.

- b. Review the accuracy and appropriateness of methods used in arriving at the fair value of securities and recommend changes, if any.
- c. Recommend valuation methodology during exceptional events.
- d. Recommend valuation methodology for a new type of security.
- e. Report to the Board regarding any deviations or incorrect valuations which impact the NAV in excess of 1%, the current regulatory threshold.
- f. Recommend deviation from stated Valuation Policy in specific cases, with reasons, to give effect to the principle of fair valuation.
- g. Implement changes in Valuation norms arising out of changes as communicated by SEBI/AMFI to give effect to the principle of fair valuation.

## **F. Periodic Review**

The valuation committee shall be responsible for ongoing review of the valuation methodologies in terms of its appropriateness and accuracy in determining the fair value of each and every security.

In addition, the valuation committee shall have the valuation policy reviewed by the Statutory Auditor at least once every calendar year, appraise them of any changes/modifications carried out to existing valuation norms, and have the valuation policy approved by the AMC Board.

## **G. Exceptional Events**

Following types of events could be classified as Exceptional events where current market information may not be available / sufficient for valuation of securities:

- a. Major policy announcements by the Central Bank, the Government or the Regulator.
- b. Natural disasters or public disturbances that force the markets to close unexpectedly.
- c. Absence of trading in a specific security not covered in this valuation policy or similar securities.
- d. Significant volatility in the capital and debt markets.
- e. A credit default event by the issuer of any fixed income security will be considered as an exceptional event and the value of the security will be appropriately discounted by the valuation committee.

## **H. Escalation Procedure:**

- a. Valuation Committee shall be responsible for monitoring Exceptional events and recommending appropriate valuation methods under the circumstances, with due reporting to the AMC board.
- b. Under such circumstances, Valuation committee will be vested with powers by the AMC board in deciding the appropriate methodology for valuation of such securities.
- c. In case of deviations from the valuation policy and principles if any, the detailed rationale for each instance of deviation shall be recorded and impact of such deviation on scheme NAV will be reported to the Board of AMC and Trustees. The rationale for the deviation along with details will be disclosed under a separate head on the website of the AMC and a link in respect of the same will be disclosed along with the monthly and half-yearly portfolio statements.

## **I. Record keeping**

Valuation Policy document will be updated in SID / SAI, website and other documents as prescribed by the SEBI regulations and guidelines.

All the documents which form the basis of valuation including inter-scheme transfers (the approval notes & supporting documents) will be maintained in electronic form or physical papers.

Above records will be preserved in accordance with the norms prescribed by the SEBI (Mutual Funds) Regulations 1996 and subsequent amendments thereto.

Valuation Policy: Annexure

A. Equity and related securities

Asset Class	Traded / Non-Traded	Current Valuation policy
Equity Shares, Preference Shares, Equity Warrants, Rights, Convertible debentures	Traded	<p>On the valuation day, at the last quoted closing price on the National Stock Exchange (NSE)/ Bombay Stock Exchange (BSE) or other stock exchange, where such security is listed. If not traded on the primary stock exchange, the closing price on the other stock exchange will be considered. NSE will be the primary stock exchange.</p> <p>When a security is not traded on any stock exchange, on the date of valuation, then the previous closing price on NSE / BSE / any other Stock Exchange will be used provided such closing price is not exceeding a period of 30 calendar days prior to the valuation date.</p>
	Non - Traded	<p><b>Definition of a Non-traded security:</b> When a security is not traded on any Stock Exchange for a period of 30 days prior to the valuation date, it is treated as a 'non-traded' security and will be valued as follows:</p> <p><b>a. Equity Shares:</b> Valuation price will be in accordance with the norms prescribed in the SEBI guidelines for valuation, i.e., valuation will be computed on the basis of average of book value and the price computed on the basis of the PE ratio (after appropriate discount as approved by valuation committee for lower liquidity), and using the last traded price if available.</p> <p><b>b. Preference Shares:</b> Convertible Preference Shares shall be valued based on underlying equity, discounted for illiquidity if required as decided by the Valuation Committee. Redeemable Preference Shares shall be valued by discounting the future cash flows based on discounting rate decided by the Valuation Committee.</p> <p><b>c. Rights Shares:</b> Valuation price will be arrived at after reducing the exercise price/issuance price from the closing price of the underlying equity shares in case a decision is made to apply for the rights. The computation of the valuation price will commence from the Ex-rights date and continue till the date of subscription to the rights shares. During this period, on days if traded prices are available for rights shares, they shall be valued as per the traded prices. If traded prices are not available on any particular day, the rights will be valued at the last available traded price. In case a decision is made not to apply for the rights the said rights entitlement will not be valued.</p> <p><b>d. Equity Warrants/partly paid up rights shares:</b> Valuation price will be arrived, after applying appropriate discount (valuation committee is delegated with the power to decide the discount factor based on company fundamentals), after reducing the exercise price / issuance price from the closing price of the underlying equity security.</p> <p><b>e. Convertible debentures:</b> Non-convertible and convertible components are valued separately.</p> <p>A. The non-convertible component shall be valued on the same basis as would be applicable to a debt instrument.</p> <p>B. The convertible component to be valued as follows:</p> <p>i) Ascertain</p> <ul style="list-style-type: none"> <li>• The number of shares to be received after conversion.</li> <li>• Whether the shares would be paripassu for dividend on conversion.</li> <li>• The rate of last declared dividend.</li> <li>• Whether the shares are presently traded or non-traded/thinly traded.</li> <li>• Market rate of shares on the date of valuation</li> </ul> <p>ii) In case the shares to be received on the date of valuation, are thinly traded / non-traded, these shares to be received on conversion are to be valued as thinly traded / non-traded shares as stated in this policy.</p> <p>iii) In case the shares to be received on conversion are not non-traded or thinly traded on the date of valuation and would be traded paripassu for dividend on conversion:</p> <p>d) Number of shares to be received on conversion, per convertible debenture, multiplied by the present market rate</p>



b) Determine the discount for non-tradability of the shares on the date of valuation. (This discount should be determined in advance and to be used uniformly for all the convertible securities. Rate of discount should be documented and approved by the Valuation Committee of AMC)  

$$\text{Value} = (a) * \text{market rate} [1 - (b)]$$

iv) In case the shares to be received on conversion are not non-traded or thinly traded on the date of valuation but would not be traded paripassu for dividend on conversion:  
a) Number of shares to be received on conversion, per convertible debenture, multiplied by the present market rate  
b) Arrive at the market value of the shares on the date of valuation by reducing the amount of last paid dividend.  
c) Determine the discount for non-tradability of the shares on the date of valuation. (This discount should be determined in advance and to be used uniformly for all the convertible securities. Rate of discount should be documented and approved by the Valuation Committee of AMC)  

$$\text{Value} = (a) * \{b - [1 - (c)]\}$$

v) In case of optionally convertible debentures, two values must be determined assuming both, exercising the option and not exercising the option.

- If the option rests with the issuer, the lower of the two values shall be taken as the valuation of the optionally convertible portion, and;
- If the option rests with the investor, the higher of the two values shall be taken.

**e. Demerger:**

**i.** Where there is one resulting Company along with the demerged company and such resulting company is unlisted, the resulting company will be valued by residual price methodology which would be traded value of the demerged company on the day before the demerger (Ex-date minus 1), less value of the demerged company immediately post demerger (Ex-date). However, if value of demerged company is greater or equal to the value of the demerged company before demerger, then the resulting company would be valued at zero.

**ii.** Where there are more than one resulting companies along with the demerged company and all or some resulting companies are unlisted, the resulting companies will be valued by residual price methodology which would be, traded value of the demerged company on the day before the demerger less value of the demerged company immediately post demerger. The residual value would be allocated into resulting companies in the ratio provided as a part of scheme of arrangement or such other ratio as decided by the Valuation Committee. If one of the resulting companies is listed, the residual value for unlisted companies would be further determined by reducing the traded value of listed resulting companies from the residual value computed as above.

**iii.** In case where the resulting company/ies and the demerged company are unlisted, the traded value of demerged company on the day before the demerger would be allocated between the resulting company/ies and demerged company in the ratio provided as a part of scheme of arrangement or such other ratio as decided by the Valuation Committee. If the above companies remained unlisted for more than 3 months, the Valuation Committee to decide on application of illiquidity discount as deemed appropriate on case to case basis. However, if the Valuation committee is of the opinion that a fair valuation has not been achieved in certain cases by applying the above guidelines, it reserves the right to decide on an alternate method of fair valuation, post considering facts on a case to case basis. Further, guidance from valuation committee would be sought for any exceptional cases not covered above.

**f. Merger:** Valuation of resulting company would be determined by valuation of merging / amalgamating company immediately prior to the ex-date of merger / amalgamation

**i.** In case merging / amalgamating companies being listed, valuation of resulting companies would be summation of valuation of entities immediately prior to merger date. Further if listed company merges into an unlisted surviving company, then the surviving company should be valued at the traded value of merging company immediately before merger.

Example:

- If Company A and Company B merge to form a new Company C then Company C would be valued at the price equals to A+B
- If Company A which is a listed company merges into Company B which is an unlisted company the resultant would be valued at traded price of A immediately before merger

		<p>ii. In case, the merging / amalgamating companies being unlisted, valuation of resulting companies would be valued on the principles of fair valuation as guided by the valuation committee.</p> <p>If the above companies remained unlisted for more than 3 months, the Valuation Committee to decide on application of illiquidity discount as deemed appropriate on case to case basis. However, if the Valuation committee is of the opinion that a fair valuation has not been achieved in certain cases by applying the above guidelines, it reserves the right to decide on an alternate method of fair valuation, post considering facts on a case to case basis. Further, guidance from valuation committee would be sought for any exceptional cases not covered above.</p>
	Thinly Traded	<p>In line with the valuation formula prescribed under SEBI regulations for valuation, Valuation will be computed on the basis of average of book value and the price computed on the basis of the PE ratio (discounted by 75% i.e., 25% of industry average PE), further discounted for illiquidity.</p> <p>Definition of thinly traded equity/ equity related security: When trading in an equity/equity related security in the preceding 30 days is both less than INR 5 lacs and the total volume is less than 50,000 shares, it shall be considered as a thinly traded security. Further, any security which is currently classified as "thinly traded" security, and is being valued at fair valuation prices, will be classified as a "traded security" if it meets any one of the two following criteria and will be valued at "traded prices:-"</p> <ol style="list-style-type: none"> <li>4. Atleast a total of 50,000 shares are traded in the preceding 30 days or:-</li> <li>5. Trading volume of Rs.5 lacs is achieved in the preceding 30 days.</li> </ol>
	Unlisted	<p>SEBI Circular No. MFD/CIR/03/526/2002 dated May 9, 2002 has prescribed the method of valuation for unlisted equity securities. These guidelines are similar to the guidelines issued by SEBI for non-traded / thinly traded securities mentioned above except the following:</p> <p>Computation of Net worth per share <i>as lower of (a) and (b)</i>:</p> <p>(a) i) Net worth of the company = Paid up share capital + Reserves other than Revaluation reserve - Miscellaneous expenditure not written off or deferred revenue expenditure, intangible assets and accumulated losses.</p> <p>ii) Net worth per share = (Net worth of the company / Number of paid up shares).</p> <p>(b) i) Net worth of the company = Paid up capital + Consideration on exercise of Option/Warrants received/receivable by the company + free reserves other than Revaluation reserve – Miscellaneous expenditure not written off or deferred revenue expenditure, intangible assets and accumulated losses.</p> <p>Net worth per share = (Net worth of the company/{Number of paid-up shares + number of shares that would be obtained on conversion/exercise of outstanding warrants and options}).</p> <p>If the net worth of the company is negative, the share should be marked down to Zero.</p> <p>Computation of fair value per share to be considered for valuation at 15 % discount for illiquidity. <math>[(\text{Net worth per share} + \text{capitalized value of EPS}) / 2] * 0.85</math></p> <p>In case the latest balance sheet i.e. balance sheet prepared within nine months from the close of the accounting year of the company, is not available (unless the accounting year is changed) the shares should be valued as zero.</p> <p>At the discretion of the AMC and with the approval of the Valuation Committee, unlisted equity scrip may be valued at a price lower than the value derived using the aforesaid methodology.</p>
	Suspended security	<p>case trading in an equity security is suspended for trading on the stock exchange up to 30 days, then the last traded price would be considered for valuation of that security.</p>

		If an equity security is suspended for trading on the stock exchange for more than 30 days, then it would be considered as non-traded and valued accordingly
	Application money for Primary Market Issue	<p>i) Application money will be valued at cost up to 60 days from the closure of the issue. If the security is not allotted within 60 days from the closure of the issue, application money will be valued as per the directives of valuation committee. Rationale of valuing such application money will be recorded.</p> <p>ii) Equity securities allotted and proposed to be listed, but not listed, are to be valued at cost till two months from the date of allotment and after two months, are to be valued as unlisted securities. Method of valuing unlisted equity is stated above.</p>
	Shares tendered for buy-back	If a company offers to buy back entire portion of the shares tendered by a Mutual Fund Scheme, then such shares will be valued at the price of buy back, else, market price of the security will be considered for valuation till the date of receipt of formal confirmation of acceptance of shares tendered under the buyback scheme.
	Lock-in Shares	In case of Equity share under lock in for more than 3 months from date of purchase/allotment, which are traded on the stock exchanges, appropriate discount will be applied to the closing price quoted on the stock exchange as may be decided by the Valuation Committee on a case-to-case basis.
	Inter-Scheme Transfers	Inter-Scheme transfers would be done at the price of the security prevailing on the primary stock exchange (National Stock Exchange) at the time of effecting the transfer. If not traded on the primary stock exchange, the price at the Bombay Stock Exchange will be considered.
	Qualified Institutional Placement (QIP)/Follow on Public Offer (FPO)/Initial Public Offer (IPO)	In case of QIP and FPO, recognition and valuation would start from the date of allotment. In case of IPO the security would be valued at cost from the date of allotment till a day prior to listing and on the closing price (as per Traded criteria) from the day of listing.
Futures & Options	Traded & Non- Traded	On the valuation day, Options premium received/paid is marked to market based on the settlement prices provided by the respective stock exchanges. Futures contracts are valued at the settlement price provided by the respective stock exchanges. When a security is not traded on the respective stock exchange on the date of valuation, then at the settlement price provided by the respective stock exchange.
Foreign Securities		<ul style="list-style-type: none"> <li>• Foreign Securities shall be valued based on the last quoted closing price at Overseas Stock Exchange on which respective securities are listed. However, the AMC shall select the appropriate stock exchange at the time of launch of a scheme in case a security is listed on more than one stock exchange and the reason for the selection will be recorded in writing. Any subsequent change in the reference stock exchange used for valuation will be necessarily backed by reason for such change being recorded in writing by the AMC and approved by the Valuation Committee. However, in case of extreme volatility in other markets post the closure of the relevant markets, the AMC shall value the security at suitable fair value determined by the Valuation Committee.</li> <li>• When on a particular Valuation day, a security has not been traded on the selected stock exchange; the value at which it is traded on another stock exchange or last quoted closing price on selected stock exchange shall be used provided such date is not more than thirty days prior to the valuation date.</li> <li>• Due to difference in time zones of different markets, in case the closing prices of securities are not available within a given time frame to enable the AMC to upload the NAV for a Valuation Day, the AMC may source this information directly from Reuters or Bloomberg. In the event this information is not available, use the last available traded price / previous day price for the purpose of valuation.</li> <li>• On valuation date, all assets and liabilities in foreign currency shall be valued in Indian Rupees at the RBI reference rate as at the close of banking hours on the relevant business day in India. For Currencies where RBI reference rate is not available, Bloomberg / Reuters</li> </ul>

		<p>shall be used. If required the AMC may change the source of determining the exchange rate with the approval of the valuation committee.</p> <ul style="list-style-type: none"> <li>• Non-traded ADR /GDRs shall be valued after considering prices/ issue terms of underlying security. Valuation Committee shall decide the appropriate discount for illiquidity. Non-traded foreign security shall be valued by AMC at fair value after considering relevant factors on case to case basis.</li> <li>• Corporate Action (Foreign Security): In case of any corporate action event, the same shall be valued at fair price on case to case basis as may be determined by the Valuation Committee in consultation with Independent advisors (if required).</li> <li>• Units of Overseas Mutual Fund will be valued at the last available Net Asset Value of the underlying fund. On the valuation day, for conversion of foreign exchange currency into INR, RBI reference rate as at the close of banking hours on that day in India/Bloomberg/Reuters. If required the AMC may determine the reference rate from an alternative source as may be approved by the Valuation Committee from time to time.</li> </ul>
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**B. Fixed Income, Debt (including perpetual bonds), Money Market, Floating Rate, bills purchased under rediscounting scheme and related securities**

Category	Current Valuation Policy
<b>All Securities</b>	<p>At average of security level prices provided by CRISIL &amp; IMACS for individual securities.</p> <p>In case security level prices given by valuation agencies are not available for a new security which is currently not held by any Mutual Fund, then such security will be valued at purchase yield on the date of allotment/purchase.</p>
	<p>In case of any deviation from the valuation price for the money market and debt securities provided by valuation agencies, AMC shall follow the procedure mentioned in SEBI circular dated September 24, 2019.</p>
<b>Securities with put and call option</b>	<p><b>Securities where PUT option or CALL option is exercised with a residual maturity of 30 days or less:</b> Straight Line price amortization from the notice of the exercise of the put or call option till the date of exercise.</p> <p><b>Securities where PUT option or CALL option is exercised with a residual maturity of more than 30 days:</b> Shall be valued at prices provided by AMFI approved agencies, (currently CRISIL and ICRA) on each Valuation Day.</p> <p>In case if PUT option or CALL option is not exercised, valuation of such securities shall be done in line with Debt and Money Market Instruments as stated above in the policy based on their residual maturity.</p>
<b>Government Securities</b>	<p>Irrespective of the residual maturity, Government Securities including Treasury Bills shall be valued at average of security level prices obtained from CRISIL &amp; IMACS</p>
	<p><b><u>Waterfall approach for valuation of money market and debt securities</u></b></p> <p>The valuation agencies (CRISIL &amp; IMACS) will follow a waterfall approach for the valuation of money market and debt securities as follows:</p> <ol style="list-style-type: none"> <li>1. All traded securities will be valued on the basis of traded yields, subject to identification of outlier trades.</li> <li>2. Volume Weighted Average Yield (VWAY) for trades in the last one hour of trading will be used as the basis for valuation of Government Securities and Treasury Bills. Valuation of all other money market and debt securities including Government Securities not traded in the last one hour will be done on the basis of VWAY of all trades during the day.</li> <li>3. In case of any exceptional event on a day, only VWAY of trades post such an event will be considered for valuation.</li> </ol>

	<ol style="list-style-type: none"> <li>4. All trades on stock exchanges and trades reported on trade reporting platforms till end of the trade reporting time (excluding inter-scheme transfers) will be considered for arriving at the valuation every day.</li> <li>5. CRISIL &amp; IMACS will follow a polling process as part of the waterfall approach and will identify Mutual Funds who will participate in the polling process on a particular day.</li> </ol>
<p><b>Inter scheme Transfers debt / MMI securities</b></p>	<ol style="list-style-type: none"> <li>1. At average of security level prices provided by CRISIL &amp; IMACS for individual securities if prices are received within the pre-agreed TAT;</li> <li>2. If prices from only one valuation agency are received within the pre-agreed TAT, those prices will be used for IST pricing;</li> <li>3. If prices are not received from any of the valuation agencies within the pre-agreed TAT, the IST pricing will be arrived at using the following methodology:</li> </ol> <p>At weighted average YTM taking into account all trades done up to that particular point of inter scheme transfer.</p> <p><b>For securities with residual maturity &lt;= 30 days:</b> All trades with minimum traded lot of INR 50 crores value or more will be aggregated for <b>same or similar security</b> on a public platform.</p> <p><b>For securities with residual maturity &gt; 30 days:</b> All trades with minimum traded lot of INR 25 crores of face value or more will be aggregated for <b>same or similar security</b> on a public platform.</p> <p><b>Criteria for identifying similar securities:</b> Similar security should be identified by the following waterfall logic, Provided the maturity dates are within the same calendar quarter:</p> <ol style="list-style-type: none"> <li>1. Same issuer with maturity date within <math>\pm 3</math> days of maturity date of security for inter-scheme transfer shall be considered first. If no such instance is available, then Step 2 to be followed: <ul style="list-style-type: none"> <li>▣ <i>Example: For inter-scheme transfer of Punjab National Bank CD maturing on 15-Jun-2021, all secondary market trades of Punjab National Bank CD maturing within 12-Jun-2021 to 18-Jun-2021 will be considered first</i></li> </ul> </li> <li>2. Similar security from a different issuer within the same category (PSU Bank, Private Bank or Financial Institution, manufacturing, NBFC – broking, NBFC non-broking etc.) and similar credit rating(long term/short term), with maturity date within <math>\pm 3</math> days of maturity date of security considered for inter-scheme transfer <ul style="list-style-type: none"> <li>▣ <i>Example: For inter-scheme transfer of Punjab National Bank CD maturing on 15-Jun-2021, all secondary market trades of similar public sector bank CDs maturing within 12-Jun-2010 to 18-Jun-2021 will be considered.</i></li> </ul> </li> </ol> <p>Note: Outlier trades, if any, should be ignored after suitable justification by Fund Managers. In case no data point is available for a security, in accordance with above principles: Transfer at previously valued price.</p>
<p><b>Valuation of money market and debt securities which are rated below investment grade</b></p>	<ol style="list-style-type: none"> <li>1. A money market or debt security is classified as “below investment grade” if the long term rating of the security issued by a SEBI registered Credit Rating Agency is below BBB-- or if the short term rating of the security is below A3.</li> <li>2. A money market or debt security shall be classified as “Default” if the interest and/or principal amount has not been received, on the day such amount was due or when such security has been downgraded to “Default” grade by a Credit Rating Agency.</li> <li>3. All money market and debt securities which are rated below investment grade or Default shall be valued at the price provided by valuation agencies.</li> <li>4. Till such time the valuation agencies compute the valuation of money market and debt securities classified as below investment grade or Default, such securities shall be valued on the basis of indicative haircuts provided by these agencies. These indicative haircuts shall be applied on the date of credit event i.e. migration of the security to sub-investment grade and shall continue till the valuation agencies compute the valuation price of such securities. Further, these haircuts shall be updated and refined, as and when there is availability of material information which impacts the</li> </ol>

	<p>haircuts. The indicative haircut rate that is applied to the principal will be applied to the accrued interest also.</p> <ol style="list-style-type: none"> <li>In case of trades during the interim period between date of credit event and receipt of valuation price from valuation agencies, traded price will be considered if it is lower than the price post standard haircut. The said traded price shall be considered for valuation till the valuation price is determined by the valuation agencies.</li> <li>In case of trades after the valuation price is computed by the valuation agencies as referred above and where the traded price is lower than such computed price, such traded price shall be considered for the purpose of valuation and the valuation price will be revised accordingly.</li> <li>In case of any deviation from the valuation price for money market and debt securities rated below investment grade provided by the valuation agencies, the procedure as mentioned in SEBI circular No. SEBI/HO/IMD/DF4/CIR/P/2019/41 dated March 22, 2019 shall be followed.</li> <li>In case of securities classified as below investment grade but not default, interest accrual will continue with the same haircut applied to the principal. In case of securities classified as default, no further interest shall be made. Any recovery will first be adjusted against the outstanding interest recognized in the NAV and any balance shall be adjusted against the value of principal recognized in the NAV. Any recovery in excess of the carried value in the NAV will be applied first towards amount of interest written off and then towards amount of principle written off.</li> </ol>
	<p><b>Changes in terms of investment:</b> While making any change to terms of an investment, Mutual Funds shall adhere to the following conditions:</p> <ol style="list-style-type: none"> <li>Any changes to the terms of investment, which may have an impact on valuation, shall be reported to the valuation agencies immediately.</li> <li>Any extension in the maturity of a money market or debt security shall result in the security being treated as "Default", for the purpose of valuation.</li> <li>If the maturity date of a money market or debt security is shortened and then subsequently extended, the security shall be treated as "Default" for the purpose of valuation.</li> <li>Any put option inserted subsequent to the issuance of the security shall not be considered for the purpose of valuation and original terms of the issue will be considered for valuation.</li> </ol>
<b>Upfront Fees</b>	<ol style="list-style-type: none"> <li>Upfront Fees on all trades (including primary market trades), by whatever name called, will be considered by the valuation agencies for the purpose of valuation of securities.</li> <li>Details of such upfront fees will be shared with the valuation agencies on the trade date to enable them to arrive at the fair valuation for that date.</li> <li>Upfront fees will be reduced from the cost of investment and will be shared on pro-rata basis if the investment in a particular security is made from multiple schemes.</li> </ol>

**C. INVESTMENT IN InvITs and ReITs**

Asset Class	Traded/Non-traded/ Listed/Unlisted	Valuation Methodology
Units of InvITs / ReITs	Traded	Valuation of units of InvITs and ReITs will be based on the last quoted closing price on the principal stock exchange where such security is listed. The AMC has selected National Stock Exchange (NSE) as principal stock exchange. If no trade is reported on the principal stock exchange on a particular valuation date, units of InvITs and ReITs shall be valued at the last quoted closing price on other recognised stock exchange.
	Non-Traded	<ul style="list-style-type: none"> <li>When units of InvITs and ReITs are not traded on any stock exchange on a particular valuation day, the value at which these were traded on the selected stock exchange or any other stock exchange, as the case may be, on any day immediately prior to valuation day, shall be considered for valuation provided that such date is not more than thirty days prior to the valuation date.</li> <li>Where units of InvITs and ReITs are not traded on any stock exchange for a continuous period of 30 days</li> </ul>



		<p>then the valuation for such units of InvITs and REITs will be determined by the Valuation Committee in consultation with the Internal Auditors or independent valuation agencies as deemed appropriate by the Valuation Committee from time to time.</p> <ul style="list-style-type: none"> <li>• In addition to the above, if the valuation of units of InvITs and REITs is provided by the independent agency as approved by AMFI, AMC may get into an arrangement with such agency to provide security level price for Valuation.</li> </ul>
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**Notes:**

1. Public Platform in respect of inter-scheme trades refers to:

- a) RFQ/Corporate bond reporting platform of Stock Exchanges: for corporate bonds, debentures and securitized debts
- b) F-Trac: For commercial papers, certificate of deposits
- c) In case of multiple platforms reporting trades in corporate bonds, debentures and securitized debt, the order of preference would be Exchange (NSE OTC, NSE WDM, BSE) and own trades. The qualifying criteria will be observed at the exchange/platform level.
- d) In case of multiple platforms reporting trades in commercial paper and certificates of deposit, the order of preference would be FTRAC, Exchange (NSE WDM, BSE) and own trades. The qualifying criteria will be observed at the exchange/platform level.
- e) In case of multiple platform reporting trades in Government Securities, Treasury Bills & Cash Management bills, the order of preference would be Exchange (NDS OM, NSE WDM, BSE) and own trades. The qualifying criteria will be observed at the exchange/platform level.
- f) FTRAC/NDS OM/NSE WDM/NSE OTC/BSE WDM prices disseminated by Bilav Information Services LLP will be used for valuation.

2. Following assets with tenor upto 30 days will be valued at Cost plus accrual basis:

- a) Reverse Repo
- b) Tri-party Repo (TREPS)
- c) Short Term Deposit with banks

3. Units of mutual funds will be valued at the last published NAV As per AMFI website for nontraded funds and as per market prices for listed and traded funds on the valuation day. If market prices are not available for traded funds on a particular valuation day, the last available NAV as per AMFI website is considered for valuation.

4. Investment in units of Corporate Debt Market Development Fund is valued at the last published NAV as per AMFI website.

5. Interest rate swaps will be valued at average of security level prices provided by CRISIL & IMACS

6. Own trades will not be used for valuation of debt and money market securities and for inter-scheme transfers.

7. All securities with less than 30 days residual maturity other than sovereign securities will have long term rating (either by SEBI approved rating agency or internal long-term rating assigned)

8. The policy will stand modified to the extent it is inconsistent with any regulatory pronouncements hereafter.



## COMPUTATION OF NAV

### A. Policy of computation of NAV

The Mutual Fund shall compute the Net Asset Value (NAV) of each scheme in accordance with SEBI (Mutual Funds) Regulations, 1996. The NAV of the Scheme shall be calculated on all business days.

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 under the Scheme shall be calculated as follows:

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

The price arrived shall be rounded off up to two decimals. AMC reserves the right to calculate NAV more than two decimal places.

#### An Illustration:

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

Thus, the NAV will be calculated as:

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

Therefore, the NAV of the scheme is Rs. 22.0000

### B. Policy for computation of NAV in foreign securities

Computation of NAV in case of investment in foreign securities: On the valuation day, all the assets and liabilities denominated in foreign currency will be valued in Indian Rupees. The valuation price of the security will be converted to INR based on a reference rate provided by the designated agency at the close of banking hours in India. If required, the AMC may change the source of determining the exchange rate. The Fund shall value its investments according to the valuation norms as specified in the Eighth Schedule of the Regulations, or such guidelines / recommendations as may be specified by SEBI from time to time.

### C. Procedure in case of delay in disclosure of NAV

The AMC will calculate the NAV of the Scheme on every Business Day. The AMC shall prominently disclose the NAVs of the Scheme under a separate head on the website of the Fund ([www.canararobeco.com](http://www.canararobeco.com)) and on the website of AMFI ([www.amfiindia.com](http://www.amfiindia.com)) before 11.00 p.m. on every Business Day. In case of any delay, the reason for such delay would be explained to AMFI in writing. Mutual Funds shall report in the quarterly Compliance Test Reports (CTRs) the number of days when mutual funds were not able to adhere to the above mentioned time limit for uploading their NAVs on the AMFI website with reasons thereof and the corrective action taken by the AMC to reduce the number of such occurrences.

In case the NAVs are not available before the commencement of business hours on the following day due to any reason, Mutual Funds shall issue a press release giving reasons for the delay and explain when they would be able to publish the NAVs

## SECTION VIII - TAX, LEGAL & GENERAL INFORMATION

### A. Taxation on investing in Mutual Funds

Tax on investment in mutual fund to the investors and mutual fund is subject to the provisions of the Indian Income Tax Act, 1961, Income-tax Rules, 1962 and the circulars and notifications issued thereunder and the taxation laws in force as at the date of the document. Special reference needs to be made in respect of provisions related to tax on income from mutual funds, capital gains, business income and all other relevant provisions of the Income Tax Act. Provisions related to tax deduction at source shall also apply, wherever applicable.

The information given is included only for general purpose which is based on the law and practice currently in force in India and the Investors/Unit holders should be aware that the relevant fiscal rules or their interpretation may change. As is the case with any investment, there can be no guarantee that the tax position or the proposed tax position prevailing at the time of an investment in the Scheme will endure indefinitely. The tax information contained in SAI alone is not sufficient and should not be used for the development or implementation of an investment strategy or construed as investment advice. Investors alone shall be fully responsible/ liable for any decision taken on the basis of this document. Neither the Mutual Fund nor the AMC nor any person connected with it accepts any liability arising from the use of this information. Investors should study this SAI carefully in its entirety and should not construe the contents as advice relating to taxation. Investors are advised to consult their tax, investment and other professional advisors to determine possible tax, financial or other considerations of subscribing to or redeeming Units, before making a decision to invest/ redeem Units.

#### Tax Benefits/Consequences to the Mutual Fund

##### 1. Registered with SEBI

Canara Robeco Mutual Fund ("Fund") is a Mutual Fund registered with the Securities & Exchange Board of India and hence the entire income of the Mutual Fund is exempt from income-tax in accordance with the provisions of Section 10(23D) of the Income-tax Act, 1961 (the Act).

##### 2. No tax deducted at source (TDS) on receipt of income

The Mutual Fund should receive all income without any deduction of tax at source in terms of Section 196(iv) of the Act.

##### 3. Goods and Service Tax (GST)

The services provided by the agent/distributor to a Fund or asset management company, are taxable under forward charge. Accordingly, GST in respect of the fund agents and mutual fund distributor's services shall be paid by the agent or, as the case may be, by the distributor being service providers. Under the current applicable GST regime, the rate of GST is 18%.

##### 4. Statement of Financial Transactions

Section 285BA of the Act and Rule 114E prescribes specified reporting persons to furnish statement of financial transaction (SFT). The SFT has to be filed by the specified person electronically in Form No.61A on or before 31 May of the following financial year. As per the said Rule, the trustee of a mutual fund, or any other person authorised to manage the affairs of the mutual fund, is required to report receipt of money exceeding rupees ten lakhs from any person towards acquisition of units in mutual funds (in one or more schemes).

Further, the CBDT, has amended the Rule 114E to include reporting of information relating to capital gains on transfer of listed securities, units of mutual funds, dividend income and interest income in the SFT.

**TAXATION ON INVESTING IN MUTUAL FUNDS [FY 2023-24]**

**Applicable Income Tax Rates - Investments in Mutual Fund Schemes**

➤ **Tax Implications on Distributed Income (Other than Capital Gain) received by Unit holders from a Mutual Fund**

Income distributed by a Mutual Fund in respect of units of Mutual Fund is taxable in the hands of the unit holders at normal rates.

➤ **Long Term Capital Gains Tax (LTCG)**

**Long Term Capital Gains (Units of equity oriented funds held for more than 12 months and 36 months in case of other units)**

<b>Scheme type</b>	<b>Resident Individual/ HUF</b>	<b>Domestic Company</b>	<b>NRI</b>
Equity oriented schemes*	10% without indexation + 10% / 15% / 25% / 37% Surcharge <sup>§</sup> + 4% Cess = <b>11.44% or 11.96% or 13% or 14.248%</b>	10% without indexation + 7%/12% Surcharge <sup>§</sup> + 4% Cess = <b>11.128% or 11.648%</b>	10% without indexation + 10% / 15% / 25% / 37% Surcharge <sup>§</sup> + 4% Cess = <b>11.44% or 11.96% or 13% or 14.248%</b>
Other than Equity oriented schemes (listed) and other than specified mutual funds**	20% with indexation + 10%/15%/ 25% / 37% Surcharge <sup>§</sup> + 4% Cess = <b>22.88% or 23.92% or 26% or 28.496%</b>	20% with indexation + 7%/12% Surcharge as applicable <sup>§§</sup> + 4% Cess = <b>22.256% or 23.296%</b>	20% with indexation + 10%/15% / 25% / 37% Surcharge <sup>§</sup> + 4% Cess = <b>22.88% or 23.92% or 26% or 28.496%</b>
Other than Equity oriented schemes (unlisted) and other than specified mutual funds**	20% with indexation + 10%/15% / 25% / 37% Surcharge <sup>§</sup> + 4% Cess = <b>22.88% or 23.92% or 26% or 28.496%</b>	20% with indexation + 7%/12% Surcharge as applicable <sup>§§</sup> + 4% Cess = <b>22.256% or 23.296%</b>	10% without indexation + 10%/15% / 25% / 37% Surcharge <sup>§</sup> + 4% Cess = <b>11.44% or 11.96% or 13% or 14.248%</b>

Note:

\* Long term capital gains on transfer of equity shares or units of equity oriented funds (as defined under Explanation to Section 112A) shall be taxed at the rate of 10% on capital gains in excess of INR 1 lakh provided STT is paid at the time of transfer of such shares or units. In order to compute the capital gains arising on transfer of these shares or units of equity oriented funds, the cost of acquisition of such units shall be higher of the following –

- b. Actual cost of acquisition; and
- c. Lower of –

- a. Fair market value as on 31 January 2018 (as per prescribed method); and
- b. Full value of consideration received or accruing as result of transfer

As per the prescribed method, the fair market value as on 31 January 2018 is as follows:

<b>Circumstances</b>	<b>Fair Market value</b>
In case where capital asset is listed on recognized stock exchange	Highest price of capital asset quoted on such exchange on 31 January 2018
In case there is no trading in such asset on such exchange on 31 January 2018	Highest price of such asset on such exchange on a date immediately preceding 31 January 2018 when such asset was traded
In case where a unit is not listed on recognized stock exchange	Net asset value of such asset as on 31 January 2018

The concessional rate of 10% shall be applicable only if:

- In case of equity shares, STT is paid at the time of sale and at the time of acquisition of shares; and

- In case of unit of equity oriented fund, STT is paid at the time of sale.

Benefits of deduction under chapter VI-A and rebate under section 87A shall not be available on such capital gains income.

### Meaning of 'Equity oriented Mutual Fund'

Equity oriented Mutual fund as per Explanation to Section 112A is defined to include the mutual funds where minimum 65% of proceeds is invested in equity shares of listed domestic companies and specified funds of funds (i.e., a fund where minimum 90% of proceeds of such fund is invested in another fund and such fund has invested minimum 90% of proceeds in equity shares of listed domestic companies.) The percentage of equity shareholding or unit held in respect of a fund is to be computed using the annual average of the monthly averages of opening and closing figures.

### Meaning of 'Specified Mutual Fund'

The Finance Act, 2023 has inserted a new section 50AA under the Act which provides special provision for computation of capital gains in case of Market Linked Debentures and Specified Mutual Funds. In terms of said section, gains arising from transfer, redemption or maturity of market linked debenture or a unit of a Specified Mutual Fund acquired on or after 1 April 2023 would be deemed to as STCG. The meaning of a 'Specified Mutual Fund' has been provided as a mutual fund wherein not more than 35% of total proceeds are invested in the equity shares of domestic companies. The equity shareholding of the Mutual Fund is to be computed using the annual average of the daily closing figures. It is provided that no deduction of STT paid shall be allowed in computing capital gains.

\*\*Hence, the above taxation rate on LTCG for other than equity oriented mutual funds and other than specified mutual funds (i.e., row 2 and 3 of above table) are for the units acquired before 1 April 2023 wherein exposure in equity shares is less than 65% and/ or for the units acquired on or after 1 April 2023 wherein exposure in equity shares is more than 35% and less than 65%.

### ➤ Short Term Capital Gains Tax (STCG)

**Short Term Capital Gains (Units of equity oriented mutual fund schemes held for less than or equal to 12 months, 36 months in case of other units and units of specified mutual funds acquired on or after 1 April 2023, irrespective of holding period)**

Scheme type	Resident Individual/ HUF	Domestic Company	NRI
Equity oriented schemes*	15% + 10%/15%/ 25% / 37% Surcharge <sup>s</sup> + 4% Cess = <b>17.16% or 17.94% or 19.5% or 21.372%</b>	15%+ 7%/12% Surcharge as applicable <sup>ss</sup> + 4% Cess = <b>16.692% or 17.472%</b>	15% + 10%/15%/ 25% / 37% Surcharge <sup>s</sup> + 4% Cess = <b>17.16% or 17.94% or 19.5% or 21.372%</b>
Other than Equity oriented schemes and other than Specified Mutual Funds***	30%^ + 10%/15%/ 25% / 37% Surcharge <sup>s</sup> + 4% Cess = <b>34.32% or 35.88% or 39% or 42.744%</b>	30%** + 7%/12% Surcharge as applicable <sup>ss</sup> + 4% Cess = <b>33.384% or 34.944%</b>	30%^ + 10%/15%/ 25% / 37% Surcharge <sup>s</sup> + 4% Cess = <b>34.32% or 35.88% or 39% or 42.744%</b>
Specified Mutual funds (units acquired on or after 1 April 2023)***	30%^ + 10%/15%/ 25% / 37% Surcharge <sup>s</sup> + 4% Cess = <b>34.32% or 35.88% or 39% or 42.744%</b>	30%** + 7%/12% Surcharge as applicable <sup>ss</sup> + 4% Cess = <b>33.384% or 34.944%</b>	30%^ + 10%/15%/ 25% / 37% Surcharge <sup>s</sup> + 4% Cess = <b>34.32% or 35.88% or 39% or 42.744%</b>

\* STT will be deducted on equity oriented schemes at the time of redemption and switch to the other schemes. Mutual Fund would also pay STT wherever applicable on the securities sold.

\*\* In case of domestic companies whose turnover or gross receipts does not exceed INR 400 crore during the previous year, the applicable tax rate shall be 25%. Accordingly, in cases of such small domestic companies, the applicable tax rate on short-term capital gains shall be 27.82% or 29.12%.

\*\*\*Hence, the above taxation rate on STCG for other than equity oriented mutual funds and other than specified mutual funds (i.e., row 2 of above table) are for the units acquired before 1 April 2023 wherein exposure in equity shares is less than 65% and/ or for the units acquired on or after 1 April 2023 wherein exposure in equity shares is more than 35% and less than 65%. Also, the above taxation rate on STCG for specified mutual funds (i.e., row 3 of above table) are for the units acquired on or after 1 April 2023 wherein exposure in equity shares is 35% or less.

From AY 2020-21 onwards domestic companies can opt for a lower tax rate of 22% (plus surcharge of 10% and cess of 4%) for onwards as per section 115BAA/ 115BAB of the Act subject to prescribed conditions. Accordingly, in such cases, the applicable tax rate on short-term capital gains shall be 25.17%.

^ Assuming the investor falls into highest tax bracket

➤ **TAX DEDUCTED AT SOURCE (TDS)**

**(A) On Distributed Income**

**For Resident Individual/HUF/Domestic Companies** – 10% TDS on Distributed income exceeding Rs. 5,000<sup>§</sup>

**For NRI** – TDS of 20%<sup>§</sup>

Lower tax rate, if any, as mentioned in the applicable tax treaty would be available subject to satisfying conditions relating to treaty eligibility including beneficial ownership.

**(B) On Capital Gains (Applicable only to NRI investors)**

	<b>Short Term Capital Gains<sup>§</sup></b>	<b>Long Term Capital Gains<sup>§</sup></b>
Equity Oriented Schemes	17.16% or 17.94% or 19.5% or 21.372%	11.44% or 11.96% or 13% or 14.248%
Other than Equity Oriented Schemes (Listed)	34.32% or 35.88% or 39% or 42.744%	22.88% or 23.92% or 26% or 28.496% <sup>@</sup>
Other than Equity Oriented Schemes (Unlisted)	34.32% or 35.88% or 39% or 42.744%	11.44% or 11.96% or 13% or 14.248%

<sup>@</sup>After providing for indexation

**Note** – The above TDS in case of Short term capital gains shall also be applicable if units of Specified Mutual Fund as defined under Section 50AA is sold to NRI Investors.

Further, The Finance Act, 2021 has introduced section 206AB w.e.f 1 July 2021 providing for TDS at the higher of the following rates in case of payments made to a specified person (except non-resident not having permanent establishment in India) who have not filed return of income for the financial year (as amended by Finance Act 2022) immediately preceding the FY in which tax is required to be deducted, for which time limit for filing return has expired and the aggregate of tax deducted at source in their case is Rs. 50,000 or more in said previous year (as amended by Finance Act, 2022)

- Twice the rates specified in the relevant provisions; or
- Twice the rate or rates in force; or
- 5%

Additionally, if provisions of section 206AA are also applicable then tax is to be deducted at higher of the two rates provided i.e. rate as per section 206AB or section 206AA.

The specified person shall not include the non resident who does not have a permanent establishment in India (i.e., fixed place of business through which the business of the enterprise is wholly or partly carried on). The Finance Act 2023 has amended the proviso to Section 206AB and has also exclude a person who is not required to furnish the return of income for the assessment year relevant to the said previous year and is notified by the Central Government in the Official Gazette in this behalf from the specified person.

➤ **SURCHARGE RATES**

§ For individual /HUF / non-corporate/non-firm unit holders\*

Taxable Income	Surcharge rate
exceeds Rs. 50 lakhs but is less than Rs. 1 crore	10%
exceeds Rs. 1 crore but is less than Rs. 2 crore	15%
exceeds Rs. 2 crore but is less than Rs. 5 crore	25%#
exceeds Rs. 5 crore	37%#

#For income earned under provisions of section 111A and section 112A of the Act or the income by way of dividend, surcharge rate shall be 15% where income exceeds Rs 2 crore. Maximum Surcharge rate shall be 25% in case of individuals who has opted for new tax regime under section 115BAC.

§§ For Domestic Companies/Firms

Taxable Income	Surcharge rate
Above Rs 1 crore upto Rs 10 crores	7%
Above Rs 10 crores	12%

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

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

**For Foreign Companies**

Taxable Income	Surcharge rate
Above Rs 1 crore upto Rs 10 crores	2%
Above Rs 10 crores	5%

Note:

A non-resident tax payer has an option to be governed by the provisions of the Income tax Act, 1961 or the provisions of the relevant DTAA, whichever is more beneficial. As per the Income-tax Act, 1961 submission of tax residency certificate ("TRC") will be necessary for granting DTAA benefits to non-residents. A taxpayer claiming DTAA benefit shall furnish a TRC of his residence obtained by him from the Government of that country or specified territory. Further, if the prescribed information is not in TRC, in addition to the TRC, the non-resident may be required to provide a self-declaration in Form 10F or such other documents and information subsequently, as may be prescribed by the Indian Tax Authorities.

It is to be noted that Form 10F is now required to be file online on the income tax portal. The non-resident who are not having PAN and are not required to have PAN as per the relevant provisions of the Act read with relevant Rules were exempted from mandatory electronic filing of Form 10F till 31 March 2023. The CBDT has issued the notification extending this exemption to 30 September 2023 for such category of non-residents. However, it is clarified that such category of non-resident taxpayers must furnish manual form till 30 September 2023.

The provisions of section 206AA (higher withholding tax rate of 20%) shall not apply to non-residents *inter alia* in respect of payments on transfer of any capital asset if the non-resident receiver furnishes the following:

- Name, e-mail id, contact number
- Address in the country / territory of which the person is a resident
- Certificate of his being a resident of the country / territory (i.e., TRC) issued by the Government thereof
- Tax identification number / unique identification number in that country

➤ **Securities Transaction Tax**

Sale of units of equity oriented schemes to the Mutual fund would be liable to deduction of Securities Transaction Tax (STT) at the rate of 0.001% on the redemption value, payable by the investor and collected by the Fund at the time of redemption of units.

Transaction	Rates	Payable By
Purchase / Sale of equity shares	0.1%	Purchaser /

		Seller
Purchase of units of equity oriented mutual fund (delivery based) on recognized stock exchange	Nil	Purchaser
Sale of units of equity oriented mutual fund (delivery based) on recognized stock exchange	0.001%	Seller
Sale of equity shares, units of equity oriented mutual fund (non-delivery based)	0.025%	Seller
Sale of unit of an equity oriented fund to the Mutual Fund	0.001%	Seller

➤ **STAMP DUTY**

The following points shall be applicable with effect from July 1, 2020:

1. A stamp duty @0.005% of the transaction value would be levied on applicable mutual fund Purchase transactions including, Switch-in, SIP transactions and STP-in transactions in the units of Canara Robeco Mutual Fund, Accordingly, pursuant to levy of stamp duty, the number of units allotted on purchase transactions (including dividend/income distribution reinvestment) to the unit holders would be reduced to that extent.
2. The stamp duty so collected on behalf of the investors, by KFinTech (RTA), Depositories, Clearing Corporation, Stock Exchanges (for demat transactions) as the case may be, would be remitted to the state government or any other prescribed authorities, from time to time.
3. The stamp duty deducted from the unit holders will be reflected in the statement of account issued thereafter.
4. Redemption of investments will not attract any stamp duty.

Duty is imposed on the value of units excluding other charges like service charge, AMC fee, GST, etc

➤ **Widened scope for obligation to obtain Permanent Account Number [PAN]**

Every person, being a resident other than an individual which enters into a financial transaction aggregating to an amount of Rs. 2.5 lakhs or more in a financial year shall be required to obtain a PAN. Any individual who is a managing director, director, partner, trustee, author, founder, karta, chief executive officer, principal officer or officer bearer or any other person competent to act on behalf of the above referred person whose financial transaction exceeds the threshold of Rs. 2.5 lakhs shall be required to obtain the PAN.

➤ **Dividend Stripping**

Under the provisions of Section 94(7) of the Income Tax Act, 1961, loss arising on sale of Units, which are bought within 3 months prior to the record date (i.e. the date fixed by the Mutual Fund for the purposes of entitlement of the Unit holders to receive the income) and sold within 9 months after the record date, shall be ignored for the purpose of computing income chargeable to tax to the extent of exempt income received or receivable on such Units.

The loss due to sale of units in the schemes (where dividend is tax free) will not be available for setoff to the extent of the tax free dividend/income distribution declared, if units are: (A) bought within 3 months prior to the record date fixed for dividend/income distribution declaration; and (B) sold within nine months after the record date fixed for dividend/income distribution declaration.

➤ **Bonus Stripping**

The loss due to sale of original units in schemes, where bonus units are issued, will not be available for set off; if original units are: (A) bought within three months prior to the record date fixed for allotment of bonus units; and (B) sold within nine months after the record date fixed for allotment of bonus units. However, the amount of loss so ignored shall be deemed to be the cost of purchase or acquisition of such unsold bonus units.

➤ **Deduction under section 80C**

Equity Linked Savings Schemes (ELSS) are schemes formulated under the Equity Linked Savings Scheme (ELSS), 2005, issued by the Central Government. Accordingly, any investment made by an assessee (Individual, HUF or BOP) in the



ELSS of the Fund up to a sum of Rs. 150,000 in a financial year could qualify for deduction under Section 80C of the Act, if not opted for new tax regime under section 115BAC.

➤ **Non-Linking of PAN with Aadhar**

The CBDT vide its Press Release dated 28 March 2023 has extended the last date of linking of PAN and Aadhaar to 30 June 2023. CBDT has also issued the Notification No. 15/2023 where in exercise of powers conferred by Section 139AA read with Section 295 of the Act has amend the Rule 114AAA of the Income tax Rules, 1962 [the Rules] which is effective from 1 April 2023. In terms of Amended Rule 114AAA of the Rules, where a person, who has been allotted the PAN and is required to intimate his Aadhaar number under section 139AA of the Act, has failed to intimate the same on or before the 31 March 2022, the PAN of such person shall become inoperative immediately after the said date for the purposes of furnishing, intimating or quoting under the Act. Such cases of inoperative PAN shall tantamount to PAN not being furnished, intimated or quoted as the case may be and the said person shall be liable for all the consequences under the Act for not furnishing, intimating or quoting the PAN including withholding at higher rate under section 206AA of the Act.

Consequent to the above-mentioned notification, CBDT has issued a Circular No. 3 of 2023, where it has clarified that a person who has failed to intimate the Aadhaar Number will face the consequences mentioned in amended Rule 114AAA(3) as a result of his PAN becoming inoperative shall take into effect from 1 July 2023 and continue till the PAN becomes operative. Also, a fee of Rs. 1000 will continue to apply to make PAN operative by intimating the Aadhaar Number.

Accordingly, provisions of section 206AA would be applicable and tax could be withheld at a higher rate of 20% if PAN is not linked with Aadhaar upto 30 June 2023.

**NOTE:**

The above Statement of Possible Direct Tax Benefits / consequences sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of mutual fund units. The above list of tax treatment is not exhaustive and depends on specific entitlements of the assessee and his affairs and therefore the treatment may vary from case to case basis. In view of the individual nature of Tax Benefits, each investor is advised to consult his or her own Tax consultant with respect to the specific Tax implications arising out of his or her participation in the Scheme from the date of applicability of the various provisions furnished above. The Tax benefits stated above, in brief, are in accordance with prevailing Tax Laws.

**B. LEGAL INFORMATION****Nomination Facility:**

- a) In order to bring uniformity in practices across all constituents in securities market, the following is decided in case of nomination for eligible Mutual Fund Unit Holders:
- b) Investors subscribing to mutual fund units on or after August 1, 2022, shall have the choice of:
  - i) Providing nomination in the format specified in fourth schedule of SEBI (Mutual Funds) Regulations, 1996 (or)
  - ii) Opting out of nomination through a signed Declaration Form.
- c) Nomination is mandatory for new folios/accounts opened by individual especially with sole holding and no new folios/accounts for individuals in single holding will be opened without nomination.
- d) The nomination can be made only by individuals applying for/holding units on their own behalf on sole or joint basis. Where the units are held by more than one person, the joint unitholders *may* together nominate a person in whom all the rights in the units shall vest in the event of death of all the joint unitholders. In such events, where nomination is opted for by investors holding units under joint holding, all such joint holders must sign the request for nomination/cancellation of nomination. Nomination form cannot be signed by Power of attorney (PoA) holders.
- e) Applicants who do not wish to nominate must, at the designated space in the Application Form, confirm their intention of opting out of nomination, failing which the form may be rejected at the discretion of CRAMC/CRMF.
- f) An investor/unitholder in the scheme may be allowed to nominate up to a maximum of three nominees. The nomination will be on a proportionate basis and investor may specify the percentage for each nominee in the event of his / her demise. If the percentage is not specified, it will be equal percentage for the nominees by default.
- g) The details of the nominee(s) will be captured by the Registrar and will be available in the data base maintained. Upon receipt of intimation from the nominee(s) regarding demise of the investor duly accompanied with necessary documents e.g. providing proof of the death of the Unit Holder, signature of the nominee, furnishing proof of guardianship if the nominee is a minor, and the execution of an indemnity bond or such other documents as may be required from the nominee in favour of and to the satisfaction of CRAMC / Registrar, the units will be transmitted to the nominee(s) as per the percentage advised by the investor and a confirmation/fresh Statement of account will be sent to the new holder(s). Transfer of Units / payment to the nominee of the sums shall discharge the Mutual Fund / AMC of all liability towards the estate of the deceased Unit holder and his/her/their successors/legal heirs.
- h) Only the following categories of Indian residents can be nominated:
  - individuals;
  - minors through parent / legal guardian (whose name and address must be provided);
  - religious or charitable trusts; and
  - Central Government, State Government, a local authority or any person designated by virtue of his office
- i) Non-individuals including Society, Trust (Other than a Religious or Charitable Trust), Body Corporate, Partnership Firms, Karta of HUF, persons applying on behalf of minor or Holder of Power of Attorney are not eligible to nominate.
- j) A minor can be nominated and in that event, the guardian shall also sign the Nomination Form besides furnishing his/her name and address. The same guardian cannot be first / second holder for folio/account. Nomination facility is not allowed in a folio held on behalf of a minor.

- k) A Non-Resident Indian can be nominated subject to the Exchange Control Regulations in force in the country, from time to time.
- l) The nomination once made in respect of a given folio would automatically extend to the units further acquired in the same folio. Similarly, if all the units in a folio are transferred/ repurchase/ redeemed from such folio, Nomination made in respect of such folio will automatically stand cancelled.
- m) Nomination can be revoked /changed by submitting fresh Nomination Form, upon receipt of which the earlier nomination will stand cancelled.
- n) A nomination in respect of Units will be treated as rescinded upon the Redemption of all Units. Cancellation of a nomination can be made only by the Unit Holders who made the original nomination and must be notified in writing. On receipt of a valid cancellation, the nomination shall be treated as rescinded and CRAMC/CRMF shall not be under any obligation to transfer the Units in favour of the nominee.
- o) The transfer of Units / payment to the nominee of the Redemption proceeds shall be valid and effectual against any demand made upon the Fund / AMC /Trustee and shall discharge the Fund /AMC / Trustee of all liability towards the estate of the deceased Unit Holder and his / her legal personal representative or other successors. The Fund, the AMC and the Trustee are entitled to be indemnified from the deceased Unit Holder's estate against any liabilities whatsoever that any of them may suffer or incur in connection with a nomination.
- p) A valid Nomination, once made, will override a Will or other testamentary document(s) executed by the deceased unitholder(s) and the Fund will not entertain any claim from any person other than the registered Nominee, unless there is an Order contrary thereto passed by a Competent Court.
- q) Nomination forms received by the Fund will be scrutinised and the Nomination will be registered if the Form is found complete in all respects. For all valid nominations received, the Fund will allot a Registration Number and communicate the same to the unitholder(s) concerned, who shall quote such number in all future correspondence.
- r) For units held in electronic form, the Nomination shall be recorded with the respective Depository Participant. The Fund/AMC may not accept any Nomination in respect of such units.
- s) Applicant(s)/unitholders(s) desirous of availing Nomination facility may use the Nomination Form provided in the Application Form or may obtain Nomination Form together with instructions/guidelines from R&T Agents/Investor Relation Centres.
- t) Applicants who do not wish to nominate, must at the designate space confirming their intention on not to nominate, failing which the form may be rejected at the discretion of the AMC/Fund.
- u) Nomination facility is not allowed in a folio held on behalf of a minor.

## **KNOW YOUR CUSTOMER (KYC) COMPLIANCE**

Investors shall note that, in respect of non-PAN-exempt folios, it is mandatory for all unit holders, including for all joint holders and the guardian in case of folio of a minor investor to complete the KYC requirements. For all financial transactions (purchases, redemptions, switches and all types of systematic plans) it is mandatory to quote the KYC Compliance Status of each applicant (guardian in case of minor) in the application and attach proof of KYC Compliance viz. KYC Acknowledgement Letter. Applicants intending to apply for units through a Power of Attorney (PoA) must ensure that the issuer of the PoA and the holder of the PoA must mention their KYC Compliance Status and attach proof of KYC Compliance at the time of investment.

It may further be noted that in respect of non-PAN-exempt folios the financial transactions and non-financial requests received will not be processed if the unit holders have not completed KYC requirements.

With effect from January 1, 2012, SEBI has introduced a common KYC Application Form for all the SEBI registered intermediaries. New investors are therefore requested to use the common KYC Application Form and carry out the KYC process including In-Person Verification (IPV) with any SEBI registered intermediaries including mutual funds. The KYC Application Forms are also available on our website [www.canararobeco.com](http://www.canararobeco.com). Existing KYC compliant investors can continue the practice of providing copy of KYC Acknowledgement Letter. Once the investor has done KYC with any SEBI registered intermediary, the investor need not undergo the same process again. However, the Mutual Fund reserves the right to carry out fresh KYC of the investor.

The Mutual Fund shall perform the initial KYC of its new investors and may undertake enhanced KYC measures commensurate with the risk profile of its investors. The Mutual Fund shall upload the details of the investors on the system of the KYC Registration Agency (KRA). Registrar & Transfer Agent (RTA) of the Mutual Fund may also undertake the KYC of the investors on behalf of the Mutual Fund. KRA shall send a letter to the investor within 10 working days of the receipt of the initial/updated KYC documents from the Mutual Fund, confirming the details thereof.

Effective 1st April 2024, for the Investors with KYC status as "Registered", are mandatorily required to do a Re-KYC in case if they want to transact with another Mutual Fund for the first time. NRI Investor's are presently exempted from this regulation. Investor(s) with the KYC status as "Validated" are allowed to transact with any Mutual Fund without undergoing the necessity of re-KYC.

Once the investor has done KYC with a SEBI registered intermediary, the investor need not undergo the same process again with another intermediary including mutual funds. However, the Mutual Fund reserves the right to carry out fresh KYC of the investor, as deemed appropriate.

Investors are requested to take note that pursuant to the notification issued by Government of India dated February 13, 2019 to amend the Prevention of Money laundering (Maintenance of Records) Rules, 2005 and dated March 02, 2019 to amend Aadhaar Act, 2016, the requirement for submission of Aadhaar and its relevant authentication process has been dispensed in respect of the mutual fund folios / accounts. Aadhaar holder can submit their Aadhaar card copy as a proof of identity and proof of address, provided the investor redact or blackout the Aadhaar number before submission, however Aadhaar number cannot be stored or shared. This requirement is in addition to the Passport & other Officially Valid Documents (OVDs) prescribed by PMLA rules from time to time, that can be obtained from the customer as proof of identity or address.

Individual investors are requested to fill in 'KYC Details Change Form' issued by CVL-KRA which is also available on the CRMF website [www.canararobeco.com](http://www.canararobeco.com). This duly filled form along with IPV completed status can be submitted along with purchase application, to any of the Investor Service Centers (ISC) of CRMF as mentioned in the Scheme Information Document and the above website of CRMF. Alternatively, investors may also approach their existing mutual funds at any investor service centre for completion of this KYC requirement.

In case of Non Individuals who wish to invest first time in the scheme(s) of CRMF from the effective date, KYC is required to be done again with any SEBI registered KRA due to significant changes in KYC requirements. Non Individual investors are requested to fill in 'KYC Form' issued by CVL-KRA which is also available on the CRMF website [www.canararobeco.com](http://www.canararobeco.com).

For units held in demat form, the KYC performed by the Depository Participant of the applicants will be considered as KYC verification done by the Trustee / AMC. In the event of non compliance of KYC requirements, the Trustee/AMC reserves the right to freeze the folio of the investor(s) and effect mandatory redemption of unit holdings of the investors at the applicable NAV, subject to payment of exit load, if any.

It is mandatory for existing investors:-

- A) To update the beneficiary ownership details in order to continue to make additional subscriptions including switches in their existing folio.
- B) To provide / update additional KYC details as prescribed in Part-II of the Account Opening Forms of the Mutual Funds (Where such information were not provided earlier, to be able to continue to make additional subscription (including switches) in their existing folios with the respective schemes.

- C) To provide the missing information and complete IPV in order to continue to make additional subscriptions, including switches in their existing folios with the respective schemes.

Further, please note that as per the provisions mentioned under the SEBI circular dated 10<sup>th</sup> November, 2016 and AMFI Best Practices Guidelines Circular No. 68, with effect from 1st February, 2017 every prospective investor who is new to the KRA system and whose KYC is not registered or verified by the KRA system, is required to register his/her KYC by filling up the new CKYC forms (for both individual and non-individual) as provided by AMFI/CERSAI. In case any such new individual investor uses the old KYC form, he/she shall provide additional/missing information by filling the Supplementary CKYC form or the new CKYC form. Existing investors who are registered or verified in the KRA system can continue making investments without any additional documentation. However, for any modification to their existing records, they need to fill up the CKYC form. The aforesaid forms are available on the website of CRMF viz. [www.canararobeco.com](http://www.canararobeco.com) and for completion of CKYC process the investors are required to visit the nearest Point of Service or Point of Acceptance of transactions of CRAMC.

**Introduction of e-KYC Facility:** Investors are requested to note that Canara Robeco Mutual Fund ("CRMF") has decided to provide the facility of e-KYC to start investing in Canara Robeco Mutual Fund through Canara Robeco Investor Portal w.e.f. 22nd July 2022.

**E-KYC:** E-KYC is a paperless Aadhaar-based process for fulfilling your KYC requirements to start investing in Mutual Funds. SEBI has allowed Aadhaar-based KYC to be used for MF investments, for the convenience of investors. E-KYC facility is an electronic, 100% paperless process for first time investors investing in Mutual Funds to complete their Know Your Customer (KYC) process using their PAN card, Aadhaar and Bank Account details. All first-time investors who have not completed their KYC or whose KYC has got rejected for some reason can complete KYC using this facility at the time of

signing-up into the Canara Robeco Investor Portal or Canara Robeco Mobile App. Currently, this facility is only available for Resident Individual investors and not available for NRI, Non-individual and minor investors. Investors can start their investment journey as soon as E-KYC process is completed without any limitation on the amount which can be invested. This facility is available on Canara Robeco Investor portal and Canara Robeco Mobile App.

### **PREVENTION OF MONEY LAUNDERING**

SEBI vide its circular reference number ISD/CIR/RR/AML/1/06 dated January 18, 2006 mandated that all intermediaries including Mutual Funds should formulate and implement a proper policy framework as per the guidelines on anti-money laundering measures and also to adopt a Know Your Customer (KYC) policy.

The Investor(s) should ensure that the amount invested in the Scheme is through legitimate sources only and does not involve and is not designated for the purpose of any contravention or evasion of the provisions of the Income Tax Act, Prevention of Money Laundering Act (PMLA), Prevention of Corruption Act and / or any other applicable law in force and also any laws enacted by the Government of India from time to time or any rules, regulations, notifications or directions issued thereunder.

To ensure appropriate identification of the Investor(s) and with a view to monitor transactions for the prevention of money laundering, CRAMC/ CRMF reserves the right to seek information, record investor's telephonic calls and or obtain and retain documentation for establishing the identity of the Investor(s), proof of residence, source of funds, etc. It may re-verify identity and obtain any incomplete or additional information for this purpose.

CRAMC, CRMF, the Trustees and their Directors, employees and agents shall not be liable in any manner for any claims arising whatsoever on account of freezing the folios/rejection of any application / allotment of Units or mandatory redemption of Units due to non compliance with the provisions of the PMLA, SEBI/AMFI circular(s) and KYC policy and / or where CRAMC believes that transaction is suspicious in nature within the purview of the PMLA and SEBI/AMFI circular(s) and reporting the same to FIU-IND.

**PAN mandatory for all investors**

SEBI has made it mandatory for all applicants (in the case of application in joint names, each of the applicants) to mention his/her permanent account number (PAN) irrespective of the amount [Except for investment upto Rs. 50,000/- per year per investor including Micro SIP]. Where the applicant is a minor, and does not possess his / her own PAN, he / she shall quote the PAN of his/ her father or mother or the guardian, as the case may be. However, PAN is not mandatory in the case of Central Government, State Government entities and the officials appointed by the courts e.g. Official liquidator, Court receiver etc (under the category of Government) for transacting in the securities market. PAN card copy is not required separately if KYC acknowledgement issued by CVL/CVLKRA is made available. CRMF reserves the right to ascertain the status of such entities with adequate supporting documents. Applications not complying with the above requirement may not be accepted/processed.

Investors residing in the state of Sikkim are exempt from the mandatory requirement of PAN proof submission, however sufficient documentary evidence shall have to be submitted to the Mutual Fund for verifying that they are residents of State of Sikkim.

**Transfer and transmission of units:**

If a transferee becomes a holder of the units by operation of Law or on enforcement of a pledge or due to the death, insolvency or winding up of the affairs of the sole holder or the survivors of the joint holders, then the Trustee shall, subsequent to production of such evidence which in their opinion is sufficient, proceed to effect the transfer if the intended transferee is otherwise eligible to hold the units. Further, if either the Mutual Fund or the Asset Management Company incurs any loss whatsoever arising out of any litigation or harm that it may suffer in relation to the transmission, they will be entitled to be indemnified absolutely from the deceased unit holder's estate.

CRAMC will not accept any "Transmission-cum-Redemption" requests. The request for redemption of Units will be accepted only after processing the request for transmission of Units with requisite documentation thereof. The Stamp duty payable by the claimant with respect to the indemnity bond and affidavit, will be in accordance with the stamp duty prescribed by law as applicable in the respective states / stamp duty applicable.

The following documents shall be submitted for transmission of units:

1. Deletion of names of the deceased unit holders in case of death of 2nd and/or 3rd Holder
  - i) Request Form (Form T1) from surviving unitholder(s) requesting for Deletion of Name of Deceased 2<sup>nd</sup> and/or 3<sup>rd</sup> Holder.
  - ii) Death Certificate in original or photocopy duly attested by a Notary Public or a Gazetted Officer.
  - iii) Fresh Bank Mandate Form along with cancelled cheque of the new bank account (only if there is a change in existing bank mandate)
  - iv) Fresh Nomination Form (or Nomination Opt-out form) in case there is no nomination or a change in existing nomination is desired by the surviving unit holders..KYC Acknowledgment OR KYC Form of the surviving unit holder(s), if not KYC compliant. Transmission will be completed only once the status of the KYC is "KYC complied".  
Additional documentation required:  
ID proof [PAN/Redacted Aadhaar/Voter ID / Passport or any other valid Officially Valid Document (OVD) as per PMLA guidelines] of the deceased person attested by the claimant(s), duly notarized or originals can be shown at the AMC branches and Original Seen and verified (OSV) seal attested by them.
2. Transmission of Units to surviving unit holder(s) in case of death of the 1<sup>st</sup> holder
  - i) Transmission Request Form (Form T2) for Transmission of Units to the surviving unitholder/s.
  - ii) Death Certificate of the deceased unitholder(s) in original OR photocopy duly attested by a Notary Public or a Gazetted Officer.
  - iii) Copy of PAN Card of the Surviving Joint Holder(s) (if PAN is not provided already)
  - iv) Cancelled cheque of the new first unitholder, with the claimant's name pre-printed OR Recent Bank Statement/Passbook (not more than 3 months old) of the new first holder.



- v) KYC Acknowledgment OR KYC Form of the surviving unit holder(s), if not KYC compliant. Transmission will be completed only once the status of the KYC is "KYC complied".
  - vi) Fresh Nomination Form (or Nomination Opt-out form) in case there is no nomination or a change in existing nomination is desired by the surviving unit
  - v) Additional documentation required:  
ID proof [PAN/Redacted Aadhaar/Voter ID / Passport or any other OVD as per PMLA guidelines] of the deceased person attested by the claimant(s), duly notarized or originals can be shown at the AMC branches and OSV seal attested by them.
3. Transmission of Units to the registered Nominee/s in case of death of Sole or All unitholders:
- i) Transmission Request Form (Form T3) for Transmission of Units in favour of the Nominee(s).
  - ii) Death Certificate of the deceased unitholder(s) in original OR photocopy duly attested by a Notary Public or a Gazetted Officer.
  - iii) Copy of Birth Certificate, in case the Nominee is a minor.
  - iv) Copy of PAN Card of the Nominee(s) / Guardian (in case the Nominee is a minor)
  - v) KYC Acknowledgment OR KYC Form of the Nominee(s) / Guardian (where Nominee is a Minor). Transmission will be completed only once the status of the KYC is "KYC complied". Cancelled cheque with the Nominee's name pre-printed OR Copy of the Nominee's recent Bank Statement/Passbook (which is not more than 3 months old). Fresh Nomination Form (or Nomination Opt-out form) in case there is no nomination or a change in existing nomination is desired by the surviving unit
  - vi) If the transmission amount is upto ₹ 5 Lakh, Nominee's signature attested by the Bank Manager as per Annexure-I(a). In case the Nominee is a minor, signature of the guardian (as per the bank account of the Minor or the joint account of the minor with the guardian) shall be attested.
  - vii) If the transmission amount is for more than ₹ 5 Lakh, as an operational risk mitigation measure, signature of the Nominee shall be attested by a Notary Public or a Judicial Magistrate First Class (JMFC) with seal and date in the space provided for signature attestation in the TRF itself below the signature of the claimant.
  - viii) Additional documentation required:  
ID proof [PAN/Redacted Aadhaar/Voter ID / Passport or any other valid OVD as per PMLA guidelines] of the deceased person attested by the claimant(s), duly notarized or originals can be shown at the AMC branches and OSV seal attested by them.
4. Transmission of Units to the Claimant/s on death of Sole unitholder or All unitholders, where there is NO NOMINATION registered:
- i) Transmission Request Form (Form T3) for Transmission of Units to the Claimant
  - ii) Death Certificate of the deceased unitholder(s) in original OR photocopy duly attested by a Notary Public or a Gazette Officer.
  - iii) Copy of Birth Certificate in case the Claimant is a minor.
  - iv) Copy of PAN Card of the Claimant / Guardian (in case the Claimant is a minor).
  - v) KYC Acknowledgment OR KYC Form of the Claimant / Guardian (in case the Claimant is a Minor). Transmission will be completed only once the status of the KYC is "KYC complied".
  - vi) Cancelled cheque with the claimant's name pre-printed OR Copy of the Claimant's recent Bank Statement/Passbook (which is not more than 3 months old).
  - vii) Fresh Nomination Form (or Nomination Opt-out form) in case there is no nomination or a change in existing nomination is desired by the surviving unit



a. Additional documentation required:

ID proof [PAN/Redacted Aadhaar/Voter ID / Passport or any other valid OVD as per PMLA guidelines] of the deceased person attested by the claimant(s), duly notarized or originals can be shown at the AMC branches and OSV seal attested by them.

A. If the transmission amount is up to ₹ 5 Lakh –

- a) Bank Attestation of signature of the claimant by the Bank Manager as per Annexure-I(a). In case the claimant is a minor, the signature of the guardian (as per the bank account of the minor or the joint account of the minor with the Guardian) shall be attested.
- b) Any appropriate document evidencing relationship of the claimant/s with the deceased unitholder/s.
- c) Bond of Indemnity as per Annexure-II ◊ to be furnished by Legal Heirs for Transmission of Units without production of Legal Representation. Provided that in case the legal heir(s)/claimant(s) is submitting the Succession Certificate or Probate of Will or Letter of Administration or appropriate Court order wherein the claimant is named as a beneficiary, an affidavit as per Annexure-III from such legal heir/claimant(s) alone would be sufficient, i.e., Bond of Indemnity is not required.
- d) Individual Affidavit to be given by each legal heir as per Annexure-III
- e) NOC from other legal heirs as per Annexure – IV, where applicable.

B. If the transmission amount is more than ₹5 Lakh –

- a) Signature of the claimant duly attested by a Notary Public or a JMFC with seal and date in the space provided for signature attestation in the Form T3 itself below the signature of the claimant. In case the claimant is a minor, the signature of the guardian (as per the bank account of the minor or the joint account of the minor with the guardian) shall be attested.
- b) Individual affidavits to be given each legal heir as per Annexure-III
- c) 1. Where transmission value at the PAN-level is more than ₹5 lakh, but less than ₹10 lakhs, any one of the documents mentioned below:

-Notarised copy of Registered Will along with a Notarized indemnity bond from the claimant (appropriate beneficiary of the will) to whom the securities are to be transmitted, as per the format specified;

OR

-Legal Heirship Certificate or its equivalent, along with :

- i. a Notarized indemnity bond from the legal heir(s) / claimant(s) to whom the securities are to be transmitted, as per the format specified provided and
  - ii. No Objection Certificate from all the non-claimants (i.e., remaining legal-heirs), duly attested by a Notary Public, JFMC or by a Gazetted Officer as per the format specified .
2. (ii) Where transmission value at the PAN-level is more than ₹10 lakhs, any one of the documents mentioned below:

- i. Notarised copy of Probated Will; OR
  - ii. Succession Certificate issued by a competent court, OR
  - iii. Letter of Administration or court decree, in case of Intestate Succession.
- d) d. Identity proof (e.g., copy of PAN card, redacted Aadhaar card, passport) of all legal heirs signing the NOC/affidavit other than claimant/s (i.e., legal heirs other than the claimant mentioned in Probate or Letters of Administration or Succession Certificate).
5. Change of Karta upon death of the Karta of Hindu Undivided Family (HUF):  
HUF, being a Hindu Undivided Family, the property of the family is managed by the Karta and HUF does not come to an end in the event of death of the Karta. In such a case, the members of the HUF will appoint the new Karta who needs to submit following documents for transmission:
- i) Request Form (Form T4) for change of Karta upon demise of the registered Karta
  - ii) Death Certificate of the deceased Karta in original or photocopy duly attested by a Notary Public or a Gazette Officer.
  - iii) Bank's letter certifying that the signature and details of the new Karta have been updated in the bank account of the HUF & attesting the signature of the new Karta as per Annexure-1(b).
  - iv) KYC acknowledgment OR KYC form of the new Karta and the HUF, if not KYC-compliant. Transmission will be completed only after the KYC status is updated as "KYC complied".
  - v) Indemnity Bond as per Annexure V signed by all surviving coparceners (including the new Karta).
  - vi) Any appropriate document evidencing relationship of the new Karta and the other coparceners with the deceased Karta. Additional documentation required:
    - vii) a) ID proof [PAN/Redacted Aadhaar/Voter ID / Passport or any other valid OVD as per PMLA guidelines] of the deceased Karta attested by the new Karta, duly notarized or originals to be shown at the AMC branches.
    - b) If the transmission amount is for more than ₹ 5 lakh, the signature of the new Karta shall be attested by a Notary Public or a JMFC in the space provided for signature attestation in the TRF itself below the signature of the claimant.
6. Transmission of Units to the Claimant/s upon death of the Karta of HUF, where there is no surviving co-parcener or the HUF has been dissolved/partitioned after demise of the Karta
- i Transmission Request Form (Form T5) for Transmission of Units to the Claimant.
  - ii Death certificate of the deceased Karta in original OR photocopy thereof attested by a notary public/gazette officer in original copy of birth certificate.
  - iii Self -attested copy of PAN Card of the claimant(s) / guardian (in case the claimant is a minor).
  - iv KYC acknowledgment or KYC form of the claimant(s) /guardian (in case the claimant is a minor). Transmission will be completed only after the status of the KYC is updated as "KYC complied".
  - v Cancelled cheque with the claimant's name pre-printed thereon OR copy of the claimant's recent bank statement/passbook which is not more than 3 months old.
  - vi If the transmission amount is upto ₹ 5 lakh, attestation of the signature of the claimant by bank manager as per Annexure-I(a). In case the claimant is a minor, the signature of the guardian (as per the minor's bank account / minors joint account with the guardian) shall be attested. If the transmission amount is for more than ₹ 5 lakh, the signature of the claimant shall be attested by a Notary Public or a JMFC in the space provided for signature attestation in the TRF itself below the signature of the claimant.
  - vii Bond of Indemnity to be furnished by the Claimant as per Annexure-VI.
  - viii If the HUF has been dissolved/partitioned by the surviving members after demise of the Karta, the transmission of units shall be processed on the basis of any of the following documents:
    - a) Notarized copy of Settlement Deed, OR
    - b) Notarized copy of Deed of Partition, OR
    - c) Notarized copy of Decree of the relevant competent Court.

Additional documentation required: • ID proof [PAN/Redacted Aadhaar/Voter ID / Passport or any other valid OVD as per PMLA guidelines] of the deceased person attested by the claimant(s), duly notarized or originals can be shown at the AMC branches and Original Seen & Verified stamp attested by them.

#### Transmission of Units in close ended schemes and ELSS

In the event of the death of the unitholder under ELSS, the nominee or legal heir, shall be able to withdraw the investment under ELSS only after the completion of one year from the date of allotment of the units to the investor, but before completion of three years' lock-in. In other words, the three years' lock-in period is relaxed / reduced to one year from the date of allotment of the units in such cases.

#### Repurchase of Units under Close Ended Scheme upon death of the Unitholder(s):

As per Regulation 33(1) of SEBI (Mutual Funds) Regulations, 1996, *Units of a close ended scheme, other than those of an Equity Linked Savings Scheme, launched on or after the commencement of the Securities and Exchange Board of India (Mutual Funds) (Amendment) Regulations, 2009 shall not be repurchased before the end of maturity period of such scheme.*

Thus, in case of death of the sole unit holder or all unitholders (in case of joint holding) in a close ended scheme, the claimant (Le., the *nominee* or *the legal heir*) shall be able to withdraw the investment only after maturity period of the scheme.

However, the transmission of units in favour of the claimant may be completed before the maturity date of the scheme, provided the claimant is otherwise eligible to hold the Units under the respective scheme and has completed the KYC process etc. If the claimant desires to redeem the investment held by the deceased unit holder in the scheme before the maturity date, he/she may be advised to -

- (i) Complete the transmission procedure first;
- (ii) Apply for dematerialisation of the Units (after the Units are transmitted in favour of the claimant); and
- (iii) Subsequently, sell the dematerialised units in the secondary market.

Pursuant to SEBI Circular no. CIR/MD/DF/10/2010 dated August 18, 2010 it is clarified that, in order to facilitate transferability of units held in one demat account to another demat account, units of CRMF schemes (other than open ended ELSS scheme) held in demat form shall be freely transferable.

#### Treatment of unclaimed amounts (including unclaimed dividend/ redemption proceeds)

On receipt of a Transmission Request Form, CRAMC/RTA shall ascertain whether there are any unclaimed amounts, including units in the dedicated Plan under Liquid Schemes/ Money Market Mutual Fund (created specifically for deployment of the unclaimed amounts) to the credit of the deceased unitholder. CRAMC/RTA shall also ascertain whether there is any unclaimed redemption/dividend or refund amount payable to the deceased unit holder, which is yet to be transferred to such separate/ dedicated Plan under Liquid Funds for unclaimed amounts. If there is any such unclaimed amounts and/or units, such amount shall be paid by direct credit to the claimant's registered bank account via NEFT/RTGS/Direct Fund transfer etc. immediately **upon the successful completion of the transmission process**, with a suitable intimation to the claimant giving complete details / account statement.

#### **Clarifications:**

1. The formats of the Affidavit, Bond of Indemnity, NOC are made available on the website of CRMF.
2. In case of death of the 1st holder, if there are two surviving joint holders, the surviving 2nd holder shall be treated as the new primary / 1st holder. Self-attested copy of PAN card of claimant(s) is mandatory and Name(s) as per PAN card should match with claimant's name(s). Additionally, CRAMC/ RTA validate such PAN independently with Income Tax database to check the validity of PAN, status and name, including PAN-Aadhaar linking.

3. In case the claimant is a resident of Sikkim state, appropriate Id. proof should be obtained in lieu of PAN card and the AMC/RTA may rely on the said document for processing the claim.
4. KYC status of the claimant(s) should be 'Verified' / 'Complied'. Else, the original KYC form duly filled, supported by the documentary proof should be obtained. If Aadhaar is provided as OVD, transmission request shall be processed only after KYC status is updated in KRA system as valid.
5. If the death certificate is issued through online mode, CRAMC/ RTA will validate the same through online mode wherever possible and have access to the relevant site.
6. ID proof (PAN/Redacted Aadhaar/Voter ID/Passport or any other valid OVD as per PMLA guidelines] of the deceased person should be obtained along with the transmission request (as a risk mitigation measure).
7. If the claimant produces the original document for verification at front office of CRAMC branch, the CRAMC official shall verify the original thereof and affix the 'Original Seen & Verified' stamp suitably.
8. If the original is not produced for verification, the photocopies of the supporting documents submitted for transmission of units, such as the death certificate of the deceased, birth certificate of the minor, Probate of Will, Succession Certificate, Letter of Administration etc. shall be duly attested by a Notary Public or a Gazette Officer.
9. Apart from the name of the deceased, any one other factor (such as Father's name / Spouse's Name, Address] as per the death certificate should match with the records available in the respective folio(s) or as per KYC records of the deceased person / claimant(s). If there is any mismatch, the claimant should be advised to substantiate with suitable evidence.
10. Bank mandate information provided at the time of transmission should mandatorily subjected to 'penny drop' validation [IMPS] in addition to the documentary proof submitted and the name should match as per the bank records vs. folio records. If the name is not matching or name not found as part of the penny drop reverse feed, suitable notification should be sent to the claimant to establish further documentary evidence / proof, post confirmation from them and evidence is found to be satisfactory, then transmission process can be allowed.
11. There should be a cooling off period of 10 business days between the date of transmission of units and subsequent redemption as being done for change of bank mandate.
12. CRAMC will send suitable communication to the registered (existing) address as well [if different from the claimant's address] as a fraud prevention measure.
13. Where the units are to be transmitted to a minor beneficiary, various documents like KYC, PAN, Indemnity should be obtained from the guardian of the minor nominee / legal heir. Bank attestation of the signature of the guardian of the minor should be as per the bank account of the minor or the joint account of the minor with the guardian.
14. In case of multiple nominees/ claimants, the monetary threshold of more than ₹ 5 lakh for the purpose of obtaining the Indemnity Bond shall be determined on the basis of the aggregate value of the Units under all the folios for which the transmission request is being submitted as per the latest NAV as on the date of receipt of the claim, before dividing / splitting the claim amongst multiple nominees or claimants/ surviving co-parceners.
15. If the total value of the Units being transmitted exceeds ₹5 lakhs, Identity proof such as copy of PAN or redacted Aadhaar card or passport of all legal heirs signing the NOC other than claimant/s i.e. legal heirs other than the claimant mentioned in the Probate or Letters of Administration or Succession Certificate, should be obtained.

16. Where there are more than one claimant (nominee or legal heir) in a folio or set of folios, the nominees / legal heirs should be encouraged/ requested to submit the transmission request together so that all the Units held by the deceased unitholder(s) could be transmitted in one-go to for operational efficiency and convenience.
17. In such cases where the deceased was the 1st holder in respect any one of the folios/funds, units in all other holdings across all other folios/schemes, where the deceased was the 1st unitholder shall be 'Stop' marked/blocked against any further transactions on the basis of PAN or PEKRN.
18. If the deceased unitholder(s) held units in multiple folios, e.g., as the 1st holder(s) in some folios and as the joint holder in others, a single Transmission Request form may be accepted for operational ease, provided all the deceased holders are common across the multiple folios (irrespective of the order of names of the deceased) AND the nominee(s) / claimant(s) is/are also common/same across ALL the folios.
19. Once a transmission request is received, CRAMC/RTA shall determine if the deceased unitholder had any unit holdings under any other scheme / folio, and put a flag in the system against all other folios of the deceased unitholder, basis PAN / PEKRN with a suitable communication to the surviving unitholders / nominee/s (if any, registered against the folios) to submit the claim form with required documents in respect of the remaining folios.
20. The process and documentation for transmission of units where the claimant / nominee is a mentally unsound person, shall be the same as applicable to a Minor claimant, except that the Guardian shall be a court appointed guardian. Additionally, a Medical Certificate from an appropriate registered medical practitioner may be obtained regarding the mentally unsound person.
21. If the transmission amount is for more than ₹ 5 Lakh, as an operational risk mitigation measure, the signature of the Nominee/ Claimant shall be attested only by a Notary Public or a JMFC (and not banker's attestation). For this purpose, space has been provided for signature in the transmission request form below the signature of the claimant.

### **Winding up of the Scheme:**

A Scheme of a Mutual Fund may be wound up, after repaying the amount due to the unit holders :

- a. on the happening of any event which, in the opinion of the Trustees, requires the Scheme to be wound up ; or
- b. if 75% of the unit holders of a Scheme pass a resolution that the Scheme be wound up ; or
- c. if SEBI so directs in the interest of unit holders.

Where a Scheme is wound up under the above regulation, the Trustees shall give notice within one day, disclosing the circumstances leading to the winding up of the Scheme :

- a. to SEBI; and
- b. in two daily newspapers having circulation all over India and a vernacular news paper circulating at the place where the Mutual Fund is formed.

Provided that where a scheme is to be wound up under Regulation 39(2)(a), the trustees shall obtain consent of the unit holders participating in the voting by simple majority on the basis of one vote per unit and publish the results of voting within forty five days from the publication of newspaper notice as specified under point (b) above and if trustees fail to obtain the required consent of the unitholders then, the schemes shall be reopened for business activities from the second business day after publication of results of the voting.

Further in case of non-fulfillment of SEBI Circular dated December 12, 2003 relating to Minimum Number of Investors in Scheme(s)/ Plans of Mutual Funds the provisions of Regulation 39(2)(c) of SEBI (Mutual Funds) Regulations, 1996 would become applicable automatically without any reference from SEBI. Accordingly, the scheme(s) shall be wound up by

following the guidelines laid down by SEBI. Please refer to the Scheme Information Document of respective scheme(s) for more details.

Effect of winding up:

On and from the date of the publication of the notice as stated above, the Trustee or the AMC as the case maybe, shall :

- (a) cease to carry on any business activities in respect of the Scheme so wound up;
- (b) cease to create or cancel Units in the Scheme;
- (c) cease to issue or redeem Units in the Scheme.

Procedure and manner of winding up:

In case of winding up of the Scheme, the Trustees shall proceed as follows :

1. The Trustees shall call a meeting of the Unit holders of the Scheme to consider and pass necessary resolutions by simple majority of Unit holders present and voting at the meeting for authorising CRAMC or any other person / agency to take the steps for winding up of the Scheme.  
Provided that a meeting shall not be necessary if the Scheme is wound up at the end of the maturity period.
2. The Trustees or the person authorised as above, shall dispose the assets of the Scheme concerned in the best interests of the Unit holders of the Scheme. From the proceeds of the assets of the scheme, the Trustees shall first discharge all liabilities of the scheme and make provision for meeting the expenses of the winding-up of the scheme, including the fees of the AMC. The Trustees shall distribute the proceeds to the Unit holders, in proportion to their respective interest in the assets of the scheme as on the date when the decision for winding up was taken, all proceeds derived from the realization of the investments, after recovering all costs, charges, expenses, claims, liabilities, whether actual or contingent, incurred, made or apprehended by the Trustees in connection with or arising out of the termination of the scheme.
3. On the completion of the winding up, the Trustee shall forward to SEBI and the Unit holders, a report on the winding up containing particulars such as circumstances leading to the winding up, the steps taken for disposal of assets of the Scheme before winding up, expenses of the Scheme for winding up, net assets available for distribution to the Unit holders and a certificate from the Auditors of the Mutual Fund.
4. Notwithstanding anything contained herein, the application of the provisions of SEBI (MF) Regulations in respect of disclosures of half-yearly reports and annual reports shall continue to be applicable until the winding up is completed or the Scheme ceases to exist.
5. After the receipt of report referred to the above under "Procedure and Manner of Winding up" if SEBI is satisfied that all measures for winding up of the Scheme have been complied with, the Scheme shall cease to exist.

Pursuant to Para 7.2 of Master Circular for Mutual Funds dated May 19, 2023, units of Mutual Fund schemes which are in the process of winding-up in terms of Regulation 39(2)(a) of MF Regulations shall be listed on recognized stock exchange, subject to compliance with listing formalities as stipulated by the stock exchange. Further, pursuant to listing, trading on stock exchange mechanism will not be mandatory for investors, but an optional channel to exit such schemes.

**C. General Information**

**Inter-Scheme Transfer of Securities:**

As per the provisions of SEBI circular dated 8<sup>th</sup> October, 2020, ISTs may be allowed in the following scenarios:

**a) For meeting liquidity requirement in a scheme in case of unanticipated redemption pressure:**

AMC shall have an appropriate Liquidity Risk Management (LRM) Model at scheme level, approved by trustees, to ensure that reasonable liquidity requirements are adequately provided for. Recourse to ISTs for managing liquidity will only be taken after the following avenues for raising liquidity have been attempted and exhausted:

1. Use of scheme cash & cash equivalent
2. Use of market borrowing
3. Selling of scheme securities in the market
4. After attempting all the above, if there is still a scheme level liquidity deficit, then out of the remaining securities, outward ISTs of the optimal mix of low duration paper with highest quality shall be effected.

The use of market borrowing before ISTs will be optional and Fund Manager may at his discretion take decision on borrowing in the best interest of unitholders. The option of market borrowing or selling of security as mentioned at point II & III above may be used in any combination and not necessarily in the above order. In case option of market borrowing and/or selling of security is not used, the reason for the same shall be recorded with evidence.

**b) For Duration/ Issuer/ Sector/ Group rebalancing**

1. ISTs shall be allowed only to rebalance the breach of regulatory limit.
2. ISTs can be done where any one of duration, issuer, sector and group balancing is required in both the transferor and transferee schemes. Different reasons cannot be cited for transferor and transferee schemes except in case of transferee schemes is being a Credit Risk scheme.
3. In order to guard against possible mis-use of ISTs in Credit Risk scheme, trustees shall ensure to have a mechanism in place to negatively impact the performance incentives of Fund Managers, Chief Investment Officers (CIOs), etc. involved in process of ISTs in Credit Risk scheme, in case the security becomes default grade after the ISTs within a period of one year. Such negative impact on performance shall mirror the existing mechanism for performance incentives of the AMC.

No ISTs of a security shall be allowed, if there is negative news or rumors in the mainstream media or an alert is generated about the security, based on internal credit risk assessment in terms of clause F of SEBI Circular No. SEBI/HO/IMD/DF2/CIR/P/2019/104 dated October 01, 2019 during the previous four months.

If security gets downgraded following ISTs, within a period of four months, Fund Manager of buying scheme has to provide detailed justification /rationale to the trustees for buying such security.

AMC shall ensure that Compliance Officer, Chief Investment Officer and Fund Managers of transferor and transferee schemes have satisfied themselves that ISTs undertaken are in compliance with the regulatory requirements. All documentary evidence and required Template in this regard shall be maintained by the AMC for all ISTs.

**Aggregate investment in the Scheme under the following categories:**

In accordance with Paragraph on ‘Scheme Related Disclosures’ of SEBI Master Circular for Mutual Funds dated May 19, 2023, please find below the aggregate investment in the respective Scheme(s) by Board of Directors of Canara Robeco Asset Management Co. Ltd. and key personnel as on May 31, 2024:

Scheme Name	Aggregate amount invested in the Scheme as on May 31, 2024 (market value in Rs.)		
	AMC’s Board of Directors	Key personnel (excluding Fund Manager)	Fund Manager
Canara Robeco Manufacturing Fund	0	2282449.51	48621.44
Canara Robeco Multi Cap Fund	0	3145848.43	168143.85
Canara Robeco Mid Cap Fund	0	4286157.7	263099.05
Canara Robeco Banking and PSU Debt Fund	22069.92	234341.87	2324159.48



Canara Robeco Consumer Trends Fund	0	16101721.43	508229.82
Canara Robeco Short Duration Fund	0	1042718.54	726780.39
Canara Robeco Dynamic Bond Fund	0	104665.79	1149222.2
Canara Robeco Flexi Cap Fund	0	30072234.37	2485914.75
Canara Robeco Emerging Equities	0	22622937.48	3602909.53
Canara Robeco ELSS Tax Saver Fund	0	6090884.82	2055071.12
Canara Robeco Focused Equity Fund	0	9883535.46	2405358.93
Canara Robeco Savings Fund	0	3249793.61	541348.14
Canara Robeco Equity Hybrid Fund	0	9498151.73	6809355.19
Canara Robeco Gilt Fund	0	1285542.24	168850.71
Canara Robeco Income Fund	0	107883.93	71761.27
Canara Robeco Infrastructure	0	6758786.14	147535.39
Canara Robeco Blue Chip Equity Fund	0	14282184.15	3504356
Canara Robeco Liquid Fund	0	2267842.69	1488761.53
Canara Robeco Conservative Hybrid Fund	0	1128805.5	363142.29
Canara Robeco Corporate Bond Fund	0	1546436.84	160290.34
Canara Robeco Overnight Fund	0	305872794.6	0
Canara Robeco Small Cap Fund	0	11116986.63	1885625.04
Canara Robeco Ultra Short Term Fund	0	470879.97	527018.79
Canara Robeco Value Fund	0	7743965.95	1492883.06

### **Dematerialisation and Rematerialisation procedures**

The Unit holders/investors would have an option to hold the Units in dematerialized form. The Applicant intending to hold units in dematerialized form will be required to have a beneficiary account with a Depository Participant (DP) of NSDL/CDSL and will be required to mention, in the application form, the DP ID Number and the Beneficiary account number of the applicant held with the DP at the time of subscribing to the units. Applicants must ensure that the sequence of the names as mentioned in the application form matches with that of the beneficiary account held with the DP. Names, PAN details, KYC details etc. mentioned in the Application Form will be verified against the Depository records. Only those applications where the details are matched with the depository data, will be treated as valid applications. In case the demat details mentioned in the application are incomplete/incorrect or do not match with the depository records, the application shall be treated as invalid for processing under demat mode and therefore may be considered for processing in non-demat form i.e. in physical mode if the application is otherwise valid.

Unitholders who have opted to hold and are thereby allotted units in dematerialized form will receive payment of redemption/dividend proceeds into bank account linked to their Demat account. In case, the Unit holder desires to hold the Units in a Dematerialized/Rematerialized form at a later date, the request for conversion of units held in non-demat form into Demat form or vice versa should be submitted alongwith a Demat/Remat Request Form to their Depository Participants. Investors should ensure that the combination of names in the account statement is the same as that in the demat account.

The allotment of units in demat form shall be subject in terms of the guidelines /procedural requirements as laid by the Depositories (NSDL/CDSL) from time to time. Units held in demat form will be transferable subject to the provisions laid under the respective Scheme(s)/Plan(s) and in accordance with provisions of Depositories Act, 1996 and the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as may be amended from time to time.

In case of Exchange traded Funds, Units of the scheme shall be available and compulsorily be issued/repurchased and traded in dematerialized form.

**ASBA disclosures**

**Applications Supported by Blocked Amount (ASBA) facility:** Investors are provided ASBA facility for all NFOs.

ASBA means “Application supported by Blocked Amount”. ASBA is an application containing an authorization given by the Investor to block the application money in his/her specified bank account towards the subscription of Units offered during the NFO of a Scheme.

**Process:**

- An ASBA investor shall submit a duly filled up ASBA Application form, physically or electronically, to the Self Certified Syndicate Bank (SCSB) with whom the bank account to be blocked, is maintained.
  - In case of ASBA application form in physical mode, the investor shall submit the ASBA Application Form at the Bank branch of SCSB, which is designated for the purpose and the investor must be holding a bank account with such SCSB.
  - In case of ASBA application form in electronic form, the investor shall submit the ASBA Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for subscribing to units of Mutual Fund scheme authorising SCSB to block the subscription money in a bank account.
- Investors shall correctly mention the Bank Account number in the ASBA Application Form and ensure that funds equal to the subscription amount are available in the bank account maintained with the SCSB before submitting the same to the designated branch.
- Upon submission of an ASBA Application Form with the SCSB, whether in physical or electronic mode, investor shall be deemed to have agreed to block the entire subscription amount specified and authorized the Designated Branch to block such amount in the Bank Account.
- On the basis of an authorisation given by the account holder in the ASBA Application Form, the SCSB shall block the subscription money in the Bank Account specified in the ASBA Application Form. The subscription money shall remain blocked in the Bank Account till allotment of units under the scheme or till rejection of the application, as the case may be.
- If the Bank Account specified in the ASBA Application Form does not have sufficient credit balance to meet the subscription money, the ASBA application shall be rejected by the SCSB.
- The ASBA Application Form should not be accompanied by cheque, demand draft or any mode of payment other than authorisation to block subscription amount in the Bank Account.
- All grievances relating to the ASBA facility may be addressed to the BANK/AMC / RTA to the Issue, with a copy to the SCSB, giving full details such as name, address of the applicant, subscription amount blocked on application, bank account number and the Designated Branch or the collection centre of the SCSB where the ASBA Application Form was submitted by the Investor.
- ASBA facility extended to investors shall operate in accordance with the SEBI guidelines in force from time to time.
- Name of the First accountholder in bank to be the first unitholder in folio. If the name is not matched the application will be rejected and amount to be refunded if any.
- SCSB means Self Certified Syndicate Bank registered with the SEBI, which offers the facility of ASBA. The current list of SCSBs as available on SEBI website is as follows:

1. Axis Bank Ltd 2. Bank of Baroda 3. Bank of India 4. Bank of Maharashtra 5. Canara Bank 6. Central Bank of India 7. CITI Bank 8. Deutsche Bank 9. HDFC Bank Ltd. 10. HSBC Ltd. 11. ICICI Bank Ltd. 12. IDBI Bank Ltd. 13. Indian Bank 14. Indian Overseas Bank 15. IndusInd Bank 16. J P Morgan Chase Bank, N.A. 17. Karur Vysya Bank Ltd. 18. Kotak Mahindra Bank Ltd. 19. Nutan Nagarik Sahakari Bank Ltd. 20. Punjab National Bank 21. South Indian Bank 22. Standard Chartered Bank 23. State Bank of India 24. The Federal Bank 25. UCO Bank 25. Union Bank of India 27. YES Bank Ltd.

For the complete list of controlling / designated branches of above mentioned SCSBs, please refer to websites - [www.sebi.gov.in](http://www.sebi.gov.in), [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).

### **Portfolio Turnover Details**

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 optimize 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 mitigate the risks by using adequate risk management techniques. The portfolio turnover policy will be aimed at enhancing the returns/growth.

The Scheme is open ended, with subscriptions and redemptions expected on a daily basis, resulting in net inflow/outflow of funds, and on account of the various factors that affect portfolio turnover; it is difficult to give an estimate, with any reasonable amount of accuracy. Therefore, the Scheme has no specific target relating to portfolio turnover.

With effect from 01st April 2023, IND AS guidelines have been implemented and all transactions cost of investment are to be expenses out (i.e., charged to revenue account instead of capitalisation) as per the amended Regulations 52 (6A)(a) of SEBI (Mutual Funds) Regulations 1996.

### **ASSOCIATE TRANSACTIONS:**

#### **1) Investments in Associates or Group Companies of the Sponsors:**

AMC does not have any separate policy for investment in securities of the group companies. If at any time such investments are made, it will be done on pure commercial consideration for the benefit of the Fund. No investment will be made in any unlisted security of an associate or group company of the Sponsor and in any security issued by way of private placement by an associate or group company of the Sponsor.

In accordance with SEBI (Mutual Fund) Regulation, 1996, the Scheme shall not make any investment in:

- I) any unlisted security of an associate or group company of the Sponsors ; or
- II) any security issued by way of private placement by an associate or group company of the Sponsors ; or
- III) the listed securities of group companies of the Sponsors which is in excess of 25% of the Net Assets.

#### **Business dealings / transactions with associates of AMC**

CRAMC shall conduct its business with these Subsidiaries / Associates of the Sponsors on commercial terms and on arms' length basis and at the prevailing market rate. The prevailing market rate is the extent permitted under the regulations determined after an evaluation of the competitiveness of the pricing offered by the Associates / Subsidiaries of the Sponsors and the services to be provided by them. CRAMC may also utilise the services of Canara Bank/ ORIX Corporation Europe N. V. for marketing / distribution of applications and agency commission in scheme(s) at a rate not exceeding the maximum rate of commission being paid to any of the other distributors in the same scheme(s).

#### **2) Underwriting Obligations with respect to issues of Associates Companies of Sponsors:**

As on date, the Fund has no underwriting obligations.

#### **3) Subscription in Issues lead managed by the Sponsors or its Associates during last 3 years:**

**For the year 2021-22:**

Nil

For the year 2022-23:

Nil

For the year 2023-24:

Nil

4) Brokerage and commission paid to associates/related parties/group companies of Sponsor/AMC during the past three years is as under:

- Commission paid to associates/related parties/group companies:

For the Period: 2021-22

Name of associate /related parties/ Group companies of Sponsor/AMC	Nature of Association / Nature of Relation	Period covered	Business Given		Commission paid	
			Rs. in Cr.	% of total business received by the fund	Rs. in Cr.	% of total business received by the fund
Canara Bank	Sponsor	April 2021 to March 2022	1983.52	5.30	43.68	10.74
Canara Bank Securities Limited	Associate	April 2021 to March 2022	4.58	0.01	0.07	0.02

For the Period: 2022-23

Name of associate /related parties/ Group companies of Sponsor/AMC	Nature of Association/ Nature of Relation	Period covered	Business Given		Commission paid	
			Rs. In Cr	% of total business received by the fund	Rs. In Cr	% of total business received by the fund
Canara Bank	Sponsor	Apr 2022 to Mar 2023	2150.02	5.52	46.87	8.34
Canara Bank Securities Limited	Associate	Apr 2022 to Mar 2023	2.34	0.01	0.09	0.02

For the Period: 2023 – 2024

Name of associate /related parties/ Group companies of Sponsor/AMC	Nature of Association/ Nature of Relation	Period covered	Business Given		Commission paid	
			Rs. In Cr	% of total business received by the fund	Rs. In Cr	% of total business received by the fund
CANARA BANK	Sponsor	Apr 2023 to Mar 2024	3091.34	7.04	50.49	7.51
CANARA BANK SECURITIES LIMITED	Associate	Apr 2023 to Mar 2024	1.56	0.00	0.11	0.02

- Brokerage paid to associates/related parties/group companies:

**For the Period: 2021-22**

Name of associate /related parties/ Group companies of Sponsor/AMC	Nature of Association/ Nature of Relation	Period covered	Value of transaction		Brokerage paid	
			Rs. in Cr.	% of total value of transaction the fund	Rs. in Cr	% of total brokerage paid by the fund
Canara Bank Securities Ltd	Group company of the Sponsor	April 2021 to March 2022	782.16	0.32	1.72	0.02

**For the Period: 2022-23**

Name of associate /related parties/ Group companies of Sponsor/AMC	Nature of Association/ Nature of Relation	Period covered	Value of transaction		Brokerage paid	
			Rs. in Cr.	% of total value of transaction the fund	Rs. in Cr	% of total brokerage paid by the fund
Canara Bank Securities Ltd	Group Company of the Sponsor	April 2022 to March 2023	610.86	1.38	0.73	1.98

**For the Period: 2023-24**

Name of associate /related parties/ Group companies of Sponsor/AMC	Nature of Association/ Nature of Relation	Period covered	Value of transaction		Brokerage paid	
			Rs. in Cr.	% of total value of transaction the fund	Rs. in Cr	% of total brokerage paid by the fund
CANARA BANK SECURITIES LTD	Group Company	April 2023 to March 2024	1013.56	1.63%	1.22	2.30%

The Investment Manager may from time to time for conducting the normal business, utilise the services of any of the Associates / Subsidiaries of the Sponsors. The Investment Manager may also utilise the services of any of the subsidiaries of the Sponsors to be established at a later date in case such subsidiaries are in a position to provide requisite services to the Investment Manager.

The Investment Manager shall conduct its business with these Subsidiaries / Associates of the Sponsors on commercial terms and on arms' length basis and at the then prevailing market rates / prices to the extent permitted under the regulations, after an evaluation of the competitiveness of the pricing offered by the Associates / Subsidiaries of the Sponsors and the services to be provided by them. The Investment Manager may also utilise the services of Canara Bank for marketing / distribution of applications and agency commission in scheme(s) at a rate not exceeding the maximum rate of commission being paid to any of the other distributors in the same scheme(s).

**Documents Available for Inspection**

The following documents will be available for inspection at the office of CRMF at Construction House, 4<sup>th</sup> Floor, 5, Walchand Hirachand Marg, Ballard Estate, Mumbai 400 001 during business hours on any day (excluding Saturdays, Sundays and public holidays):

- Memorandum and Articles of Association of CRAMC
- Investment Management Agreement
- Trust Deed and amendments thereto, if any

- Mutual Fund Registration Certificate
- Agreement between the Mutual Fund and the Custodian
- Agreement with Registrar and Share Transfer Agents
- Consent of Auditors to act in the said capacity
- Consent of Legal Advisors to act in the said capacity
- Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments from time to time thereto.
- Indian Trusts Act, 1882.

### **Investor Grievances and Redressal**

CRMF has appointed **KFin Technologies Limited** as its Registrar & Transfer Agent (RTA) to service the investors and is constantly monitoring its functioning, by interacting with it, to provide efficient and expeditious service to the investors. 23 Investor Relation Centres (IRCs) of CRAMC have been set up throughout India to give efficient service to the investors. The RTA has established 193 Collection Centres pan India for servicing the investors.

The statistical data for investor complaints (including request for change of address, general correspondence etc) received and redressed is given below:

<b>From</b>	<b>01.04.2021</b>	<b>01.04.2022</b>	<b>01.04.2023</b>	<b>01.04.2024</b>
<b>To</b>	<b>31.03.2022</b>	<b>31.03.2023</b>	<b>31.03.2024</b>	<b>31.05.2024</b>
<b>Complaints Received</b>	225	260	240	33
<b>Complaints Addressed</b>	225	260	240	33
<b>Complaints Pending</b>	0	0	0	0

Investors may contact the RTA at any of its Collection Centres, the IRCs or the Head office of CRAMC for any clarifications or grievances. All grievances received by the IRCs or Head-office will be forwarded to the RTA, if required, for necessary action. The complaints will closely be followed up with the RTA to ensure timely redressal and prompt investor service.

**Ms. Pallavi Singh, Investor Relations Officer**, can be contacted at the office of the Mumbai IRC at Ground floor, Construction House, 5 Walchand Hirachand Marg, Ballard Estate, Mumbai 400 001, Telephone No.: 022-66585000, Fax No.: 022-66585012/13, Email: [iro@canararobeco.com](mailto:iro@canararobeco.com), Website: [www.canararobeco.com](http://www.canararobeco.com)

### **Information pertaining to Investments by the Schemes of the Fund**

#### **1. Derivative strategies**

- **Risk associated with investing in Derivatives:**

As and when Schemes 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.

Derivatives are highly leveraged instruments. Even a small price movement in the underlying security could have a large impact on their value. Derivatives can provide disproportionate gains as well as disproportionate losses to the investor. Execution of such strategies depends upon the ability of the Fund Manager to identify such opportunities. Identification and execution of the strategies to be pursued by the Fund Manager involve uncertainty and decision of Fund Manager may not always be profitable. No assurance can be given that the Fund Manager will be able to identify or execute such strategies.

The risk associated with the use of derivatives is different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments. Derivatives may be riskier than other types of investments because they may be more sensitive to changes in economic or market conditions than other types of investments and could result in the losses that significantly exceed the Scheme's original investment. Certain derivatives may give rise to a form of leverage. Due to the low margin deposits normally required in trading financial derivative instruments, an extremely high degree of leverage is typical for trading in financial derivative instruments. As a result, the Scheme may be more volatile than if the Scheme had not been leveraged because the leverage tends to exaggerate the effect of any increase or decrease in the value of the Scheme's portfolio. A relatively small price movement in a derivative contract may result in substantial losses to the investor.

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

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

- **Trading in derivatives has the following risks:**

- a) An exposure to derivatives in excess of the hedging requirements can lead to losses.
- b) An exposure to derivatives can also limit the profits from a genuine investment transaction.
- c) Efficiency of a derivative market depends on the development of a liquid and efficient market for underlying securities.
- d) **Particular Risks of Exchange Traded Derivative Transactions**  
The securities exchange on which the shares of the Scheme may be listed may have the right to suspend or limit trading in all securities which it lists. Such a suspension would expose the Scheme to losses and delays in its ability to redeem shares of the Scheme.
- e) **Stock Market Fluctuations**  
Investors may note that the value of their investment may fall as well as rise and they may get back less than they originally invested. The value of equity securities may go down as well as up in response to the performance of individual companies and general market conditions.
- f) **Income Distribution cum Capital Withdrawal (Dividends)**  
The Scheme may distribute not only investment income, but also realized capital gains or capital. Where capital is distributed, this will result in a corresponding reduction in the value of shares of the Scheme, and a reduction in the potential for long-term capital growth.
- g) **Warrants**  
The Scheme may invest in warrants, the values of these warrants are likely to fluctuate more than the prices of the underlying securities because of the greater volatility of warrant prices.
- h) **Futures and Options**  
The Scheme may use options and futures on securities, indices and interest rates for the purpose of efficient portfolio management. Transactions in futures and options carry a high degree of risk. A relatively small market movement will have a proportionately larger impact which may work for or against the investor. The placing of certain orders which are intended to limit losses to certain amounts may not be effective because market conditions may make it impossible to execute such orders.
- i) **Listing**  
In case the shares of the Scheme are listed, the exchanges on which those shares are listed will have no responsibility for the contents of any prospectus issued by the Scheme or will make no representations as to its accuracy or completeness and expressly disclaim any liability whatsoever for any kind of loss arising from or in reliance upon any part of any such prospectus.



**Hedging and Derivatives:**

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

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

SEBI has also vide Para 7.5 of SEBI Master Circular for Mutual Funds dated May 19, 2023 permitted Mutual Funds to participate in the derivatives market at par with Foreign Institutional Investors (FII). Accordingly, Mutual Funds shall be treated at par with a registered FII in respect of position limits in index futures, index options, stock options and stock futures contracts. The Fund shall comply with the guidelines issued by SEBI and amendments thereof issued from time to time in derivative trading.

**Equity / Equity Related Derivative Instruments:**

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

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

**Basic Structure of an Index Future**

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

**Illustration:**

Spot Index: 1070

1 month Nifty Future Price on day 1: 1075

Fund buys 100 lots

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

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

Profits of the Fund =  $(1085-1075) * 100 \text{ lots} * 200 = \text{Rs.}200,000$ .

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

Loss for the Fund =  $(1060-1075) * 100 \text{ lots} * 200 = (\text{Rs.}300,000)$

*Please note that the above example is given for illustration purposes only.*

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

**Strategy Number No. 1**

Using Index Future to increase percentage investment in equities.

The strategy will be used for the purpose of generating returns on idle cash, pending its investment in equities. The Scheme is open ended in nature and subject to daily inflows. There may be a time lag between the inflow of funds and

their deployment in equities. If so desired, the AMC would be able to take immediate exposure to equities via index futures. The position in index futures may be reversed in a phased manner, as the funds are deployed in the equity markets.

**Example:**

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

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

**RISKS:**

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

**Strategy Number 2**

**Using Index Futures to decrease percentage investment in equities:**

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

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

Portfolio	Event	Equity Portfolio Gain/(Loss) (Rs. In crore)	Derivatives Gain/(Loss) (Rs. In crore)	Total portfolio Gain/(Loss) (Rs. In crore)
Without Hedge Rs.100 crore equity Exposure	10% fall in equity price	(10)	NIL	(10)
With Hedge Rs.100 crore equity Exposure	10% fall in equity prices	(10)	5	(5)
Without Hedge Rs.100 crore equity Exposure	10% rise in equity prices	10	NIL	10
With Hedge Rs.100 crore equity Exposure	10% rise in equity prices	10	(5)	5

### 50% Hedge – contract value of Rs. 50 crore

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

### RISKS

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

### Strategy Number 3

#### Portfolio Protection Using Index Put:

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

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

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

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

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

### RISKS:

- The table shows that the portfolio value will not fall below Rs. 94 crore, while the scheme benefits from any increase in stock prices. The table assumes perfect correlation between the equity portfolio and the index. However this may

not be the case. Therefore, the minimum portfolio value cannot be assured, but the loss is expected to be lower in a portfolio with a put option on the index, as compared to a normal portfolio.

- The put option would lead to a gain based on the difference between the strike price and the index level at expiration date, if positive. However, in case the option is reversed before the expiration date, the market price received on the sale of the option may be different from the price calculated.
- While liquidity exists in options markets, there can be no assurance that the ready liquidity would exist at all points in time, for the scheme to purchase or close out a specific options contracts.
- In the case of purchase of a stock put, the strategy is a perfect hedge on the expiration date of the put option. On other days, there may be (temporary) imperfect correlation between the share price and the put option, which can potentially take the stock value below the minimum under the hedge.

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

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

**Strategy Number 4**

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

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

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

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

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

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

**RISKS:**

- The strategy of taking a long position in call options increases the exposure to the market. The long position is positively correlated with the market. However, there is no assurance that the stocks in the portfolio and the index behave in the same manner and thus this strategy may not provide gains perfectly aligned to the movement in the index.
- If the call options expire in the money, but not enough to compensate the premium paid, the returns of the option strategy could be less than the returns of the underlying equity market on maturity.
- Further, if the options expire out of the money, the scheme will face a loss to the extent of the premium paid for options. In such case even if the equity market has a positive return during the tenure of the Scheme, the Scheme may not provide positive returns in line with the market.
- While liquidity exists in options markets, there can be no assurance that ready liquidity would exist at all points in time, for the scheme to purchase or close out a specific options contracts.
- The call option will have as much loss as a gain in the underlying index post deducting the option premium. However, this is true only for option contracts held till maturity. In the event that a option contract is closed out before its expiry, the quoted price of the option contract may be different from the gain/loss due to the movement of the underlying index.

#### **Advantages of Equity Derivatives:**

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

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

#### **Debt / Debt Related Derivatives:**

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

#### **Interest Rates Swaps (IRS):**

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

#### **Forward Rate Agreements (FRA):**

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

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

#### **Basic Structure of an Interest Rate Swap**

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

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

#### **Illustration:**

Fixed interest rate: 10% p.a.

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

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

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

Fixed Rate Payment :  $Rs.10,00,00,000.00 \times 182 \times 10 / 365 \times 100 = Rs.49,86,301.36$

Variable Rate :  $Rs.10,00,00,000.00 \times 182 \times 8 / 365 \times 100 = Rs.39,89,041.09$

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

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

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

### **Valuation of Derivative Products**

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

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

The valuation of untraded derivatives shall be done in accordance with the valuation method for untraded investments prescribed in sub clauses (i) and (ii) of clause 2 of the Eighth Schedule to the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 as amended from time to time.

### **Exposure to Derivatives**

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

### **Risk associated with Derivatives trading:**

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

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

**The Schemes will comply with provisions specified at para 12.24 and 12.25 of SEBI Master Circular dated May 19, 2023 as amended from time to time related to overall exposure limits applicable for derivative transactions as stated below:**

- a) The cumulative gross exposure through equity, debt and derivative positions should not exceed 100% of the net assets of the scheme.
- b) The scheme may write options only under covered call strategy for constituent stocks of Nifty 50 or BSE Sensex and will fully comply with all the provisions of para 12.25 of SEBI Master Circular dated May 19, 2023 amended from time to time, in this regard.
- c) The total exposure related to option premium paid must not exceed 20% of the net assets of the scheme.



- d) Cash or cash equivalents with residual maturity of less than 91 days may be treated as not creating any exposure. SEBI vide letter dated November 3, 2021 to AMFI has clarified that Cash Equivalent shall consist of Government Securities, T-Bills and Repo on Government Securities.
- e) Exposure due to hedging positions may not be included in the above mentioned limits subject to the following
  - i. Hedging positions are the derivative positions that reduce possible losses on an existing position in securities and till the existing position remains.
  - ii. Hedging positions cannot be taken for existing derivative positions. Exposure due to such positions shall have to be added and treated under limits mentioned in Point i.
  - iii. Any derivative instrument used to hedge has the same underlying security as the existing position being hedged.
  - iv. The quantity of underlying associated with the derivative position taken for hedging purposes does not exceed the quantity of the existing position against which hedge has been taken.
- f) Mutual Funds may enter into plain vanilla Interest Rate Swaps (IRS) for hedging purposes. The value of the notional principal in such cases must not exceed the value of respective existing assets being hedged by the scheme.
- g) In case of participation in IRS is through over the counter transactions, the counter party has to be an entity recognized as a market maker by RBI and exposure to a single counterparty in such transactions should not exceed 10% of the net assets of the scheme. However, if mutual funds are transacting in IRS through an electronic trading platform offered by the Clearing Corporation of India Ltd. (CCIL) and CCIL is the central counterparty for such transactions guaranteeing settlement, the single counterparty limit of 10% shall not be applicable.
- h) Exposure due to derivative positions taken for hedging purposes in excess of the underlying position against which the hedging position has been taken, shall be treated under the limits mentioned in point.

## 2. Swing Pricing

### **Swing pricing framework for open ended debt schemes of Canara Robeco Mutual Fund**

With a view of safeguarding the interest of small investors against any large redemptions, SEBI vide its circular SEBI/HO/IMD/IMD-II DOF3/P/CIR/2021/631 dated September 29, 2021 introduced provisions pertaining to Swing Pricing Framework for open ended debt schemes (except overnight funds, Gilt funds and Gilt with 10-year maturity funds) with effect from **May 01, 2022**.

In view of the provisions mentioned in aforesaid circular, a mandatory full swing pricing framework, during market dislocation times (as and when declared by SEBI), is being introduced in all open ended debt schemes of Canara Robeco Mutual Fund (except overnight funds, Gilt funds and Gilt with 10-year maturity funds) as given below:

#### **Meaning of Swing Pricing:**

Swing pricing refers to a process for adjusting a fund's Net Asset Value (NAV) to effectively pass on transaction costs stemming from net capital activity (i.e., flows into or out of the fund) to the investors associated with that activity during the life of a fund, excluding ramp-up period or termination. In other words, Swing Pricing is an anti-dilution technique which helps funds manage liquidity risks internally by effectively passing on transaction costs to the unitholder/investors associated with that activity. In a liquidity-challenged environment, quoted bid/ask spreads and overall trading cost can widen and may not be representative of the executed prices that can be achieved in the market. In such circumstances, swing pricing can be a useful mechanism to contribute to protect the interests of existing investors, specifically from the dilution of their holdings; and contribute to protect the value of the investors capital.

#### **Applicability of Swing Pricing Framework:**

The swing pricing framework will be made applicable only for scenarios related to net outflows from the debt schemes.

SEBI will determine 'market dislocation' either based on AMFI's recommendation or suo moto. Once market dislocation is declared, it will be notified by SEBI that swing pricing will be applicable for a specified period.

Subsequent to the announcement of market dislocation, the swing pricing framework shall be mandated only for open ended debt schemes which:

- 3. Have "High" or "Very High" risk on the risk-o-meter (as of the most recent period at the time of declaration of market dislocation) and
- 4. Potential Risk Class (PRC) cells A-III, B-II, B-III, C-I, C-II and C-III



**Minimum swing factor for open ended debt schemes:**

Following mandatory swing factor will be applied on redemption and subscription transactions in the above-mentioned schemes during market dislocation period announced by SEBI.

<b>Minimum swing factor for open ended debt schemes</b>			
<b>Credit Risk of scheme →</b>	<b>Class A (CRV*<math>\geq</math>12)</b>	<b>Class B (CRV<math>\geq</math>10)</b>	<b>Class C (CRV<math>&lt;</math>10)</b>
<b>Interest Rate Risk of scheme ↓</b>			
<b>Class I: (MD<math>\leq</math>1 year)</b>	Nil	Nil	1.50%
<b>Class II: (MD<math>\leq</math>3 years)</b>	Nil	1.25%	1.75%
<b>Class III: Any Macaulay Duration (MD)</b>	1.00%	1.50%	2.00%

\*CRV: Credit Risk Value

**Applicability of Swing Pricing to Investors:**

When swing pricing mechanism is triggered and swing factor is made applicable during market dislocation, both the incoming and outgoing investors shall get NAV adjusted for swing factor. Swing pricing shall be made applicable to all unitholders at PAN level, with an exemption for redemptions up to Rs. 2 lakhs for each mutual fund scheme for market dislocation.

**Illustration on swing pricing - market dislocation as announced by SEBI:**

When swing pricing is triggered, the NAV will be adjusted as follows:

<b>Risk-O-meter</b>	<b>PRC</b>	<b>Computed NAV (Rs.)</b>	<b>Swing Factor Applied</b>	<b>Swing NAV (Rs.)</b>
High / Very High	A-III	14.0000	1.00%	13.8600
	B-II	14.0000	1.25%	13.8250
	B-III	14.0000	1.50%	13.7900
	C-I	14.0000	1.50%	13.7900
	C-II	14.0000	1.75%	13.7550
	C-III	14.0000	2.00%	13.7200

**Disclosures pertaining to NAV adjusted for swing factor:**

The scheme performance shall be computed based on scheme NAV before swing adjustment i.e. the unswung NAV.

Disclosures pertaining to NAV adjusted for swing factor along with the performance impact shall be made in the SIDs of respective schemes as per the format prescribed by SEBI and in scheme wise Annual Reports and Abridged summary and the same shall be disclosed on the website prominently only if swing pricing framework has been made applicable for the said mutual fund scheme.

The Swing Price Framework shall be subject to the provisions of circulars and guidelines laid down by SEBI and AMFI from time to time.

- **Investment by Specified Open Ended Debt Oriented Schemes of Canara Robeco Mutual Fund (“CRMF”) and Canara Robeco Asset Management Co. Ltd. (“CRAMC”) in units of Corporate Debt Market Development Fund (“CDMDF”):**

As per the requirement of Regulation 43A of SEBI (Mutual Funds) Regulations, 1996, SEBI circular no. SEBI/HO/IMD/PoD2/P/ CIR/2023/128 dated July 27, 2023 on ‘Framework for Corporate Debt Market Development Fund (“CDMDF”)’ and SEBI circular no. SEBI/HO/IMD/PoD2/P/ CIR/2023/129 dated July 27, 2023 on ‘Investment by mutual fund schemes and Asset Management Companies (AMCs) in units of CDMDF’, following specified open ended debt-oriented schemes of Canara Robeco Mutual Fund (“CRMF”) and Canara Robeco Asset Management Co. Ltd. (“CRAMC”) shall invest such percentage of net assets in the units of the CDMDF:

Sr. No.	Name of specified open ended debt-oriented schemes of CRMF:
1.	Canara Robeco Dynamic Bond Fund
2.	Canara Robeco Savings Fund
3.	Canara Robeco Income Fund
4.	Canara Robeco Liquid Fund
5.	Canara Robeco Conservative Hybrid Fund
6.	Canara Robeco Ultra Short Term Fund
7.	Canara Robeco Short Duration Fund
8.	Canara Robeco Corporate Bond Fund
9.	Canara Robeco Banking and PSU Debt Fund

CDMDF is set up as a scheme of the Trust registered as an Alternative Investment Fund (“AIF”) in accordance with the SEBI (Alternative Investment Funds) Regulations, 2012 (“AIF Regulations”). The objective of the CDMDF is to help to develop the corporate debt market by providing backstop facility at the time of market dislocation to benefit the wider corporate debt market. The primary motive to set up a backstop facility is to instill confidence amongst the participants in the corporate debt/bond market during times of market dislocation and to enhance the secondary market liquidity. Further, in times of market dislocation, the aforesaid specified debt-oriented schemes of CRMF shall have access to sell corporate debt securities held in the portfolio and CDMDF shall purchase listed corporate debt securities from the said schemes. The trigger and period for which the backstop facility will be open shall be as decided by SEBI.

- **Provisions on creation of Segregated portfolio/Side pocketing**

#### DEFINITIONS

The term ‘segregated portfolio’ shall mean a portfolio, comprising of debt or money market instrument affected by a credit event, that has been segregated in a mutual fund scheme.

The term ‘main portfolio’ shall mean the scheme portfolio excluding the segregated portfolio.

The term ‘total portfolio’ shall mean the scheme portfolio including the securities affected by the credit event.

#### PROCESS & PROCEDURE

AMC may create segregated portfolio in a mutual fund scheme subject to the following:

1. Segregated portfolio may be created, in case of a credit event at issuer level i.e. downgrade in credit rating by a SEBI registered Credit Rating Agency (CRA), as under:
  - a) Downgrade of a debt or money market instrument to ‘below investment grade’, or
  - b) Subsequent downgrades of the said instruments from ‘below investment grade’, or
  - c) Similar such downgrades of a loan rating or
  - d) Trigger of a pre-specified event for loss absorption in case of debt instruments with special features such as subordination to equity (absorption of losses before equity capital) and/or conversion to equity.
  - e) Any other scenario as permitted by SEBI from time to time.
2. In case of difference in rating by multiple CRAs, the most conservative rating shall be considered. Creation of segregated portfolio shall be based on issuer level credit events as detailed at paragraph C-1 and implemented at the ISIN level.
3. SEBI vide its circular dated 7th November 2019 has also permitted creation of segregated portfolio of unrated debt or money market instruments by mutual fund schemes of an issuer that does not have any outstanding rated debt or money market instruments, subject to the following:

- a. Segregated portfolio of such unrated debt or money market instruments may be created only in case of actual default of either the interest or principal amount. 'Actual default' by the issuer of such instruments shall be considered for creation of segregated portfolio.
  - b. AMC shall inform AMFI immediately about the actual default by the issuer. Upon being informed about the default, AMFI shall immediately inform the same to all AMCs. Pursuant to dissemination of information by AMFI about actual default by the issuer, AMC may segregate the portfolio of debt or money market instruments of the said issuer as per the procedure mentioned below.
4. If the debt instruments with special features such as subordination to equity (absorbs losses before equity capital) and /or convertible to equity upon trigger of a pre-specified event for loss absorption is to be written off or converted to equity pursuant to any proposal, the date of said proposal may be treated as the trigger date. However, if the said instruments are written off or converted to equity without proposal, the date of write off or conversion of debt instrument to equity may be treated as the trigger date.
  5. Creation of segregated portfolio shall be optional and at the discretion of the AMC. It will be created only if the Scheme Information Document (SID) of the scheme has provisions for segregated portfolio with adequate disclosures.

#### **Process for creation of segregated portfolio**

- a. AMC shall decide on creation of segregated portfolio on the day of credit event/Trigger Date in case of debt instruments with special features. Once an AMC decides to segregate portfolio, it shall
  - i. seek approval of Trustees prior to creation of the segregated portfolio.
  - ii. immediately issue a press release disclosing its intention to segregate such debt and money market instrument and its impact on the investors. The mutual fund should also disclose that the segregation shall be subject to Trustees approval. Additionally, the said press release shall be prominently disclosed on the website of the AMC.
  - iii. ensure that till the time the Trustees approval is received, which in no case shall exceed 1 business day from the day of credit event, the subscription and redemption in the scheme shall be suspended for processing with respect to creation of units and payment on redemptions.
- b. Once Trustees approval is received by the AMC,
  - i. Segregated portfolio shall be effective from the day of credit event
  - ii. AMC shall issue a press release immediately with all relevant information pertaining to the segregated portfolio. The said information shall also be submitted to SEBI.
  - iii. An e-mail or SMS should be sent to all unit holders of the concerned scheme.
  - iv. The NAV of both segregated and main portfolio shall be disclosed from the day of the credit event.
  - v. All existing investors in the scheme as on the day of the credit event shall be allotted equal number of units in the segregated portfolio as held in the main portfolio.
  - vi. No redemption and subscription shall be allowed in the segregated portfolio. However, in order to facilitate exit to unit holders in segregated portfolio, AMC shall enable listing of units of segregated portfolio on the recognized stock exchange within 10 working days of creation of segregated portfolio and also enable transfer of such units on receipt of transfer requests.
- c. If the Trustees do not approve the proposal to segregate portfolio, AMC shall issue a press release immediately informing investors of the same.

#### **Valuation and processing of subscriptions and redemptions**

- a. Notwithstanding the decision to segregate the debt and money market instrument, the valuation should take into account the credit event and the portfolio shall be valued based on the principles of fair valuation (i.e. realizable value of the assets) in terms of the relevant provisions of SEBI (Mutual Funds) Regulations, 1996 and Circular(s) issued thereunder.
- b. All subscription and redemption requests for which NAV of the day of credit event or subsequent day is applicable will be processed as per the existing circular on applicability of NAV as under:
  - i. Upon Trustees' approval to create a segregated portfolio -
    - Investors redeeming their units will get redemption proceeds based on the NAV of main portfolio and will continue to hold the units of segregated portfolio.
    - Investors subscribing to the scheme will be allotted units only in the main portfolio based on its NAV.
  - ii. In case Trustees do not approve the proposal of segregated portfolio, subscription and redemption applications will be processed based on the NAV of total portfolio.

#### **Disclosure Requirements**

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

- a. A statement of holding indicating the units held by the investors in the segregated portfolio along with the NAV of both segregated portfolio and main portfolio as on the day of the credit event shall be communicated to the investors within 5 working days of creation of the segregated portfolio.
- b. Adequate disclosure of the segregated portfolio shall appear in all scheme related documents, in monthly and half-yearly portfolio disclosures and in the annual report of the mutual fund and the scheme.
- c. The Net Asset Value (NAV) of the segregated portfolio shall be declared on daily basis.
- d. The information regarding number of segregated portfolios created in a scheme shall appear prominently under the name of the scheme at all relevant places such as SID, KIM-cum-Application Form, advertisement, AMC and AMFI websites, etc.
- e. The scheme performance required to be disclosed at various places shall include the impact of creation of segregated portfolio. The scheme performance should clearly reflect the fall in NAV to the extent of the portfolio segregated due to the credit event and the said fall in NAV along with recovery(ies), if any, shall be disclosed as a footnote to the scheme performance.
- f. The disclosures at paragraph (d) and (e) above regarding the segregated portfolio shall be carried out for a period of at least 3 years after the investments in segregated portfolio are fully recovered/ written-off.
- g. The investors of the segregated portfolio shall be duly informed of the recovery proceedings of the investments of the segregated portfolio. Status update may be provided to the investors at the time of recovery and also at the time of writing-off of the segregated securities.

#### **TER for the Segregated Portfolio**

- a. AMC shall not charge investment and advisory fees on the segregated portfolio. However, TER (excluding the investment and advisory fees) can be charged, on a pro-rata basis only upon recovery of the investments in segregated portfolio.
- b. The TER so levied shall not exceed the simple average of such expenses (excluding the investment and advisory fees) charged on daily basis on the main portfolio (in % terms) during the period for which the segregated portfolio was in existence.
- c. The legal charges related to recovery of the investments of the segregated portfolio may be charged to the segregated portfolio in proportion to the amount of recovery. However, the same shall be within the maximum TER limit as applicable to the main portfolio. The legal charges in excess of the TER limits, if any, shall be borne by the AMC.
- d. The costs related to segregated portfolio shall in no case be charged to the main portfolio.

#### **Monitoring by Trustees**

- a. In order to ensure timely recovery of investments of the segregated portfolio, Trustees shall ensure that:
  - i. The AMC puts in sincere efforts to recover the investments of the segregated portfolio.
  - ii. Upon recovery of money, whether partial or full, it shall be immediately distributed to the investors in proportion to their holding in the segregated portfolio. Any recovery of amount of the security in the segregated portfolio even after the write off shall be distributed to the investors of the segregated portfolio.
  - iii. An Action Taken Report (ATR) on the efforts made by the AMC to recover the investments of the segregated portfolio is placed in every Trustees meeting till the investments are fully recovered/ written-off.
  - iv. The Trustees shall monitor the compliance of this circular and disclose in the half-yearly Trustees reports filed with SEBI, the compliance in respect of every segregated portfolio created.
- b. In order to avoid mis-use of segregated portfolio, Trustees shall ensure to have a mechanism in place to negatively impact the performance incentives of Fund Managers, Chief Investment Officers (CIOs), etc. involved in the investment process of securities under the segregated portfolio, mirroring the existing mechanism for performance incentives of the AMC, including claw back of such amount to the segregated portfolio of the scheme.

#### **Illustration of Segregated Portfolio:**

For the purpose of illustration we are considering a portfolio of scheme with only growth plan with outstanding units of 10,000. One of the investments - 23700 units of 8.04% E Ltd NCD (MD 27/01/2022) valued at 91.5571 per unit suffered a credit event on 4<sup>th</sup> June 2019 as its ratings changed from A- to C. This security was marked down by 55% and is to be valued at 41.2007 per unit. The following workings illustrates the segregated portfolio creation and the effect on the NAV.

#### **Portfolio Date: 04-June-19**

Downgrade Event Date: 04-June-19

Downgrade Security: 8.04% E Ltd NCD (MD 27/01/2022) from A- to C

Valuation Marked Down: 55%

No. of units outstanding in a scheme 10,000 units, amounting to (10,000\*1181.85) Rs.118.18 lakhs

**Portfolio before Segregated portfolio creation**

Security	Rating	Type of the security	Qty	Price Per Unit	Market Value (in Lakhs)
7.14% A Ltd NCD (MD 09/12/2021)	CRISIL AAA	NCD	25,000	98.0144	24.5
8.02% B Ltd NCD (MD 22/05/2022)	CRISIL AAA	NCD	24,000	100.9817	24.24
8.53% C Ltd NCD Ser C(MD 03/07/20)	ICRA AA	NCD	21,300	98.3226	20.94
D Ltd CP (MD 27/02/2020)	CRISIL A1+	CP	25,000	94.9606	23.74
8.04% E Ltd NCD (MD 27/01/2022)	CARE C*	NCD	23,700	41.2007	9.76
Cash & Cash equivalent					15
Net Assets (in lakhs)					118.18
Unit capital (no. of units)					10,000.00
NAV per unit (Rs)					1,181.85

\*We have marked down the security (8.04% E Ltd NCD (MD 27/01/2022)) by 55% as it was downgraded to C from A-. Before marked down, the security was valued at Rs. 91.5571 per unit.

**Main Portfolio as of 04-06-2019 (after segregation)**

Security	Rating	Type of the security	Qty	Price Per Unit	Market Value (in Lakhs)
7.14% A Ltd NCD (MD 09/12/2021)	CRISIL AAA	NCD	25,000	98.0144	24.5
8.02% B Ltd NCD (MD 22/05/2022)	CRISIL AAA	NCD	24,000	100.9817	24.24
8.53% C Ltd NCD Ser C(MD 03/07/20)	ICRA AA	NCD	21,300	98.3226	20.94
D Ltd CP (MD 27/02/2020)	CRISIL A1+	CP	25,000	94.9606	23.74
Cash & Cash equivalent					15
Net Assets (in lakhs)					108.42
Unit capital (no. of units)					10,000.00
NAV per unit (Rs)					1,084.20

Security 8.04% E Ltd NCD (MD 27/01/2022) was segregated into a separate portfolio.

### Segregated Portfolio as of 04-06-2019

Security	Rating	Type of the security	Qty	Price Per Unit	Market Value (in Lakhs)
8.04% E Ltd NCD (MD 27/01/2022)	CARE C*	NCD	23,700	41.2007	9.76
Net Assets (in lakhs)					9.76
Unit capital (no. of units)					10,000.00
NAV per unit (Rs)					97.65

Total Portfolio value after creation of segregated portfolio

	Main portfolio	Segregated portfolio	Total value (in lakhs)
No. of units	10,000	10,000	-
NAV per unit	1084.20	97.65	1181.85
Total value (in lakhs)	108.42	9.77	118.19

### 3. Short selling / stock lending

Stock lending means the lending of stock to another person or entity for a fixed period of time, at a negotiated compensation. The securities lent will be returned by the borrower on expiry of the stipulated period.

The Fund may 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, subject to appropriate regulations. The Investment Manager perceives such situations to be exceptional in nature. Although the Stock Market in India is still developing, considering the good demand for listed/quoted Equity Shares of reputed companies, the Scheme(s) may choose to meet repurchase needs through temporary borrowings, within the permissible limits.

- **Transaction Charges and Stamp Duty**

#### TRANSACTION CHARGES

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

(i) **Payment of Transaction Charges:**

Transaction charges will be paid only to those distributors who have expressly opted-in to receive the transaction charges in accordance with the Para 10.5 of SEBI Master Circular for Mutual Fund dated May 19, 2023.

**(ii) First Time Mutual Fund Investor (across Mutual Funds):**

Transaction charges of Rs. 150/- for subscription of Rs. 10,000/- and above will be deducted from the subscription amount and paid to the distributor of the first time investor and the balance amount shall be invested in the relevant scheme opted by the investor.

**(iii) Investor other than First Time Mutual Fund Investor:**

Transaction charges of Rs. 100/- per subscription of Rs. 10,000/- and above will be deducted from the subscription amount and paid to the distributor of the investor and the balance amount shall be invested in the relevant scheme opted by the investor.

**(iv) Transaction charges in case of investments through Systematic Investment Plan (SIP):**

Transaction charges in case of investments through Systematic Investment Plan (SIP) shall be deducted only if the total commitment (i.e. amount per SIP installment x No. of installments) amounts to Rs. 10,000/- or more. Such Transaction Charges shall be equally deducted in total of 4 installments starting with 2nd installment amount.

**(v) Transaction charges shall not be deducted for:**

- (a) purchases/subscriptions for an amount less than Rs. 10,000/-;
- (b) Transaction other than purchases/subscriptions relating to new inflows such as Switch/STP, etc.
- (c) Purchases/subscriptions made directly with the Fund without any ARN code (i.e. not through any distributor/agent).
- (d) Purchases/Subscriptions made through National Stock Exchange/Bombay Stock Exchange platform.

**STAMP DUTY**

The following points shall be applicable with effect from July 1, 2020:

1. A stamp duty @0.005% of the transaction value would be levied on applicable mutual fund Purchase transactions including, Switch-in, SIP transactions and STP-in transactions in the units of Canara Robeco Mutual Fund, Accordingly, pursuant to levy of stamp duty, the number of units allotted on purchase transactions (including dividend/income distribution reinvestment) to the unit holders would be reduced to that extent.
2. The stamp duty so collected on behalf of the investors, by KFinTech (RTA), Depositories, Clearing Corporation, Stock Exchanges (for demat transactions) as the case may be, would be remitted to the state government or any other prescribed authorities, from time to time.
3. The stamp duty deducted from the unit holders will be reflected in the statement of account issued thereafter.
4. Redemption of investments will not attract any stamp duty.
5. Duty is imposed on the value of units excluding other charges like service charge, AMC fee, GST, etc



## SECTION IX - DISCLOSURES AND REPORTS BY THE FUND

**1. Account Statement/Consolidated Account Statement**

Allotments of units, up to 3 decimals/fractions, will be subject to realization of payment instrument and subject to the AMC having been reasonably satisfied of having received clear funds.

Subject to the receipt of the specified minimum subscription amount, an applicant, whose application has been accepted shall have the option either to receive the statement of accounts or to hold the units in dematerialized form and the AMC shall issue to such applicant, a statement of accounts specifying the number of units allotted to the applicant or issue units in the dematerialized form as soon as possible but not later than five working days from the date of closure of the initial subscription list. The AMC shall issue units in dematerialized form to a unit holder in a scheme within two working days of the receipt of request from the unit holder.

**Allotment Confirmation / Consolidated Account Statement (CAS):**

AMC shall send allotment confirmation specifying the number of units allotted to the investor by way of email and/or SMS to the investors' registered email address and/or mobile number not later than 5 (five) business days from the date of closure of the New Fund Offer Period.

A Consolidated Account Statement (CAS) shall also be sent to the unitholder in whose folio transactions have taken place during that month, on or before 15th of the succeeding month by e-mail/to the investor's mailing address. In case of specific request received from investors, Mutual Fund will provide an account statement to the investors within 5 (five) Business Days from the receipt of such request.

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

**I. Investors who do not hold DEMAT Account**

Consolidated account statement\*, based on PAN of the holders, shall be sent by AMC/ RTA to investors not holding DEMAT account, for each calendar month on or before 15th day of the succeeding month to the investors in whose folios transactions have taken place during that month. Consolidated account statement shall be sent by AMC/RTA every half yearly (September/ March), on or before 21<sup>st</sup> day of succeeding month, detailing holding at the end of the six month, to all such investors in whose folios there have been no transactions during that period.

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

**II. Investors who hold DEMAT Account**

Consolidated account statement\*\*, based on PAN of the holders, shall be sent by Depositories to investors holding DEMAT account, for each calendar month on or before 15th day of the succeeding month to the investors in whose folios transactions have taken place during that month. Consolidated account statement shall be sent by Depositories every half yearly (September/March), on or before 21<sup>st</sup> day of succeeding month, detailing holding at the end of the six month, to all such investors in whose folios and DEMAT accounts there have been no transactions during that period.

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

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

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

- a. Investors are requested to note that for folios which are not included in the CAS, AMC shall henceforth issue monthly account statement to the unit holders, pursuant to any financial transaction done in such folios; the monthly statement will be sent on or before fifteenth day of succeeding month. Such statements shall be sent in physical form if no email id is provided in the folio.
- b. The statement sent within the time frame mentioned above is provisional and is subject to realisation of payment instrument and/or verification of documents, including the application form, by the RTA/AMC.
- c. In the event the folio/ DEMAT account has more than one registered holder, the first named Unit holder/Account holder shall receive the CAS (AMC/RTA or Depository). For the purpose of CAS (AMC/RTA or Depository), common investors across mutual funds/depositories shall be identified on the basis of PAN. Consolidation shall be based on the common sequence/order of investors in various folios/ DEMAT accounts across mutual funds / DEMAT accounts across depository participants.
- d. Investors whose folio(s)/ DEMAT account(s) are not updated with PAN shall not receive CAS. Investors are therefore requested to ensure that their folio(s)/ DEMAT account(s) are updated with PAN.
- e. For Unit Holders who have provided an e-mail address in KYC records, the CAS will be sent by e-mail.
- f. The Unit Holder may request for a physical account statement by writing to/calling the AMC/RTA. In case of a specific request received from the unit holders, the AMC/RTA shall provide the account statement to the unit holders within 5 business days from the receipt of such request.
- g. Account Statements shall not be construed as proof of title and are only computer printed statements indicating the details of transactions under the Schemes during the current financial year and giving the closing balance of Units for the information of the Unit Holder.
- h. Account Statement will be issued on allotment.
- i. The Units are transferrable in compliance with Regulation 37 of SEBI (MFs) Regulations, 1996.

**Half Yearly Consolidated Account Statement:**

A consolidated account statement detailing holding across all schemes at the end of every six months (i.e. September/ March), on or before 21st day of succeeding month, to all such Unit holders in whose folios no transaction has taken place during that period shall be sent by mail/to the investor's mailing address.

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

Unit holders who receive account statements by e-mail may download the documents after receiving e-mail from the Fund. Should the Unit holder experience any difficulty in accessing the electronically delivered documents, the Unit holder shall promptly advise the Fund to enable the Fund to make the delivery through alternate means. It is deemed that the Unit holder is aware of all security risks including possible third party interception of the documents and contents of the documents becoming known to third parties. For ease of communication, first applicant's own email ID and mobile number should be provided. As per AMFI Circular No. 135/BP/97/2021-22, if email ID and Contact number of Primary Unit Holder is not available then email ID and Mobile number of family member can be provided.

Further, as per the provisions of Para 14.3.3.4.b of SEBI Master Circular for Mutual Funds dated May 19, 2023, CAS issued for the half-year shall also provide the following:

- The amount of actual commission paid by AMCs/Mutual Funds (MFs) to distributors (in absolute terms) during the half-year period against the concerned investor's total investments in each scheme. (The term 'commission' here refers to all direct monetary payments and other payments made in the form of gifts / rewards, trips, event sponsorships etc. by AMCs/MFs to distributors. The commission disclosed is gross commission and does not exclude costs incurred by distributors such as GST (wherever applicable, as per existing rates), operating expenses, etc.).
- The scheme's average Total Expense Ratio (in percentage terms) for the half-year period for each scheme's applicable plan (regular or direct or both) where the concerned investor has actually invested in.

- Such half-yearly CAS shall be issued to all investors, excluding those investors who do not have any holdings in MF schemes and where no commission against their investment has been paid to distributors, during the concerned half-year period.

**Dematerialization / Rematerialization of Units:**

The Applicants intending to hold the Units in dematerialized mode will be required to have a beneficiary account with a Depository Participant of the NSDL/CDSL and will be required to mention in the application form DP's Name, DP ID No. and Beneficiary Account No. with the DP at the time of purchasing Units during the NFO of the scheme. The Units allotted will be credited to the DP account of the Unit holder as per the details provided in the application form. The statement of holding of the beneficiary account holder for units held in DEMAT will be sent by the respective DPs periodically. It may be noted that trading and settlement in the Units of the scheme over the stock exchange(s) (where the Units are listed) will be permitted only in electronic form.

If the Unit holder desires to hold the Units in a dematerialized / Rematerialized form at a later date, the request for conversion of units held in Account Statement (non DEMAT) form into DEMAT (electronic) form or vice versa should be submitted along with a DEMAT/REMAT Request Form to their Depository Participants.

However, the Trustees / AMC reserves the right to change the dematerialization / rematerialization process in accordance with the procedural requirements laid down by the Depositories, viz. NSDL/ CDSL and/or in accordance with the provisions laid under the Depositories Act, 1996.

**Default Option:**

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

In case of incorrect furnishing of DP account details, the AMC shall issue Statement of Account specifying the units allotted to investor within 5 business days from the closure of the NFO.

**2. Half Yearly Disclosures/Portfolio Disclosures/Financial Results**

The Mutual Fund/AMC shall disclose portfolio (along with ISIN) of the Scheme as on the last day of the half year on website of Mutual Fund ([www.canararobeco.com](http://www.canararobeco.com)) and on the website of AMFI ([www.amfiindia.com](http://www.amfiindia.com)) within 10 days from the close of each half-year in a user-friendly and downloadable spread-sheet format. In case of Unitholders whose e-mail addresses are registered, the Mutual Fund / AMC shall send via e-mail the half-yearly statement of Scheme portfolio in which unitholders are invested within 10 days from the close of each half-year. Further, the Mutual Fund/AMC shall publish an advertisement in the all India edition of at least two daily newspapers, one each in English and Hindi, every half-year disclosing the hosting of the half-yearly statement of the Scheme portfolio on the website of the Mutual Fund ([www.canararobeco.com](http://www.canararobeco.com)) and on the website of AMFI ([www.amfiindia.com](http://www.amfiindia.com)). Unit holders may request for a physical or electronic copy of the scheme portfolio through telephone, email, written request or by choosing the relevant option under the scheme application forms (applicable for new subscribers). Such copies shall be provided free of cost to the Unitholders on specific request.

Refer Link: <https://www.canararobeco.com/forms-downloads/scheme-half-yearly-portfolio>

**3. Half Yearly Results**

The Mutual Fund shall host half yearly Schemes' unaudited financial results in the prescribed format on its website viz. [www.canararobeco.com](http://www.canararobeco.com) within one month from the close of each half year i.e. on 31<sup>st</sup> March and on 30<sup>th</sup> September. AMC shall publish an advertisement disclosing the hosting of such financial results on its website, in at least one English daily newspaper having nationwide circulation and in a newspaper having wide circulation published in the language of the region where the Head Office of the Mutual Fund is situated. The unaudited financial results will also be displayed on the website of AMFI.

Refer Link: <https://www.canararobeco.com/statutory-disclosures/un-audited-half-yearly-financial-results>

#### 4. Annual Report

The scheme wise annual report and abridged summary thereof shall be hosted on the website of the Mutual Fund ([www.canararobeco.com](http://www.canararobeco.com)) and on the website of AMFI ([www.amfiindia.com](http://www.amfiindia.com)) not later than four months (or such other period as may be specified by SEBI from time to time) from the date of closure of the relevant accounting year (i.e. 31st March each year) and link for the same will be displayed prominently on the website of the Mutual Fund ([www.canararobeco.com](http://www.canararobeco.com)). In case of Unit holders whose e-mail addresses are registered with the Mutual Fund, the AMC shall e-mail the annual report or an abridged summary to such unit holders. The Unit holders whose e-mail addresses are not registered with the Mutual Fund will have an option to opt-in to continue receiving physical copy of the scheme wise annual report or an abridged summary thereof.

Mutual Fund / AMC shall publish an advertisement in the all India edition of at least two daily newspapers, one each in English and Hindi, every year disclosing the hosting of the scheme wise annual report on the website of the Mutual Fund ([www.canararobeco.com](http://www.canararobeco.com)) and on the website of AMFI ([www.amfiindia.com](http://www.amfiindia.com)). Physical copies of Full annual report / abridged summary thereof shall also be available for inspection at all times at the registered office of the Canara Robeco Asset Management Company Ltd. Unit holders may request for a physical or electronic copy of the said report through SMS, telephone, email, written request (letter) or by choosing the relevant option under the scheme application forms (applicable for new subscribers). Such copies shall be provided free of cost to the Unitholders on specific request.

Refer Link: <https://www.canararobeco.com/statutory-disclosures/annual-reports>

**Notwithstanding anything contained in this Statement of Additional Information, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines there under shall be applicable.**

**For and on behalf of the Board of Directors of  
Canara Robeco Asset Management Company**

**Sd/-**

**Ashutosh Vaidya**

**Compliance Officer**

**Place: Mumbai**