

KDDL Prevention of Money Laundering and Financing of Terrorism (AML/ CFT) Policy

Doc No.	KDDL/POL/05
Issue No. / Date	01 / 01.11.2023
Rev. No. / Date	01 / 01.11.2025

1. Preamble and Commitment

KDDL Limited (“the Company” or “KDDL”) is committed to conducting its business with the highest standards of integrity, transparency, and ethical conduct. The Company adopts a zero-tolerance approach towards money laundering, financing of terrorism, and any activities that may facilitate or support unlawful financial practices.

This Policy on Prevention of Money Laundering and Financing of Terrorism (“Policy”) establishes a structured framework to prevent misuse of the Company’s operations, financial systems, and business relationships for money laundering or terrorist financing activities.

2. Statutory and Regulatory Framework

This Policy is framed in compliance with, and guided by, the following laws and standards, as applicable:

- Prevention of Money Laundering Act, 2002 (PMLA) and rules made thereunder,
- Unlawful Activities (Prevention) Act, 1967,
- Applicable guidelines issued by the Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI), and other regulatory authorities, where relevant,
- Companies Act, 2013,
- UN Security Council Resolutions relating to terrorist financing,
- International best practices on Anti-Money Laundering and Counter Financing of Terrorism (AML/CFT).

3. Objective

The objectives of this Policy are to:

- Prevent and mitigate the risk of money laundering and terrorist financing.
- Establish internal controls and procedures to detect suspicious transactions or activities.
- Ensure compliance with applicable AML/CFT laws and regulations.
- Promote awareness and accountability among employees and business partners.
- Protect the Company’s reputation and ensure ethical business conduct.

4. Scope and Applicability

This Policy applies to:

- All employees, directors, officers, and management of KDDL Limited and its subsidiaries,
- All business activities, transactions, and operations of the Company,

5. Key Definitions

For this Policy:

Term	Definition
Money Laundering	Same meaning as assigned under the Prevention of Money Laundering Act, 2002.
Financing of Terrorism	Providing or collecting funds, directly or indirectly, with the intention or knowledge that such funds may be used to carry out terrorist acts.
Suspicious Transaction	Any transaction or activity that gives rise to a reasonable suspicion of money laundering or terrorist financing.

6. Risk-Based Approach

KDDL shall adopt a **risk-based approach** to identify, assess, and manage AML/CFT risks, considering:

- Nature of business and transactions.
- Geographic locations of operations and counterparties.
- Nature of products, services, and payment methods.
- Profile of customers, vendors, and business partners.

Enhanced due diligence may be applied in higher-risk situations.

7. Due Diligence and Controls

- Appropriate **Know Your Counterparty (KYC/KYP)** checks shall be conducted on customers, vendors, and business partners, as applicable.
- Business relationships shall be established only with legitimate and reputable parties.
- Transactions shall be monitored for unusual or suspicious patterns.
- Records relating to transactions shall be maintained in accordance with applicable laws.

8. Reporting of Suspicious Activities

- Employees must promptly report any suspected or actual money laundering or terrorist financing activity to the designated Compliance / Finance / Legal function.
- Serious concerns involving fraud, corruption, or willful misconduct may be escalated under the Company's **Whistle Blower Policy**.
- The Company shall take appropriate action, including reporting to statutory authorities, where required by law.

9. Communication

- A copy of this Policy shall be made available on the company website.

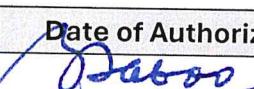
10. Review and Amendment

This Policy shall be reviewed **at least once every two (2) years** or earlier if required due to changes in laws, regulations, or business risk profile.

In the event of any inconsistency between this Policy and applicable law, the provisions of the applicable law shall prevail.

The Company reserves the right to **interpret, implement, amend, suspend, or withdraw** this Policy or any part thereof, in accordance with applicable law and business requirements. The interpretation of this Policy by the Company's Management shall be **final and binding**, subject to applicable statutory provisions.

Authorized By:

Authorizer	Name	Date of Authorization
Managing Director	Mr. Yashovardhan Saboo	 19.11.25
Executive Director	Mr. Sanjeev Masown	