

**ANTI-MONEY LAUNDERING MEASURES POLICY  
OF  
AKARA CAPITAL ADVISORS PRIVATE LIMITED (“AKARA” or “Company”)**

**INTRODUCTION**

The Reserve Bank of India has been issuing guidelines in regard to the standards which need to be followed by banks and NBFCs and the measures to be taken in regard to Anti Money Laundering (AML)/ Combating the Financing of Terrorism (CFT). NBFCs are required to put in place a comprehensive policy framework, duly approved by the Board of Directors or competent authority authorized by the Board of Directors, in this regard. This policy document has been prepared in line with the RBI guidelines.

**OBJECTIVES, SCOPE AND APPLICATION OF THE POLICY**

The primary objective is to prevent the Company from being used, intentionally or unintentionally, by criminal elements for money laundering activities or terrorist financing activities.

**RISK MANAGEMENT**

The Board of Directors of the Company ensures that an effective KYC programme is put in place by establishing appropriate procedures and ensuring their effective implementation. It will cover proper management oversight, systems and controls, segregation of duties, training and other related matters. Responsibility would be explicitly allocated within the Company for ensuring that the Company’s policies and procedures are implemented effectively. The Company may, in consultation with its board, devise procedures for creating Risk Profiles of its existing and new customers and apply various Anti Money Laundering measures keeping in view the risks involved in a transaction, account or business relationship. The Company’s internal audit and compliance functions have an important role in evaluating and ensuring adherence to the KYC policies and procedures. As a general rule, the compliance function provides an independent evaluation of the Company’s own policies and procedures, including legal and regulatory requirements. Concurrent/ internal auditors should specifically check and verify the application of KYC procedures and comment on the lapses observed in this regard. The compliance in this regard may be put up before the Audit Committee of the Board on quarterly intervals.

The Company has an ongoing employee training programme so that the members of the staff are adequately trained in KYC procedures. Training requirements will have different focuses for frontline staff, compliance staff and staff dealing with new customers. It is crucial that all those concerned fully understand the rationale behind the KYC policies and implement them consistently.

**INTRODUCTION OF NEW TECHNOLOGIES**

The Company will pay special attention to any money laundering threats that may arise from new or developing technologies including internet transactions that might favour

anonymity, and take measures, if needed, to prevent their use in money laundering schemes.

### **EMPLOYEES TRAINING/HIRING OF EMPLOYEES**

Akara shall have an ongoing employee training programme so that the team members are adequately trained in KYC/ AML/ CFT procedures. Training requirements shall have different focuses for frontline staff, compliance staff and officer/staff dealing with the new customers. It is crucial that all those concerned fully understand the rationale behind the KYC policies and implement them.

### **APPOINTMENT OF PRINCIPAL OFFICER**

1. To ensure the monitoring and reporting of all transactions and sharing of information as required under Rule 7 of the Prevention of Money Laundering (Maintenance of Records etc.) 2005.
2. Principal Officer for KYC will act independently and report directly to the concerned Director/MD/CMD or to the Board of Directors.
3. Principal Officer shall be located at the head/corporate office of Akara.
4. Principal Officer shall be responsible for monitoring and reporting of all transactions and sharing of information as required under the law.
5. He/ She will maintain close liaison with enforcement agencies, Akara and any other institution which are involved in the fight against money laundering and combating financing of terrorism.
6. Further, the role and responsibilities of the Principal Officer shall include overseeing and ensuring overall compliance with regulatory guidelines on KYC/AML/CFT issued from time to time and obligations under the Prevention of Money Laundering Act, 2002, rules and regulations made there under, as amended from time to time.
7. The Principal Officer will also be responsible for timely submission of CTR, STR to FIU-IND.
8. With a view to enabling the Principal Officer to discharge his responsibilities effectively, the Principal Officer and other appropriate staff shall have timely access to customer identification data and other CDD information, transaction records and other relevant information

### **MAINTENANCE OF RECORDS OF TRANSACTIONS**

Akara has a system of maintaining proper record of transactions prescribed under Rule 3, of the Prevention of Money-Laundering and value of transactions, the procedure and manner of maintaining and verification and maintenance of records of the identity of the clients of the Banking Companies, Financial Institutions and Intermediaries) Rules, 2005, as mentioned below:

- all cash transactions of the value of more than rupees ten lakh or its equivalent in foreign currency;
- all series of cash transactions integrally connected to each other which have been valued below rupees ten lakh or its equivalent in foreign currency where such

series of transactions have taken place within a month and the aggregate value of such transactions exceeds rupees ten lakh;

- all cash transactions where forged or counterfeit currency notes or bank notes have been used as genuine and where any forgery of a valuable security has taken place;
- all suspicious transactions whether or not made in cash and by way of as mentioned in the Rules.