



Know more: Risk less

Forensic



Counterparty due diligence: Turning information into intelligence

Counterparty due diligence helps to gather wide range of information about an individual or a legal entity with whom you are planning to associate or have an existing relationship.

Counterparties - critical for business

Organisations are expanding globally and conducting business with individuals and companies in different geographies. Across the world, organisations get into business relationships with various counterparties, including vendors/agents, business associates, channel partners and customers. While these counterparties are critical for the growth of an organisation, they also expose the organisation to various risks.

- Costly investigations and remedial programmes
- Wasted management time to deal with investigations
- Negative publicity and damage to reputation
- Potential criminal/civil penalties
- Increasingly large fines, including sanctions against covered individuals personally.

Need to know your counterparty

Not knowing who you are dealing with can expose your organisation to various risks, including

- Bribery and corruption
- Organised crime
- Money laundering
- Fraud
- Counterfeiting
- Risk of defaults

Due diligence on counterparties has become more important as enforcement of regulations, such as the US Foreign Corrupt Practices Act (FCPA) and UK Bribery Act, has made it mandatory to implement a counterparty due diligence programme.

Risks of inadequate due diligence:

Due diligence on counterparties is one of the best practices companies can adopt to mitigate the reputation and business risks emanating from third parties. Inadequate or lack of due diligence can expose organisations to

- Reputational and regulatory risks
- Non-compliance with anti-bribery and corruption regulations
- Non-compliance for Know Your Customer (KYC)/Anti-Money Laundering (AML) norms

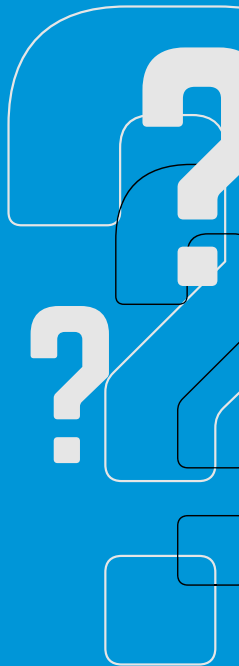
KPMG can help you

Being among the market leaders in India, we carry a deep understanding of conducting thorough due diligence through published sources and on-ground data collection, in order to identify issues of potential concern.

Did you know?

- Indian fraudsters are younger and initiate acts of fraud much earlier in their careers, compared to their global counterparts
- The increasing usage of technology in enabling these frauds which is consistent with the trend of perpetrators being younger in our country. Many of them are at the manager and staff level.
- Sixty-one per cent of colluders are either non-employees, or are employees who work with people who are not. Some of them are former employees. This is a dominant trend in India, where 77 per cent of the colluder groups comprised of outsiders (20 per cent were purely external while 57 per cent were a combination of two, and only 23 per cent of colluders were purely internal.)

Source: Global profiles of the fraudster: The Indian context, KPMG in India, June 2016



Our key differentiators:

Key product features:

- Analysed output
- Customised approach
- Deep data collection capabilities through public domain searches and on-ground data collection
- Various report types to meet multitude of requirements

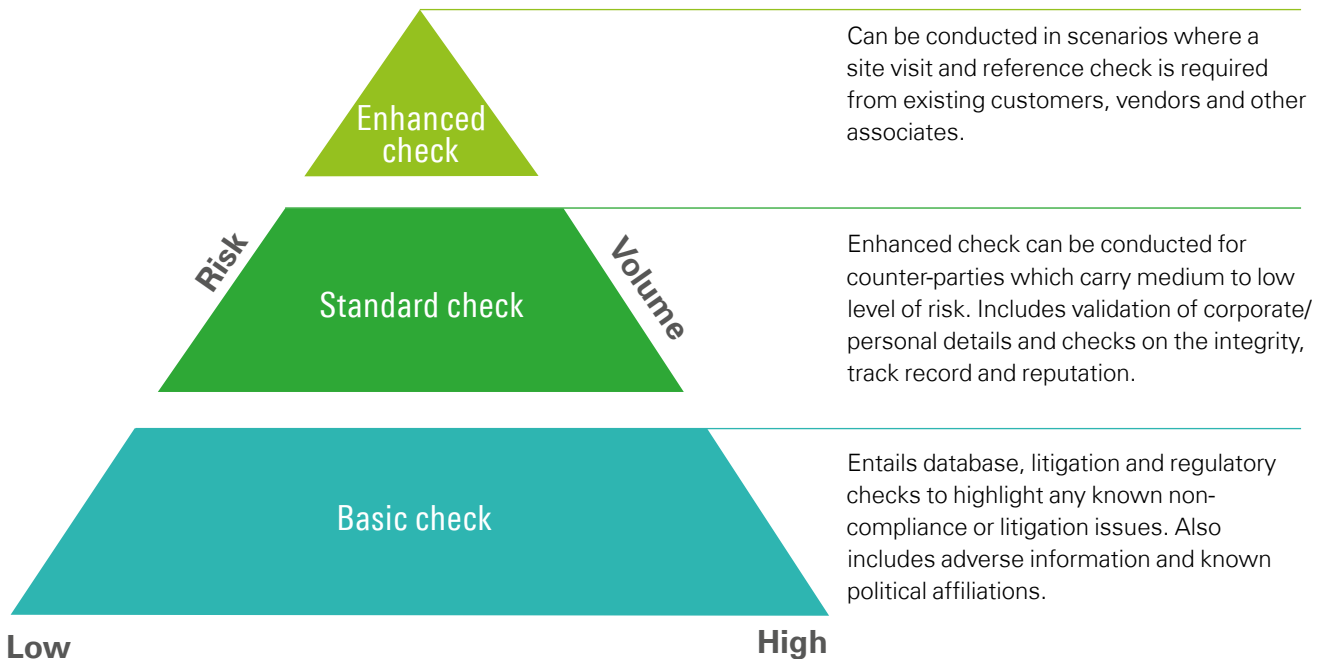
- One of the largest due diligence teams with 60 dedicated professionals
- Strong global coverage across 60 countries with language capabilities in Mandarin, Russian, German, Italian and French
- Unmatched experience – conducted over 5000 counterparty due diligences in the last two years
- Most experienced team with over 150,000 man hours of experience
- Knowledge base of a wide range of premium databases with access to over 10,000 data sources

Purposes for which it can be carried out:

- Appointing third-party intermediaries (TPIs)
- Vendor/supplier due diligence
- Business partner/Joint venture partner identification



Customised approach



We would be happy to carry out pilot evaluation to demonstrate our capabilities and agree on a customised approach at a later stage.

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