

**KIMBAL PRIVATE LIMITED
CORPORATE SOCIAL RESPONSIBILITY POLICY**

Introduction:

This Corporate Social Responsibility Policy ("the CSR Policy" or the "Policy") has been framed by Kimbal Private Limited (formerly Sinhal Udyog Private Limited) ("**Kimbal**" or "**the Company**") in accordance with the Section 135, Schedule VII of the Companies Act, 2013 and CSR Rules issued by the Ministry of Corporate Affairs on February 27, 2014, as amended from time to time.

Unless the context otherwise requires, the definitions mentioned in the notification dated February 27, 2014 and the Companies Act 2013, shall apply to this CSR Policy.

Further, Kimbal is guided by the highest standards of corporate governance. Kimbal believes in 'inclusive development' and seeks to continue to be a good corporate citizen in various aspects of its operations and activities. Corporate Social Responsibility (CSR), is understood as a social and environmental commitment integrated into the development of its business activity, to the benefit of all its stakeholders, forming an inseparable part of its business model.

Focus Areas:

Kimbal endeavors that all initiatives undertaken by it should have a positive impact on the beneficiaries by improving their lives. The initiatives are designed to be replicable, scalable and sustainable on a long term basis. In alignment with this objective and in consideration of its operational context, Kimbal aims to focus on enhancing both lives and livelihood. Accordingly, the Company has identified the following focus areas for its CSR activities, all of which fall within the scope of activities permitted under Companies Act, 2013 and rules made thereunder ('the Act').

Initially, Kimbal intends to focus its CSR activities to the following areas:

- a. Promoting holistic education encompassing academic, co-curricular, and sports education, along with employment enhancing vocation skills and livelihood enhancement projects especially among children, women, elderly and the differently abled.
- b. Contribution to the Prime Minister's National Relief Fund or any other funds set up by the Central Government for socio-economic development.
- c. Eradicating poverty, hunger and malnutrition, promoting health care including preventive health care and sanitation, making available safe drinking water and undertaking rural development projects.
- d. Promoting gender equality, empowering women and senior citizens, and undertaking measures for reducing inequalities faced by socially and economically backward groups.
- e. Ensuring environmental sustainability, ecological balance, 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 rejuvenation of river Ganga;
- f. Any additional CSR initiatives, based on specific merit, provided that these projects fall under the scope of schedule VII of the Companies Act, 2013, as may be amended from time to time.

Kimbal, through its board of directors ('Board') or CSR Committee ("Committee"), if any constituted for the purposes of CSR activities, will decide on the locations for CSR activities. While the focus of CSR efforts will be in the local areas and areas around it where the Company operates, it may also

undertake projects where societal needs are high or in special situations (such as in the case of natural disasters, etc.).

Objective of the CSR Policy:

The objective of this Policy is to provide a structured and strategic framework for Kimbal's CSR initiatives, ensuring that the Company's social and environmental responsibilities are integrated into its core business operations and aligned with its values. The Policy aims to continuously and consistently:

- i. Define and lay down the guiding principles and strategies implementing Company's CSR initiatives, ensuring alignment with applicable legal provisions, particularly Schedule VII of the Companies Act, 2013, and fostering accountability, transparency, and measurable impact.
- ii. Outline the vision and approach of the Board of Directors in steering CSR initiatives, emphasizing the importance of ethical business practices, community engagement, and sustainable development, thereby reinforcing the Company's commitment to inclusive growth and societal well-being.
- iii. To articulate Kimbal's core philosophy of corporate social responsibility, which is grounded in the belief that business success must be aligned with social progress, and that the Company has an obligation to contribute meaningfully to the communities in which it operates.
- iv. To define the focus areas and to indicate the nature of activities chosen by Company to address critical social, economic, and environmental challenges. These activities are designed to create positive and sustainable impact, especially in the areas of education, skill development, livelihood enhancement, healthcare, environmental sustainability, and community development.

Regulatory Framework

The Companies Act 2013 together with the Companies (Corporate Social Responsibility Policy) Rules, 2014 notified thereunder as amended from time to time ("The Act") and Schedule VII to the Act read with Section 135 of the Act, provides a framework for companies to define the key thrust areas in the CSR space.

The Act also provides instructions on agencies eligible for implementation through which companies may spend its CSR Expenditure and mandates assessing the impact of the Company's projects in certain cases.

All CSR projects of the Company will be in line with the CSR vision, as well as areas listed in Schedule VII of the Companies Act, 2013.

CSR Funds & Expenditure

The Board should ensure that at least 2% of average net profits of the last three years is spent on CSR initiatives undertaken by the Company.

Subject to the provisions of the Act, in case at least 2% of average net profits of the 3 (three) immediately preceding financial years is not spent in a financial year by the Company on CSR activities/

initiatives, reasons for the same shall be specified in the Board's report and the unspent CSR expenditure shall be spent in accordance with the provisions of the Act.

Any surpluses generated out of CSR activities shall not form part of the business profits of the Company and shall be spent within a period of 6 months of the expiry of the financial year in any of the following manner:

- ploughed back into the same CSR project, where pertaining to an Ongoing Project; or
- transferred to the Unspent CSR Account and spent in pursuance of the CSR policy ; or
- transferred to a Fund specified in Schedule VII of the Act.

CSR expenditure will include all expenditure, direct and indirect, incurred by the Company on CSR activities, including the expenditure undertaken on the same, either directly or through indirect implementing agencies in accordance with its approved CSR policy.

Any expense on an item not in conformity or not in line with the aforesaid activities shall not form part of the CSR expenditure.

Any amount spent in excess of the CSR obligation of the Company (excluding the surplus arising out of the CSR activities) in a particular financial year, with the approval of the Board, may be set off against the CSR expenditure obligation of the Company for the immediately succeeding 3 financial years.

Monitoring and Review Mechanism:

The Board or any Committee thereof, shall formulate the annual action plan comprising of the details of the projects/ programmes to be undertaken by the Company, the modalities of utilisation of the CSR funds, the expected outcome and milestones that are expected to be achieved in each and every activity, details of need and impact assessment, if any, for the CSR activities. Based on the same, it shall monitor the activities from time to time in order to ensure their effective implementation.

The Board or any Committee thereof shall institute a transparent monitoring and review mechanism for implementation of the CSR projects or programs or activities undertaken pursuant to this policy.

The Company may adopt evaluation and audit mechanism.

Compliance with the Policy

It shall be the responsibility of the Board or Committee thereof to ensure compliance with the Policy.

In case of non-compliances, the Board or Committee thereof shall take appropriate mitigating actions in compliance with Applicable Law.

In case there is any conflict between the provisions of this Policy and the Act or any other Statute/Rule/Regulation, the provisions of the Act or such other Statute/Rule/Regulation shall prevail over this Policy.

The CSR policy shall be placed on the Company's website: <https://www.kimbal.io/>

Amendments

The Policy may be reviewed and amended from time to time by the Board subject to the recommendations of the Committee, if any.