

## **NATIONAL INTERNET EXCHANGE OF INDIA CORPORATE SOCIAL RESPONSIBILITY POLICY**

### **Context:**

Alongwith sustained economic performance, social and environmental stewardship is also a key factor for holistic business growth. With a view for promotion of Internet and building a viable Internet ecosystem within the Country, NIXI was set up as a not for profit organization under section 25 of the Companies Act, 1956 (now section 8 under Companies Act, 2013) for peering of ISPs among themselves and routing the domestic traffic within the country aimed at providing a dedicated approach to community development. It is also entrusted with the followingsovereign functions:

- .IN Registry and Internationalized Domain Names (IDNs)
- National Internet Registry (NIR)

### **Objectives:**

NIXI's CSR policy intends to:

- i) Improve quality of life of communities through long-term value creation for all stakeholders.
- ii) Strive for economic development by protecting and promoting the interest of the Internet users around the country specifically in the rural areas.

### **Focus areas:**

In pursuance to the Companies Act, 2013, NIXI's CSR activities amongst others, will focus on:

- i) Education and training: Financially supporting deserving candidates to present a research paper, chair a session or deliver keynote address in an international scientific event in the area of internet technology/ policy development and to engage with global counterparts and stay informed of the latest developments.
- ii) Rural Development Projects: Strengthening rural areas by improving accessibility to internet such as creation of free WiFi zones.

The list of CSR activities to be undertaken by the Company is placed at Annexure 1.

The CSR Committee of the Company is as under:

S.No.	Members	
1	Shri Anil Kumar Jain	CEO -Chairman
2	Shri Shyam Nair	Director, Member
3	Shri Bindhumadhava	Director, Member
4	Shri Venkat Ramanan	Director, Member
5	Shri Praveen Sharma	Director, Member

**Frequency of Meetings & Quorum:**

The meetings of the CSR Committee could be held at such periodic intervals as may be required.

**Quorum:**

One-third of its total strength (any fraction contained in that one-third be rounded off as one) or two members, whichever is higher, shall constitute a quorum for the Committee meeting.

**Chairman:**

In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.

**Minutes of the Committee meeting:**

Proceedings of all meetings must be minuted and signed by the Chairman of the Committee and tabled at the subsequent Board and Committee meeting.

**Responsibilities of the CSR Committee:**

- i) To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company specified in the Schedule VII of the Companies Act, 2013;
- ii) Institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company
- iii) To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;
- iv) To monitor the CSR policy of the Company from time to time;
- v) Any other matter as the Committee may deem appropriate after approval of

the Board of Directors or as may be directed by the Board of Directors from time to time.

**Role of the Board:**

- i) After taking into account the recommendations made by the CSR Committee, approve the CSR Policy for the Company
- ii) Ensure that in each financial year the Company spends at least 2% of the average net profits of the company made during the three immediate preceding financial years, calculated in accordance with Section 198 of the Act, in pursuance of its CSR policy. Further, while spending the amount earmarked for CSR activities, preference should be given to local areas and areas around the Company where it operate.
- iii) As per Section 135 of the Act, specify the reasons for under spending the CSR amount in the Board's Report.
- iv) Constantly monitor the implementation of the CSR activities. The CSR committee shall place a progress report, including details of expenses, before the Board on regular basis. The Board shall review the same and suggest recommendation, if any, to the committee with regard to implementation process.

**Funding, Selection and monitoring process:**

The CSR Activities would be chosen for implementation by the Company in compliance with the provisions of Section 135 read together with Schedule VII of the Companies Act, 2013.

The funding and evaluation of the projects for CSR shall be made in accordance with the approved Project Guidelines of NIXI and delegation of financial powers.

The CEO, NIXI shall monitor the status of each project and report its findings to the CSR Committee.

**Budget for CSR Activity& CSR Expenses:**

The Company shall allocate the budget for CSR activities. The minimum budgeted amount for a financial year shall be 2% of the average net profit of three immediate preceding financial years.

**Disclosure of the CSR Policy:**

The CSR policy approved by the Board shall be displayed on the Company's website and shall be disclosed in the Board's report as well.

**Review of Policy:**

This CSR policy document will be reviewed from time to time and any changes, if necessary, as recommended by the CSR Committee shall be approved by the Board. This policy shall be updated by the Company in accordance with the amendments, if any, to the Companies Act, 2013, rules made thereunder or any other applicable enactment for the time being in force.

## ANNEXURE

CSR Activities to be undertaken by the Company as per Schedule VII of the Companies Act, 2013:

1.	Eradicating hunger, poverty and malnutrition; promoting healthcare, 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.
2.	Promoting education, including special education and employment-enhancing vocational skills, especially among children, women, elderly, and the differently-abled and livelihood enhancement projects;
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;
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 set-up by the Central Government for the rejuvenation of river Ganga;
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.	Measures for the benefit of armed-forces veterans, war-widows and their dependents;
7.	Training to promote rural sports, nationally-recognised sports, Paralympic sports and Olympic sports.
8.	Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
9.	Contributions or funds provided to technology incubators located within academic institutions, which are approved by the Central Government;
10.	Rural development projects.
11.	Slum area development.

**Additional items that may be included in CSR Policy as per the MCA circular no. 21/2014:**

- i) “Educating the Masses and Promotion of Road Safety awareness in all facets of road usage (Schedule VII (ii) under “promoting education”)
- ii) Drivers’ training (Schedule VII (ii) under “vocational skills”.)
- iii) Safety traffic engineering and awareness through print, audio and visual media” should be included. (Schedule VII (ii) under “promoting education”)
- iv) Social Business Projects : “giving medical and Legal aid, treatment to road accident victims” should be included. (Schedule VII (i) under ‘promoting health care including preventive health care.)
- v) Provisions for aids and appliances to the differently- able persons (Schedule VII (i) under ‘promoting health care including preventive health care.)
- vi) Capacity building for farmers covering best sustainable farm management practices. (Schedule VII (ii) under “Vocational skill” livelihood enhancement projects)
- vii) Training Agriculture Labour on skill development. (Schedule VII (ii) under “Vocational skill”)
- viii) Doing our own research on the field for individual crops to find out the most cost optimum and Agri – ecological sustainable farm practices. (Applied research) with a focus on water management. (Schedule VII (iv) under ‘Ecological balance’, ‘maintaining quality of soil, air and water’)
- ix) To do Product Life Cycle analysis from the soil conservation point of view. (Schedule VII (iv) under “Conservation of natural resource” and ‘maintaining quality of soil, air and water’.
- x) Providing effective consumer grievance redressal mechanism; Protecting consumer’s health and safety, sustainable consumption, consumer service, support and complaint resolution; Consumer protection activities; Consumer Rights to be mandated; all consumer protection programs and activities on the same lines as Rural Development, Education etc. (Schedule VII (ii) under “promoting education”.)
- xi) Donations to IIMA for conservation of buildings and renovation of classrooms (Schedule VII (ii) under “promoting education”)
- xii) Non Academic Technopark TBI not located within an academic Institution but approved and supported by Department of Science and Technology. (Schedule VII (ii) under “promoting education”, if approved by Department of Science and Technology.)

xiii) Disaster relief: Disaster relief can cover wide range of activities that can be appropriately shown under various items listed in Schedule VII. For example,

- medical aid can be covered under 'promoting health care including preventive health care.
- food supply can be covered under eradicating hunger, poverty and malnutrition.
- supply of clean water can be covered under 'sanitation and making available safe drinking water'.

xiv) Trauma care around highways in case of road accidents. (Schedule VII (i) under 'health care')

xv) Supplementing of Govt. schemes like mid-day meal by corporates through additional nutrition. (Schedule VII (i) under 'poverty and malnutrition')

xvi) Enabling access to, or improving the delivery of, public health systems. (Schedule VII (i) or (iii) under the heads of "healthcare" or "measures for reducing inequalities faced by socially & economically backward groups", depending on the context)

xvii) slum re-development or EWS housing (Schedule VII (iii) under "measures for reducing inequalities faced by socially & economically backward groups")

xviii) Renewable energy projects (Schedule VII (iv) under 'Environmental sustainability, ecological balance and conservation of natural resources')

xviii) Contribution to the Corpus of a Trust/Society/Section 8 companies etc. will qualify as CSR expenditure as long as:

- a) the Trust/Society/Section 8 company etc. is created exclusively for undertaking CSR activities, or
- b) where the corpus is created exclusively for a purpose directly relatable to a subject covered in Schedule VII of the Act.

**Activities not covered under Schedule VII as per the MCA circular no. 21/2014 and 01/2016:**

- i) Training to enforcement personnel,
- ii) Capacity building of government officials and elected representatives – both in the area of PPPs and urban infrastructure.
- iii) Sustainable urban development and urban public transport systems

- iv) US-India Physicians Exchange Program – broadly speaking, this would be program that provides for the professional exchange of physicians between India and the United States.
- v) CSR projects or programs or activities that benefit only the employees of the company and their families.
- vi) One-off events such as marathons / awards / charitable contribution / advertisement / sponsorships of TV programmes etc.
- vii) Expenses incurred by companies for the fulfillment of any other Act/Statute of regulations (such as Labour Laws, Land Acquisition Act, 2013, Apprentice Act, 1961, etc.)
- viii) Contribution of any amount directly or indirectly to any political party
- ix) Activities undertaken by company in pursuance of its normal course of business
- x) Projects or programmes or activities undertaken outside India.



**CSR Projects approved by NIXI BOARD for FY 21-22 are as below:**

1. Provided financial support of Rs.10 Lakh from CSR fund to Manav Mitra for Charitable work related to Covid 19 Pandemics.
2. Provided financial support of Rs.15,27,694/- to Vidya Roshan Charitable Trust to provide basic services to the most marginalized communities like underprivileged girls, women and elderly in areas of Health, Education, Gender Equality, and Women's Empowerment.