

Corporate Social Responsibility (CSR) Policy

December, 2014

Enam Asset Management Co. Pvt. Ltd.

SEBI Regd. Portfolio Manager: Regn. No. INP000000225

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(ENAM Asset Management Co. Pvt. Ltd. is not registered with SEBI as a Mutual Fund)

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1) **BACKGROUND:**

The Companies Act, 2013 (Act) read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (CSR Rules) introduced specific provisions relating to corporate social responsibility and defined the term Corporate Social Responsibility (CSR), CSR Committee, CSR Policy, Net Profit, etc. The Act and the Rules have also laid down the criteria for complying with the provisions relating the CSR, nature of projects, programmes and activities that can be undertaken as CSR activities, manner in which the CSR activities shall be undertaken, constitution of CSR Committee, formulation of CSR Policy, annual report on CSR, etc.

Accordingly, the Board of Directors (the “Board”) of Enam Asset Management Co. Private Limited (the “Company” or “Enam”), has adopted a policy and standard operating procedures to undertake projects, programmes and activities relating to CSR.

2) **APPLICABILITY AND EFFECTIVE DATE:**

The concept of CSR is governed by Section 135 of the Companies Act, 2013. The CSR provisions within the Act are applicable to companies:

- a) having net worth of rupees five hundred crore or more, or
- b) turnover of rupees one thousand crore or more or
- c) a net profit of rupees five crore or more during any financial year

Enam Asset Management Co. Private Limited falling within the ambit of the above mentioned clauses need to comply with the said section and the rules related to CSR. This Policy provides the framework for CSR Programme of Enam Asset Management Co. Private Limited and shall apply to all CSR initiatives and activities taken up by the Company at the various locations, for the benefit of different segments of the society, specially the deprived, under privileged and differently abled persons. This policy shall be effective from December, 2014.

3) **DEFINITIONS:**

- a. “Act” means the Companies Act, 2013.
- b. “Board of Director” or “Board” means the Board of Directors of Enam Asset Management Co. Pvt. Ltd., as constituted from time to time.
- c. “Company” means a company incorporated under the Companies Act, 2013 or under any previous company law.
- d. “CSR Committee” means Corporate Social Responsibility Committee constituted by the Board of Directors of the Company, from time to time, under provisions of the Companies Act, 2013.
- e. “Policy” means Policy on Corporate Social Responsibility.
- f. “Net Profit” means the net profit as defined in Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014.

4) FOCUS AREA /SCOPE OF CSR ACTIVITIES:

Enam shall undertake any of the following activities or projects or such other activities or projects as may be notified by the Ministry from time to time as part of the CSR activities:

- i) Eradicating hunger, poverty and malnutrition, promoting preventive health care and 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;
- 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) Measures for the benefit of armed forces veterans, war widows and their dependents
- vii) Training to promote rural sports, nationally recognised sports and Para- Olympic sports and Olympic sports
- viii) Contribution to the Prime Minister National Relief Fund or any other fund set up by the Central Government or the State Governments for the socio economic development and relief and funds for the welfare of the Scheduled castes, the Scheduled Tribes, other backward classes, minorities and women; and
- ix) Contribution or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- x) Rural development projects;
- xi) Slum area development.

The following activities however will not form part of CSR activities:

- i) Activities undertaken in pursuance of the Company's normal course of business;
- ii) Activities which benefit only the employees of the company and their families;
- iii) Contribution directly or indirectly to any political parties;
- iv) Activities undertaken outside country

5) ANNUAL SPENDS/ ALLOCATION OF FUNDS:

- 1) The Company shall strive to spend in every financial year at least 2% (two percent) of the Average net profits [as calculated under Companies (CSR Policy) Rules, 2014] of the Company made during the three immediately preceding financial years, for CSR activities.
- 2) Any surplus amount out of the CSR project or programs or activities shall not form part of the business profit of a Company.
- 3) All reasonable efforts will be made to ensure that the CSR allocation is fully utilized in respective year. However, if the Company fails to spend such amount, the Board of

Directors shall, in its report shall specify the reasons for not spending the amount.

- 4) Any unutilized amount under the annual allocation against this head will be carried forward to the next year, exclusively for this purpose.
- 5) The tax treatment of CSR spend will be in accordance with the Income Tax Act, 1961 as may be notified by Central Board of Direct Taxes (CBDT).

From the annual CSR budget allocation, Enam may also incur expenditure on the identified areas mentioned in Schedule VII of the Companies Act, 2013. Enam shall appoint any of its employees or professional for the purpose of supervising/ monitoring its CSR activities carried out at any locations in India and all such reasonable travelling/boarding expenses of such employee or professional for the purpose of supervising /monitoring the CSR activities will form part of the CSR expenses of Enam.

6) IMPLEMENTATION:

- 1) The Board of Directors of Enam will ensure that:
 - i. The activities as are included in Enam CSR Policy are undertaken by the Company;
 - ii. Enam spends in every financial year; at least 2% of the average net profits of the Company made during the three immediately preceding financial years or such other amount as may be specified by the Government.
- 2) The Company shall undertake CSR activities either by itself as stated in the CSR policy or through a registered trust or society or any company, its holding or subsidiary company under Section 8 of the Act for such non- profit objectives.
- 3) The Company shall implement the CSR programmes as under:
 - a) Identify the CSR projects ;
 - b) Proposals of CSR activities will be evaluated by the CSR committee;
 - c) The CSR committee will recommend the proposal to the Board of Directors together with the quantum of the CSR expenditure to be incurred for a financial year;
 - d) Board of Directors of Enam after taking into account the recommendation made by the CSR committee, will approve the proposal and the expenditure for CSR program for a financial year;
 - e) The proposal may be implemented directly (through the help of employees or direct contribution) or through implementing partners, executing agencies which include registered trusts, societies, NGO's having an established track record in carrying out specific proposals.
 - f) The Company may collaborate with other companies for undertaking the CSR Activities subject to fulfilment of separate reporting requirements as prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014 (the Rules).

7) CSR COMMITTEE:

- a) The CSR committee shall consist of minimum 3 members of the Board of Directors at any given point of time. If the Board of Directors of the Company consist only 2 Directors, then the two Directors will form CSR committee.
- b) The Committee will meet at least twice in a year. A quorum of two members is required for the proceedings to take place.

8) MONITORING:

- a) The progress of CSR activities under implementation will be reported to the CSR Committee, through the authorised official of the Company, on a monthly / quarterly / periodic basis.

- b) The CSR Committee will have periodical inspection / investigations carried out through independent professionals for high value programmes.
- c) The CSR Committee may, independently, obtain feedback from the beneficiaries about the CSR programmes.
- d) Appropriate documentation of the Enam CSR Policy, annual CSR activities, executing partners, and expenditure entailed will be undertaken on a regular basis.
- e) CSR initiatives of the Company will also be reported in the Annual Report of the Company.

9) DISCLOSURES:

The policy for the Corporate Social Responsibility is to be uploaded at www.enamamc.com

10) GENERAL:

In case of any doubt, ambiguity or clarification with regard to any provision of the policy and also in respect of matters not covered herein, a reference to be made to CSR Committee of the Board. In all matters, the interpretation and decision of the CSR Committee shall be final.

Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the amendments in the Companies Act, 2013 or Companies (Corporate Social Responsibility Policy) Rules, 2014 and any guidelines on the subject as may be issued from Government, from time to time.

The Board reserves the right to amend, modify, cancel, add, or alter any provisions of this Policy.
