



**CANARA ROBECO ASSET MANAGEMENT
COMPANY LIMITED**

**CORPORATE SOCIAL RESPONSIBILITY
POLICY**

Document Information

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I. BACKGROUND

1. Canara Robeco Asset Management Company Limited (“**CRAMC**” or the “**Company**”) is the asset manager of Canara Robeco Mutual Fund. The Corporate Social Responsibility Committee (“**CSR Committee**”) has been constituted by the Board of Directors of the Company (“**Board**”) in its meeting held on 25th April, 2014 in compliance with Section 135 of the Companies Act, 2013 (“**the Act**”) read with Schedule VII of the Act and the applicable rules thereto.
2. This Policy serves as a foundational document outlining the Board’s approach and direction, based on the recommendations of the CSR Committee. It establishes guiding principles for the selection, implementation, and monitoring of activities, along with the formulation of the annual action plan.

II. OBJECTIVE

3. The main objective of the Policy is to endeavour towards sustainable development of the society and enhance value creation, goodwill and recognition of the company in the society. The Company acknowledges the significance of strong corporate governance and social responsibility, striving to nurture and sustain the ecosystems in which it operates while pursuing growth through sustainable development.

III. APPLICABLE LAW

4. The Policy has been formulated and adopted in accordance with Section 135 of the Companies Act, 2013, and the CSR Rules framed thereunder. The Company shall undertake Corporate Social Responsibility activities as prescribed under Schedule VII of the Act.

IV. DEFINITIONS

5. In this Policy unless the context otherwise requires:
 - 5.1. “**Act**” means the Companies Act, 2013, as amended from time to time.
 - 5.2. “**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;
 - 5.3. “**Corporate Social Responsibility**” (“**CSR**”) means the activities undertaken by the Company in pursuance of its statutory obligation as laid under Section 135 of the

Act and the CSR Rules, as may be amended and notified from time to time, but excluding the activities set out in paragraph 7 of this Policy.

- 5.4. “**CSR Expenditure**” shall include all expenditures including contribution to the corpus, for projects or programs relating to CSR activities approved by the Board on the recommendation of the CSR Committee.
- 5.5. “**Net profit**” shall have the meaning ascribed to it in the CSR Rules.
- 5.6. “**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.

V. ACTIVITIES TO BE UNDERTAKEN FOR CSR / SCOPE OF CSR ACTIVITIES

6. The Company will undertake its CSR activities in accordance with the areas specified under Schedule VII of the Act, as amended from time to time. A non-exhaustive list of these areas is provided below:
- 6.1. 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;
- 6.2. promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- 6.3. 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;
- 6.4. 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;
- 6.5. 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;

- 6.6. measures 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;
- 6.7. training to promote rural sports, nationally recognized sports, Paralympic sports and Olympics sports;
- 6.8. 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;
- 6.9. 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
- 6.10. 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).
- 6.11. Rural development projects.
- 6.12. Slum area development, as per the provisions of the Act.
- 6.13. Disaster management, including relief, rehabilitation and reconstruction activities.

VI. EXCLUSION FROM CSR

7. The following activities shall not form part of the CSR activities of the Company:-
 - i. The activities undertaken in the normal course of business of the Company.

- ii. CSR projects/programs or activities that benefit only the employees of the Company as defined in clause (k) of section 2 of Code of Wages, 2019 (29 of 2019).
- iii. contribution of any amount directly or indirectly to any political party under Section 182 of the Act;
- iv. Any CSR projects/programs or activities undertaken outside India, except for training of Indian sports personnel representing any State or Union territory at national level or India at international level.
- v. Activities carried out for fulfilment of any other statutory obligations under any law in force in India.
- vi. Activities supported by the Company on sponsorship basis for deriving marketing benefits for its products or services.

VII. MODALITIES AND IMPLEMENTATION PLAN

8. 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.
9. The CSR Committee may consider undertaking 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 the CSR Rules. In the alternative, the Company may choose to contribute to the fund/s as specified under Schedule VII of the Act.
10. The CSR Committee shall formulate and recommend to the Board, an annual action plan, which shall include the following, namely:
 - i. the list of CSR projects or programmes that are approved to be undertaken;
 - ii. the manner of execution of such projects or programmes;
 - iii. the modalities of utilisation of funds and implementation schedules for the projects or programmes;
 - iv. monitoring and reporting mechanism for the projects or programmes; and
 - v. details of need and impact assessment, if any, for the projects undertaken by the Company:

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

11. The Company may build CSR capacities through its own personnel as well as those of its implementing agencies, if any, through institutions with an 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.
12. If the average CSR obligation of the Company in the three immediately preceding financial years is ten crore rupees or more, then it shall undertake impact assessment, through an independent agency, of its CSR projects having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study. Such impact assessment reports shall be placed before the Board and shall be annexed to the annual report on CSR. The expenditure for undertaking such impact assessment may form part of the Company's CSR obligation for that financial year, provided it shall not exceed such thresholds as set out in the CSR Rules.

VIII. ON-GOING PROJECT

13. In case of on-going projects, the major responsibilities of the Board, 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 in the timeline and manner 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.

IX. CSR EXPENDITURE AND UNSPENT AMOUNT

14. The Board 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.
15. The Company shall give preference to the local area and areas around which it operates for spending the amount earmarked for CSR activities.
16. CSR spend shall be made on or before 31st March of the relevant financial year. The Board shall ensure that the **administrative overheads do 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 and the CSR Rules, within a period of six months from the expiry of the financial year.

17. If a company spends less than the amount required to be spent under their CSR obligation, the Board shall specify the reasons for not spending in the Board's report and shall deal with the unspent amount in the following manner:
 - 17.1. If a company has an unspent CSR amount related to ongoing projects, it must transfer the unspent amount to a separate bank account named the "Unspent CSR Account" within 30 days from the end of the financial year.
 - 17.2. However, if the unspent amount pertains to projects other than ongoing ones, the company must transfer the amount to any Fund specified in Schedule VII of the Companies Act within six months from the end of the financial year.
18. 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.
19. If the [Company](#) spends more than the amount required to be spent under their CSR obligation, the [Company](#) may set off such excess amount against its CSR obligation for such number of succeeding financial years and in such manner and subject to such conditions as specified in Section 135 of the Act and the CSR Rules.

X. MONITORING AND REPORTING

20. CSR activities identified and administered by the Management Team of the company and 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 for approval.
21. 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.

22. The provisions of this policy shall be subject to amendment by the Board 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.

XI. ACCOUNTING AND AUDITING

23. The Company shall adhere to accounting and auditing guidelines and standards issued by the Ministry of Corporate Affairs or any other prescribed regulatory authority in India. For operations in other jurisdictions, compliance will align with applicable local regulations and requirements.

24. CSR COMMITTEE GOVERNANCE

25. [The CSR Committee shall consist of a minimum of three directors, including one Nominee Director from each sponsor and one Independent Director.
26. The Committee shall convene at intervals deemed appropriate, either in person or through video conference, teleconference, or any other suitable mode. Advance notice specifying the date, time, venue, and agenda shall be duly circulated to all members either physically or electronically.
27. The quorum for meetings shall be a minimum of three members. The Company Secretary shall serve as the secretary to the Committee and shall be responsible for drafting and maintaining the minutes, which shall be circulated for member review and subsequently submitted to the Board upon approval.
28. A resolution passed by circulation with the affirmative vote of the members shall be deemed valid and shall be recorded in the minutes of the next Committee meeting.

XII. DISCLOSURES

29. The Policy will be published on its website. The Annual Report of the Company shall include a section on CSR outlining the Policy, CSR committee, CSR initiatives undertaken by Company, the CSR spend during the financial year and other required disclosures in the prescribed format under the prevailing law.
30. The Board report of the Company pertaining to any financial year shall include an annual report on CSR in the format set out in CSR Rules.

XIII. REVIEW AND AMENDMENT OF THE POLICY

31. This Policy shall be reviewed and amended by the Board, in consultation with the CSR Committee, once in every year or as may be deemed necessary by the Board and / or the Committee.

32. Any statutory amendment to the Applicable Laws shall be deemed to be included in this Policy and the Company shall be governed by it. The Company shall alter / modify this Policy to give effect to such changes or amendments in the Applicable Laws, from time to time. Such amended policy shall be placed before the Board for approval and shall be effective from the date on which the Board approves / notifies the same.
33. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, such amendment(s), clarification(s), circular(s) etc. shall prevail upon the relevant provisions of this Policy and this Policy shall stand amended accordingly from the effective date of such amendment(s), clarification(s), circular(s) etc.