NEXOME CAPITAL MARKETS LIMITED

(Formerly SMIFS Capital Markets Limited)

CORPORATE SOCIAL RESPONSIBILITY POLICY

Formulated under Section 135 of the Companies Act, 2013
read with the Companies (CSR Policy) Rules, 2014 (as amended)

Recommended by the CSR Committee on: June 24, 2026
Approved by the Board of Directors on: August 11, 2026
Effective Date: August 11, 2026

TABLE OF CONTENTS

01. PREAMBLE AND BACKGROUND 03

02. OBJECTIVE OF THIS POLICY 03

03. APPLICABILITY 03

04. DEFINITIONS 04

05. CSR VISION AND PHILOSOPHY 05

06. CSR COMMITTEE – CONSTITUTION AND FUNCTIONS 05

07. FOCUS AREAS OF CSR ACTIVITIES 07

08. IMPLEMENTATION STRATEGY 08

09. CSR BUDGET AND EXPENDITURE 10

10. ELIGIBLE CSR ACTIVITIES 11

11. INELIGIBLE ACTIVITIES 12

12. ONGOING PROJECTS 12

13. TREATMENT OF UNSPENT CSR AMOUNT 13

14. MONITORING, EVALUATION AND IMPACT ASSESSMENT 13

15. REPORTING AND DISCLOSURE 14

16. PENALTIES FOR NON-COMPLIANCE 15

17. AMENDMENTS TO POLICY 15

18. GOVERNING LAW AND REVIEW 15

- ANNEXURE A- DUE DILIGENCE CHECKLIST FOR IMPLEMENTING AGENCIES 16
- ANNEXURE B- LIST OF ELIGIBLE FUNDS UNDER SCHEDULE VII 17

1. PREAMBLE AND BACKGROUND

Nexome Capital Markets Limited (Formerly SMIFS Capital Markets Limited) (hereinafter referred to as "the Company") is committed in conducting its business responsibly and contributing to the sustainable development of society. The Company recognizes that as a corporate entity, it has obligations not only to its shareholders but also to the communities and the environment in which it operates.

The Government of India has institutionalised Corporate Social Responsibility ("CSR") as a statutory obligation vide Section 135 of the Companies Act, 2013 ("the Act"), Schedule VII of the Act, and the Companies (CSR Policy) Rules, 2014 ("CSR Rules"), as amended from time to time, including significant amendments notified on 22nd January 2021.

This Corporate Social Responsibility Policy ("Policy") has been formulated by the CSR Committee and approved by the Board of Directors of the Company pursuant to the requirements of Section 135 of the Act and the CSR Rules. This is the first CSR Policy of the Company, effective from the date of approval by the Board.

2. OBJECTIVE OF THIS POLICY

This Policy aims to:

- Establish the CSR framework, governance structure and processes of the Company.
- Define the vision, philosophy, and focus areas for CSR activities.
- Set out the implementation strategy, budgeting, and expenditure norms.
- Provide guidelines for monitoring, evaluation, impact assessment, and reporting of CSR activities.
- Ensure compliance with the provisions of Section 135 of the Companies Act, 2013, the Companies (CSR Policy) Rules, 2014, and all amendments thereto.
- Align CSR activities with national development priorities and the Sustainable Development Goals (SDGs) of the United Nations.

3. APPLICABILITY

3.1 This Policy is applicable to Nexome Capital Markets Limited (Formerly SMIFS Capital Markets Limited) in India.

3.2 The Company is required to comply with the CSR provisions under Section 135(1) of the Companies Act, 2013 if it satisfies any of the following criteria in the immediately preceding Financial Year:

S.No.	Criteria	Threshold
(i)	Net Worth	Rs. 500 Crore or more
(ii)	Turnover	Rs. 1,000 Crore or more
(iii)	Net Profit	Rs. 5 Crore or more

3.3 This Policy shall also apply if the Company has not completed three Financial Years since incorporation but satisfies the above criteria, in which case average net profit shall be calculated on the basis of net profit(s) of the immediately preceding Financial Year(s).

4. DEFINITIONS

Unless otherwise specified, the following terms shall have the meanings assigned below. Other terms used but not defined herein shall have the meanings assigned to them under the Companies Act, 2013 or the CSR Rules:

"Act": means the Companies Act, 2013, as amended from time to time.

"Average Net Profit": means the average of the net profits of the Company calculated in accordance with Section 198 of the Act for the three immediately preceding Financial Years (or such shorter period in case the Company has not completed three Financial Years), exclusive of items specified in Rule 2(1)(h) of the CSR Rules. Profit Before Tax (PBT) is used for this computation.

"Board": means the Board of Directors of the Company.

"CSR": means Corporate Social Responsibility as defined under Rule 2(1)(d) of the CSR Rules.

"CSR Committee": means the Corporate Social Responsibility Committee constituted by the Board under Section 135(1) of the Act.

"CSR Expenditure": means the amount spent or required to be spent by the Company on CSR activities in a Financial Year pursuant to Section 135(5) of the Act.

"CSR Policy": means this Corporate Social Responsibility Policy of the Company, as amended from time to time.

"CSR Rules": means the Companies (CSR Policy) Rules, 2014, as amended from time to time.

"Implementing Agency": means any entity eligible to implement CSR activities on behalf of the Company as specified in Rule 4(1) of the CSR Rules.

"Ongoing Project": means a multi-year CSR project that extends over more than one Financial Year as defined under Rule 2(1)(i) of the CSR Rules, having a timeline not exceeding three years excluding the year of commencement.

"Schedule VII": means Schedule VII of the Companies Act, 2013 specifying eligible CSR activities, as amended from time to time.

"Unspent CSR Account": means a separate bank account opened in any scheduled bank in the name of the Company into which unspent amounts pertaining to ongoing CSR projects are transferred.

5. CSR VISION AND PHILOSOPHY

CSR Vision

"To be a responsible corporate entity that contributes meaningfully to the economic, social and environmental well-being of communities across India, with a commitment to sustainable, inclusive and equitable growth."

The Company's CSR philosophy is guided by the following core principles:

- **Sustainability:** Ensuring that CSR initiatives have a lasting and replicable impact.
- **Inclusivity:** Prioritizing marginalized, underprivileged, and vulnerable communities.
- **Transparency:** Maintaining accountability in utilization and reporting of CSR funds.
- **Partnership:** Collaborating with governments, NGOs, communities, and experts for effective implementation.
- **Alignment with National Priorities:** Supporting India's developmental agenda and the Sustainable Development Goals (SDGs).

6. CSR COMMITTEE – CONSTITUTION AND FUNCTIONS

6.1 Constitution of CSR Committee

Pursuant to Section 135(1) of the Act, the Board of Directors has constituted a CSR Committee. The composition of the CSR Committee shall be as follows:

SL. NO.	NAME OF DIRECTOR	DESIGNATION	NATURE OF DIRECTORSHIP
1.	Anil Kumar Murarka	Chairperson	Independent Director
2.	Utsav Parekh	Member	Non-Executive Director
3.	Kishor Shah	Member	Managing Director
4.	Pushpa Mishra	Member	Independent Director

Proviso: Where the amount required to be spent on CSR does not exceed Rs. 50 Lakhs, the functions of the CSR Committee shall be discharged directly by the Board of Directors of the Company, pursuant to Section 135(9) of the Act.

While the Act dispenses with the requirement to constitute a Committee for obligations under Rs. 50 Lakhs, the Board has voluntarily chosen to constitute and maintain the CSR Committee to ensure robust governance and oversight.

6.2 Functions of the CSR Committee

The CSR Committee shall:

- Formulate and recommend to the Board this CSR Policy and any amendments thereto.
- Recommend the amount of CSR expenditure to be incurred by the Company in each Financial Year.
- Formulate and recommend to the Board an Annual Action Plan which shall include: (a) the list of CSR projects approved; (b) the manner of execution; (c) modalities of utilization of funds; (d) implementation schedules; and (e) monitoring and reporting mechanism.
- Monitor the CSR Policy and its implementation from time to time.
- Review and recommend to the Board the CSR activities, programmes, and projects for approval.
- Ensure that the CSR activities undertaken by the Company are in compliance with Schedule VII and the CSR Rules.
- Review periodic reports prepared by the CSR team and provide suitable direction.
- Discharge all other responsibilities as required under applicable law.

The CSR Committee shall meet at least twice a year to review the implementation of CSR projects/programmes and provide suitable directions.

6.3 Responsibilities of the Board

The Board of Directors of the Company shall:

- Approve the CSR Policy and Annual Action Plan as recommended by the CSR Committee.
- Disclose the contents of the CSR Policy in the Board's Report and place it on the Company's website.
- Ensure that CSR activities included in the Policy are actually undertaken by the Company.
- Ensure that at least 2% of average net profit of the immediately preceding three Financial Years is spent on CSR activities in every Financial Year.
- Ensure that funds disbursed to implementing agencies have been utilised for the prescribed purposes and obtain certification from the CFO to that effect.
- Approve ongoing CSR projects and monitor their implementation with reference to approved timelines and year-wise allocation.
- Specify reasons in the Board's Report for any shortfall in CSR spending, and transfer unspent amounts as required under Section 135(5) and 135(6) of the Act.

7. FOCUS AREAS OF CSR ACTIVITIES

The Company's CSR initiatives shall focus on the following broad areas, which are aligned with Schedule VII of the Companies Act, 2013 and national development priorities. These areas may be reviewed and updated by the Board, on recommendation of the CSR Committee, from time to time:

1	**Eradicating Hunger, Poverty & Malnutrition** Initiatives to address poverty, eradicate hunger, improve nutrition and ensure food security, including setting up of homes and hostels for women and orphans, old age homes, day care centres, etc.
2	**Promoting Education** Activities promoting education, especially among children, women, elderly and differently abled persons; promoting vocational skills, livelihood enhancement projects and scholarship programmes.
3	**Promoting Gender Equality & Women Empowerment** Measures to promote gender equality and empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centres and other facilities for senior citizens.
4	**Healthcare & Sanitation** Activities promoting preventive healthcare and sanitation, including contributions to the Swachh Bharat Kosh, making available safe drinking water, and supporting maternal and child health programmes.
5	**Environmental Sustainability** Measures for ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, conservation of natural resources, and maintaining quality of soil, air, and water, including contributions to the Clean Ganga Fund.
6	**Rural Development & Livelihoods** Rural development projects, including farm and non-farm livelihoods, water conservation, development of community infrastructure, food security, and improving quality of life in rural areas.
7	**Protection of National Heritage, Art & Culture** Protecting and promoting 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.
8	**Sports for Development** Training and promotion of rural sports, nationally recognised sports, Paralympics sports and Olympic sports; support to athletes for participation in national and international events.

9	**Welfare of Armed Forces Veterans, War Widows & Dependants** Support and welfare of war widows, ex-servicemen and their dependants.
10	**Disaster Management** Contributions to disaster relief, rehabilitation, and reconstruction activities including contributions to the Prime Minister's National Relief Fund (PMNRF) and PM CARES Fund.
11	**Slum Area Development** Slum area development and affordable housing projects.
12	**Technology Incubators & R&D** Contributions to technology incubators located within academic institutions approved by the Central Government, and contributions to public-funded universities and institutions for research and development.
13	**Benefiting Armed Forces, Farmers & Other Groups** Measures for the benefit of war widows and their dependants, central armed police forces and their families, persons with disabilities (differently abled), and other specified groups.

Note: The activities listed above are broad-based and must be interpreted liberally to capture the essence of subjects enumerated in Schedule VII of the Act. CSR expenditure shall not be incurred on activities beyond Schedule VII. Any modification in Schedule VII through legislative amendment shall automatically be incorporated in this Policy.

8. IMPLEMENTATION STRATEGY

8.1 Modes of Implementation

Pursuant to Rule 4 of the CSR Rules, the Company may implement its CSR activities through the following modes:

Direct Implementation: The Company may undertake CSR activities directly through its own team of professionals.

Through Eligible Implementing Agencies: The Company may implement CSR activities through eligible implementing agencies as specified in Rule 4(1) of the CSR Rules (see Section 8.2 below).

Collaborative Implementation: The Company may collaborate with one or more companies for undertaking CSR activities, subject to compliance with Rule 4(4) of the CSR Rules. In such cases, the CSR Committees of the respective companies may, if necessary, be merged.

8.2 Eligible Implementing Agencies

The following entities are eligible to act as implementing agencies under Rule 4(1) of the CSR Rules:

- A company established under Section 8 of the Act, or a registered public trust or registered society, registered under Section 12A and 80G of the Income Tax Act, 1961, established by the Company itself or along with any other company.
- A company established under Section 8 of the Act, or a registered trust or registered society, established by the Central Government or State Government.
- Any entity established under an Act of Parliament or a State legislature (Statutory bodies).
- A company established under Section 8 of the Act, or a registered public trust or a registered society, registered under Section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.

Important provisions:

- Every implementing agency must mandatorily register itself on the MCA21 portal by filing e-Form CSR-1 before undertaking CSR activities on behalf of the Company (effective 1st April 2021).
- International organizations cannot act as implementing agencies. However, they may be engaged for designing, monitoring, evaluation of CSR projects, or capacity building of CSR personnel (Rule 4(3)).
- The Company shall conduct due diligence on all implementing agencies as per Annexure A of this Policy.
- All implementing agencies shall submit quarterly progress reports on CSR projects.

8.3 Engagement Model

The Company's core model of CSR engagement shall be guided by:

- Focus on India's most marginalized, vulnerable, and underprivileged communities.
- Direct engagement with communities through a team of trained professionals wherever feasible.
- Preference to local areas and areas around the Company's operations, while balancing national priorities.
- Outcome and impact orientation in every CSR initiative.
- Creating demonstrable models of development that can be replicated and scaled.
- Leveraging technology for effective and efficient delivery of CSR solutions.
- Ensuring community ownership and long-term sustainability of CSR programmes.
- Collaborating with other companies, NGOs, academic institutions, government bodies, and development sector organizations as required.

9. CSR BUDGET AND EXPENDITURE

9.1 Quantum of CSR Expenditure

Pursuant to Section 135(5) of the Act, the Board of Directors shall ensure that the Company spends, in every Financial Year, at least two per cent (2%) of the Average Net Profit of the Company made during the three immediately preceding Financial Years, in pursuance of its CSR Policy.

The Average Net Profit for this purpose shall be computed as per Section 198 of the Act (Profit Before Tax basis), excluding items specified under Rule 2(1)(h) of the CSR Rules.

9.2 Administrative Overheads

Administrative overheads (i.e., expenses incurred for general management and administration of CSR functions) shall not exceed five percent (5%) of the total CSR expenditure for the Financial Year.

Administrative overheads include: employee costs of CSR division, stationery, utilities, legal expenses related to CSR administration, travel for CSR oversight, etc.

Note: Expenses directly incurred for designing, implementation, monitoring, and evaluation of a specific CSR project/programme (e.g., salaries of school teachers under an education project) shall be treated as project costs and not administrative overheads.

Expenses incurred by implementing agencies on management of CSR activities shall not be considered administrative overheads of the Company.

9.3 Set-off of Excess CSR Expenditure

Where the Company spends an amount in excess of the required 2% CSR obligation in any Financial Year, such excess amount may be set off against the CSR obligation for the immediately succeeding three Financial Years, subject to compliance with Rule 7(3) of the CSR Rules.

9.4 Modes of Incurring CSR Expenditure

CSR expenditure may be incurred through the following modes (as per Rule 7 of the CSR Rules):

- **Activities Route:** Undertaking CSR projects or programmes as per Schedule VII of the Act, directly or through implementing agencies.
- **Funds Route:** Contributions to funds specified in Schedule VII of the Act (Refer Annexure B).
- **Contribution to incubators/R&D:** As specified under item (ix)(a) and (ix)(b) of Schedule VII.

9.5 Key Expenditure Rules

Rule	Position
CSR expenditure as business expense	NOT allowed. As per Explanation 2 to Section 37(1) of the Income Tax Act, 1961, CSR expenditure is not a business expense.
Tax benefits on CSR expenditure	No specific tax exemptions. CSR expenditure does not form part of business expenditure.

Contribution in kind	NOT eligible. Section 135(5) requires actual monetary spend.
Employee involvement monetization	NOT eligible. Employee contribution to CSR activities cannot be monetized or accounted as CSR expenditure.
Surplus arising from CSR activities	Must be used exclusively for CSR purposes. It shall not be added to business profits of the Company.
Contribution to corpus of entities	NOT an admissible CSR expenditure w.e.f. 22nd January 2021.
Capital asset transfer expenses	Stamp duty and registration fees for transfer of capital assets for CSR qualify as CSR expenditure.
Funding government schemes directly	NOT permitted. CSR should not merely finance resource gaps in government schemes, though the Company may independently undertake similar activities.

10. ELIGIBLE CSR ACTIVITIES

CSR activities must be relatable to Schedule VII of the Companies Act, 2013. The entries in Schedule VII are broad-based and shall be interpreted liberally to capture the essence of the subjects enumerated therein.

Activities eligible as CSR include, but are not limited to, those listed under Section 7 of this Policy and as specified in Schedule VII of the Act, as amended from time to time. Reference must always be made to the latest version of Schedule VII.

The Company may also make contributions to the following eligible funds (also refer Annexure B):

- Swachh Bharat Kosh
- Clean Ganga Fund
- Prime Minister's National Relief Fund (PMNRF)
- Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund)
- Any other fund set up by the Central Government and notified by the Ministry of Corporate Affairs for socio-economic development and relief and welfare of specified communities.

11. INELIGIBLE ACTIVITIES

Pursuant to Rule 2(1)(d) of the CSR Rules, the following activities shall NOT qualify as eligible CSR activities:

- Activities undertaken in the pursuance of the Company's normal course of business.
- 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.
- Contribution of any amount, directly or indirectly, to any political party under Section 182 of the Act.
- Activities benefitting employees of the Company as defined in Section 2(k) of the Code on Wages, 2019. (Note: Activities that benefit the public at large but where employees and their families are incidental beneficiaries shall still qualify as CSR.)

- Sponsorship activities undertaken for deriving marketing benefits for the Company's products or services.
- Activities undertaken for fulfilling any statutory obligation under any law in force in India.
- Contribution to corpus of any entity (not admissible w.e.f. 22nd January 2021).
- Contribution to any fund not specifically mentioned in Schedule VII of the Act.

12. ONGOING PROJECTS

The Board may classify CSR projects as 'Ongoing Projects' in accordance with the definition under Rule 2(1)(i) of the CSR Rules. An ongoing project means:

- A multi-year project stretching over more than one Financial Year.
- Having a timeline not exceeding three years, excluding the year of commencement (i.e., maximum 1+3 Financial Years).
- A project may also be classified as ongoing if it was not initially approved as multi-year but its duration has been extended beyond one year by the Board based on reasonable justification.

Key provisions for ongoing projects:

- The Board shall identify ongoing projects, allocate funds year-wise, and monitor implementation against approved timelines.
- The maximum permissible time period for any ongoing project is three Financial Years excluding the year of commencement. This period cannot be extended under any circumstances.
- The Board may abandon or modify an ongoing project, partially or wholly, under exceptional circumstances during the prescribed project period, on recommendation of the CSR Committee, with reasonable justification.
- An ongoing project shall be deemed to have 'commenced' when the Company issues a work order or awards a contract for its execution.
- Budget allocated for one ongoing project may be used for another project, subject to appropriate Board and CSR Committee approval and documentation.
- Ongoing projects may be implemented through eligible implementing agencies.

13. TREATMENT OF UNSPENT CSR AMOUNT

Where the Company spends less than the required 2% CSR obligation in any Financial Year, the Board shall specify reasons for such shortfall in the Board's Report and deal with the unspent amount as follows:

NATURE OF UNSPENT AMOUNT	ACTION REQUIRED	TIMELINE
Amount pertaining to Ongoing Projects	Transfer to a separate 'Unspent CSR Account' in any scheduled bank.	Within 30 days from the end of the Financial Year.
Amount pertaining to Projects other than Ongoing Projects	Transfer to any fund specified in Schedule VII of the Act.	Within 6 months from the end of the Financial Year.

Additional provisions regarding unspent amounts:

- The Company shall open a single 'Unspent Corporate Social Responsibility Account' per Financial Year in a scheduled bank. A separate Unspent CSR Account shall be maintained for each Financial Year, but not for each ongoing project.
- The amount in the Unspent CSR Account shall be used only for meeting expenses of ongoing projects and not for general business purposes. It cannot be used as collateral or for creating any charge.
- During the intervening period of six months (for non-ongoing projects), the unspent amount cannot be spent on any CSR activity. It must be transferred to the specified Schedule VII fund.
- Compliance with Section 135 is fulfilled when the Company either spends the requisite amount within the Financial Year or transfers the unspent amount to the appropriate fund/account within the prescribed timeline.
- Transfer of unspent amount to the Unspent CSR Account does not constitute 'spending'. Actual utilization by the implementing agency constitutes spending for the purpose of Section 135(5).

14. MONITORING, EVALUATION AND IMPACT ASSESSMENT

14.1 Monitoring and Evaluation Framework

The Company shall establish a robust Monitoring and Evaluation (M&E) framework to assess the outcome and impact of CSR activities. This shall include:

- Impact assessment studies conducted by an independent agency.
- Routine programme monitoring to track key operational strategies and milestones.
- Focus on beneficiary feedback and course correction.
- Efficient information systems for collecting, collating, storing, processing, and transmitting CSR programme data.
- Periodic reports to be presented before the CSR Committee and the Board.

14.2 Mandatory Impact Assessment

Pursuant to Rule 8(3) of the CSR Rules, impact assessment shall be mandatory for the Company if it meets both the following conditions:

- The Company has a minimum average CSR obligation of Rs. 10 Crore or more in the immediately preceding three Financial Years; AND
- The Company has CSR projects with outlays of minimum Rs. 1 Crore that have been completed not less than one year before undertaking the impact assessment.

Impact assessment shall be carried out only on a project-wise basis where both conditions above are fulfilled. In other cases, impact assessment may be undertaken on a voluntary basis.

Impact assessment shall be conducted by an independent agency. The Board shall decide the eligibility criteria for selection of such agency.

Expenditure on impact assessment shall be over and above the administrative overheads limit of 5%. Such expenditure may be up to a maximum of two percent (2%) of the total CSR expenditure for that Financial Year or Rs. 50 Lakh, whichever is higher, and shall be counted as part of CSR expenditure.

Impact assessment reports shall be placed before the Board and shall be annexed to the Annual Report on CSR. Providing a web-link to complete reports along with an executive summary in the Annual Report shall be considered sufficient compliance.

Where two or more companies collaborate for implementation of a CSR project, the impact assessment carried out by one company for the common project may be shared with the others for disclosure purposes.

15. REPORTING AND DISCLOSURE

15.1 Board's Report

As per Rule 8(1) of the CSR Rules, the Board's Report for every Financial Year shall include an Annual Report on CSR containing particulars specified in Annexure I or Annexure II of the CSR Rules, as applicable.

15.2 Website Disclosure

Pursuant to Rule 9 of the CSR Rules, the Board of Directors shall mandatorily disclose the following on the Company's website for public access:

- Composition of the CSR Committee (including names and designations of members).
- CSR Policy of the Company.
- All CSR projects approved by the Board (irrespective of outlay or percentage of total CSR expenditure).

15.3 Annual Action Plan

The CSR Committee shall formulate and recommend to the Board an Annual Action Plan for every Financial Year, which shall contain:

- List of CSR projects or programmes to be undertaken.
- Manner of execution of CSR projects or programmes.
- Modalities of utilization of CSR funds including monitoring and reporting mechanism.
- Implementation schedules.
- Details of implementing agencies, if any.
- Impact assessment requirements, if applicable.

15.4 MCA21 Filing

The Company shall file its Annual Report on CSR in the MCA21 portal as required under applicable law. The CSR architecture is disclosure-based and the Government monitors compliance through disclosures on the MCA21 portal.

16. PENALTIES FOR NON-COMPLIANCE

Non-compliance with CSR provisions (specifically relating to transfer of unspent amounts under Sections 135(5) and 135(6)) is a civil wrong under the Companies Act, 2013, effective from 22nd January 2021. The following penalties are applicable:

NON-COMPLIANT ENTITY	PENALTY
Company	Twice the unspent amount required to be transferred to any fund included in Schedule VII of the Act or Unspent CSR Account, as the case may be, OR Rs. 1 Crore, whichever is less.

Every Officer in Default	One-tenth (1/10th) of the unspent amount required to be transferred to any fund in Schedule VII or Unspent CSR Account, OR Rs. 2 Lakh, whichever is less.

Important: The penalty is in addition to the obligation of the Company to transfer the unspent amount. Paying the penalty does not relieve the Company from its statutory obligations. Non-compliance with other provisions of Section 135 or CSR Rules (other than Sections 135(5) and 135(6)) attracts penalties under Section 134(8) or Section 450 of the Act.

17. AMENDMENTS TO POLICY

Any subsequent amendment or modification in the provisions of the Companies Act, 2013, Schedule VII, or the CSR Rules, impacting any provision of this Policy, shall automatically apply to this Policy and the relevant provision(s) of this Policy shall be deemed to be modified or amended to that extent, even if not expressly incorporated in this Policy.

The CSR Committee shall recommend any formal amendments to this Policy to the Board for approval. The Board shall approve all amendments to the CSR Policy.

18. GOVERNING LAW AND REVIEW

This Policy shall be governed by and construed in accordance with the laws of India. Any dispute arising out of or in connection with this Policy shall be subject to the jurisdiction of the courts in India.

The CSR Committee shall periodically review this Policy (at least once in every two years or earlier if required due to changes in applicable law) and recommend changes to the Board for approval.

This Policy shall be hosted on the Company's official website and disclosed in the Annual Report of the Company as required by law.

ANNEXURE A: DUE DILIGENCE CHECKLIST FOR IMPLEMENTING AGENCIES

The following information shall be sought from interested implementing agencies as part of due diligence before engagement, as relevant:

S.No.	Document / Information Required	Remarks
1.	Memorandum/Article of Association or Constitution of the entity.	Mandatory
2.	Registration Certificate of the entity.	Mandatory
3.	Registration Certificate under Section 12A of the Income Tax Act, 1961.	Mandatory (unless Govt. entity)
4.	Registration Certificate under Section 80G of the Income Tax Act, 1961.	Mandatory (unless Govt. entity)
5.	Audited Financial Accounts of the last three Financial Years.	Mandatory
6.	PAN Card of the entity.	Mandatory
7.	IT Exemption Certificate under Section 35(1), if available.	If applicable
8.	Acknowledgement of Income Tax Return along with IT Returns filed for the last three years.	Mandatory
9.	FCRA Certificate (if applicable) and latest copy of FCRA Return FC-3.	If applicable
10.	Proof of registration on MCA21 portal (e-Form CSR-1 filing).	Mandatory (w.e.f. April 1, 2021)
11.	Detailed description of the proposed CSR project including objectives, target beneficiaries, timelines, and budget.	Mandatory
12.	Proof of track record of at least 3 years in undertaking similar activities (if 'Other bodies' category).	If applicable
13.	Quarterly reporting mechanism and format agreed upon.	Mandatory

Additional conditions for engagement of implementing agencies:

- The team may visit and/or meet representatives of the implementing agency to assess the organization, as required.
- Quarterly reporting on the progress in implementation of projects/programmes and utilization of amounts is mandatory.
- The Company reserves the right, at its sole discretion, to stop funding at any stage of a project if it is not being implemented as per agreed objectives and goals.
- The Company shall ensure that projects/programmes are consistent with the list of activities in Schedule VII.
- International organizations cannot act as implementing agencies but may be engaged for designing, monitoring, evaluation, or capacity building purposes (Rule 4(3) of CSR Rules).

ANNEXURE B: ELIGIBLE FUNDS UNDER SCHEDULE VII OF THE COMPANIES ACT, 2013

Contributions to the following funds are admissible as CSR expenditure under Schedule VII of the Companies Act, 2013:

SL.NO.	FUND
1.	Swachh Bharat Kosh
2.	Clean Ganga Fund
3.	Prime Minister's National Relief Fund (PMNRF)
4.	Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund)
5.	Any other fund set up by the Central Government and notified by the Ministry of Corporate Affairs for socio-economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women.

Important: Contributions to any other fund that is not specifically mentioned in Schedule VII shall NOT be admissible as CSR expenditure. However, the Company may independently undertake similar activities through the Activities Route.

APPROVAL AND CERTIFICATION

This Corporate Social Responsibility Policy has been formulated and recommended by the CSR Committee on June 24, 2026, and officially approved by the Board of Directors of Nexome Capital Markets Limited (Formerly SMIFS Capital Markets Limited) on August 11, 2026.

Chairperson – CSR Committee
- ANIL KUMAR MURARKA

Signature

Date:

Chairman
- UTSAV PAREKH

Signature

Date:

NEXOME CAPITAL MARKETS LIMITED

(Formerly SMIFS Capital Markets Limited)

Registered Office: "VAIBHAV" 4F, 4 Lee Road, Kolkata-700020
CIN: L74300WB1983PLC036342