



**CANARA ROBECO ASSET MANAGEMENT  
COMPANY LIMITED**

**CORPORATE SOCIAL RESPONSIBILITY  
POLICY**

**Document Information**

<b>Author</b>	Compliance, Secretarial & Legal Department
<b>Last updated Date</b>	21/07/2023
<b>Version</b>	1.4

## Contents

Background.....	3
Objective .....	3
Applicable Law .....	3
Definitions.....	3
Activities to be undertaken for CSR / Scope of CSR Activities .....	3
Modalities and Implementation plan.....	5
On-Going Project.....	5
CSR Expenditure & Unspent Amount .....	6
Constitution of CSR Committee.....	7
Meetings of CSR Committee .....	7
Notice & Agenda of meeting.....	7
Quorum .....	7
Secretary .....	7
Minutes of Meeting .....	7
Resolution passed by Circulation.....	7
Exclusion from CSR.....	8
Disclosures .....	8
General .....	8
History Log.....	8

### **Background**

The Corporate Social Responsibility Committee ("Committee") has been constituted by the Board of Directors of Canara Robeco Asset Management Company Limited ("CRAMC/company") in its meeting held on 25<sup>th</sup> April, 2014 in compliance with Section 135 of the Companies Act, 2013 ("the Act") read with Schedule VII & the applicable rules thereto. The present Corporate Social Responsibility (CSR) Policy ("the policy") is in compliance with Section 135(3) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2013 ("the rules), as amended from time to time.

### **Objective**

The main objective of the Policy is to endeavour for sustainable development of the society and enhance value creation, goodwill & recognition of the company in the society.

### **Applicable Law**

Companies Act, 2013 and rules made thereunder.

### **Definitions**

- (i) "**Administrative Overheads**" means the expenses incurred by the company for 'general management and administration' of Corporate Social Responsibility functions in the company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or programme;
- (ii) "**Corporate Social Responsibility**" means the activities undertaken by the Company in pursuance of its statutory obligation as laid down under the Companies Act.
- (iii) "**Ongoing Project**" means a multi-year project undertaken by the company in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced, and shall include such project that was initially not approved as multi-year project but whose duration has been extended beyond one year by the board based on reasonable justification.

### **Activities to be undertaken for CSR / Scope of CSR Activities**

Currently the following activities are permissible under Schedule VII of the Act:

- (i) eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
- (ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;

(iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;

(iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund setup by the Central Government for rejuvenation of river Ganga;

(v) protection of National Heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;

(vi) measure for the benefit of armed force veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;

(vii) training to promote rural sports, nationally recognized sports, Paralympic sports and Olympics sports;

(viii) contribution to the Prime Minister's National Relief Fund or Prime Minister's Central Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Schedule Tribes, other backward classes, minorities and women;

(ix) (a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and

(b) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).

(x) rural development projects.

(xi) slum area development.

(i) Explanation.- For the purposes of this item, the term 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.

(xii) disaster management, including relief, rehabilitation and reconstruction activities.

### **Modalities and Implementation plan**

The Company may undertake any of the above activities subject to submission of plan to CSR Committee with regard to modalities and schedule of implementation of the said activities.

The Committee may consider to undertake the CSR activities through a direct mode whereby the company undertakes the CSR projects or programmes as per Schedule VII of the Act, either by itself or by engaging implementing agencies as prescribed in Companies (CSR Policy) Rules, 2014. In the alternative, the Company may choose to contribute to the Fund/s as specified under Schedule VII of the Act.

If the Company chooses to undertake a project directly, it shall through the Committee formulate and recommend to the Board of Directors, an annual action plan, which shall include the following, namely:

- a) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- b) the manner of execution of such projects or programmes;
- c) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
- d) monitoring and reporting mechanism for the projects or programmes; and
- e) details of need and impact assessment, if any, for the projects undertaken by the company;

Provided that Board may alter such plan at any time during the financial year, as per the recommendation of CSR Committee, based on a reasonable justification.

CRAMC may build CSR capacities through its own personnel as well as those of its implementing entities, if any, through institutions with established track record of at least three financial years, but expenditure towards building such capability shall not exceed five percent of total CSR expenditure of the company in one financial year.

### **On-Going Project**

In case of on-going projects, the major responsibilities of the Board of Directors, *inter-alia*, include:

- (i) Identification of ongoing project/s;
- (ii) Year-wise allocation of funds;

- (iii) Transferring the unspent money to a separate bank account as prescribed under Section 135 of the Act and more particularly described hereunder;
- (iv) Monitoring the implementation of the projects with reference to the approved timelines and year-wise allocation; and
- (v) Making modifications, if any, for smooth implementation of the projects within the overall permissible time period.

### **CSR Expenditure & Unspent Amount**

The Board of Directors shall ensure that the Company spends, in every financial year, at least two per cent of the average net profits of the Company made during the three immediately preceding financial years.

The Company shall give preference to the local area and areas around which it operates for spending the amount earmarked for CSR activities.

CSR spend shall be made on or before 31<sup>st</sup> March of the relevant financial year.

The Board of Directors shall ensure that the administrative overheads shall not exceed 5% of total CSR expenditure of the company for the financial year.

Any surplus arising out of the contribution made for CSR Activities shall not form part of the business profit of the company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR account in pursuance of this Policy.

If a company spends less than the amount required to be spent under their CSR obligation, the Board of Directors shall specify the reasons for not spending in the Board's report and shall deal with the unspent amount in the following manner:

<b>Nature of Unspent Amount</b>	<b>Action Required</b>	<b>Timelines</b>
Unspent amount pertains to 'ongoing projects'	Transfer such unspent amount to a separate bank account of the company to be called "Unspent CSR Account".	Within 30 days from the end of the financial year.
Unspent amount pertains to 'other than ongoing projects'	Transfer the unspent amount to any Fund included in Schedule VII of the Act.	Within 6 months from the end of the financial year.

The provisioning of a separate account, namely the 'Unspent CSR Account', in any scheduled bank is to ensure that the unspent amount, if any, is transferred to this designated account and used only for ongoing projects, and not for other general purposes of the Company. This special account cannot be utilised by the Company as collaterals or for creating a charge or any other business activity.

### **Monitoring & Reporting**

CSR activities identified and administered by the Management Team of the company & the fund allocation thereof shall be placed before the CSR Committee for its approval. The CSR Committee will in turn recommend the same to the Board of Directors for approval.

The Management Team of the company shall comprise of Chief Executive Officer and Chief Operating Officer. The Management Team shall submit periodical report(s) to the CSR Committee about execution of CSR project/ CSR spend. The Chief Financial Officer or the person responsible for the financial management of the disbursement of CSR funds shall certify to the effect that the funds so disbursed have been utilised for the purposes and in the manner as approved by the Board.

The provisions of this policy shall be subject to amendment by the Board of Directors of the Company as per the recommendation of CSR Committee or pursuant to guidelines as may be issued under the Companies Act or rules framed thereunder from time to time.

#### **Constitution of CSR Committee**

The CSR Committee shall comprise of not less than 3 directors, which includes 1 (one) Nominee Director of each sponsor and 1 (one) Independent Director as per Article 170A (3) of the Articles of Association of the Company.

#### **Meetings of CSR Committee**

The CSR Committee may meet at such intervals as may be considered appropriate by the Committee or as and when required.

Besides the physical meeting, the Committee may hold meetings through video conference or tele-conference or any other similar mode.

#### **Notice & Agenda of meeting**

Advance notice specifying the date, time & venue of the meeting together with the list of business items to be deliberated at the meeting shall be circulated to each member of the Committee either physically or by electronic means.

#### **Quorum**

No business shall be transacted at the meeting unless atleast three members are present.

#### **Secretary**

The Company Secretary shall act as the secretary of the Committee meetings.

#### **Minutes of Meeting**

The Secretary shall be responsible for drafting & maintaining the minutes of the CSR Committee meetings.

The draft minutes will be circulated to the members for their inputs and the approved minutes will be placed before the Board of Directors for noting.

#### **Resolution passed by Circulation**

A resolution shall be valid and effective as if it has been passed at a CSR Committee meeting duly called & constituted, if it is passed by circulation by an affirmative vote of

the members. The resolution passed by the circulation shall be recorded in the minutes of the subsequent meeting of the Committee.

### **Exclusion from CSR**

The following activity shall not form part of the CSR activities of the Company:-

1. The activities undertaken in pursuance of normal course of business of a company.
2. CSR projects/programs or activities that benefit only the employees of the Company and their families.
3. Any contribution directly/indirectly to political party or any funds directed towards political parties or political causes.
4. Any CSR projects/programs or activities undertaken outside India.

### **Disclosures**

The Company's CSR Policy will be published on its website. The Annual Report of the Company shall include a section on CSR outlining the CSR Policy, CSR committee, CSR initiatives undertaken by Company, the CSR spend during the financial year and other information as required by the prevailing law.

### **General**

The provisions of the CSR policy would be subject to revision/amendment in accordance with the guidelines issued by the Central Government or the Ministry of Corporate Affairs from time to time. If any amendments are made by the Central Government or the Ministry of Corporate Affairs, such changes shall be deemed to be part of this policy. In case of conflict between the Policy and the prevailing laws/rules/regulations on CSR, the laws/rules/regulations shall prevail.

### **History Log**

<b>Version</b>	<b>Date</b>	<b>Changed By</b>	<b>Short description of modification</b>	<b>Next Review</b>
1.2	May 2022	Ashutosh Vaidya	Changes in accordance with CSR Amendment Rules 2021	August 2022 or change in regulations whichever is earlier
1.3	June 2022	Ashutosh Vaidya	Changes in accordance with Amendment in CSR Rules	August 2023 or change in regulations whichever is earlier
1.4	July 2023	Ashutosh Vaidya	Changes in accordance with Amendment in CSR Rules/Annual Review	August 2024 or change in regulations whichever is earlier