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# POLICIES & GUIDELINES

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Category III AIF



**SKYRIDGE FUND MANAGERS LLP**



SKYRIDGE FUND MANAGERS LLP

# Privacy Policy

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Category III Alternative Investment Fund (AIF)

Regulatory Framework: SEBI AIF Regulations, IT Act, PMLA, DPDP (if applicable)

## 1. Objective

This Privacy Policy is intended to protect the personal and financial information of investors, clients, employees, and other stakeholders of Skyridge Investment Trust, a SEBI-registered Category III AIF. It outlines principles for data collection, use, storage, and sharing in line with Indian law and SEBI regulations.

## 2. Legal Framework

This policy is based on:

- SEBI (AIF) Regulations, 2012
- Prevention of Money Laundering Act, 2002
- Information Technology Act, 2000
- Draft Digital Personal Data Protection Act, 2023
- Applicable global privacy principles such as GDPR (where relevant)

## 3. Scope

This policy applies to:

- Investors and prospective investors
- Directors, employees, officers, and consultants
- Intermediaries and service providers handling personal or financial data

## 4. Types of Personal Data Collected

- Name, DOB, address, contact details
- PAN, Aadhaar, Passport, or government-issued IDs
- Bank and investment details
- KYC, tax info, and IP/device data

## 5. Purpose of Data Collection

We collect personal data to:

- Comply with KYC and SEBI onboarding requirements
- Administer investor relationships



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- Meet audit, legal, and compliance obligations
- Improve communication and support

### 6. Lawful Basis for Processing

We process data when:

- Consent is provided
- Required for legal compliance
- Necessary for contract execution
- Legitimate business interests apply

### 7. Data Disclosure and Sharing

We may share data with:

- SEBI, FIU-IND, or regulators
- Legal, audit, or tax advisors
- Authorized third-party vendors (e.g., KYC, IT services)
- Only on a strict need-to-know basis

### 8. Data Retention

- Investor data: minimum 5 years post relationship
- Employee data: up to 8 years after exit
- Retention aligned with SEBI/PMLA compliance

### 9. Data Protection and Security Measures

- Role-based access and encryption
- Firewalls, antivirus, and security audits
- Employee training and physical safeguards

### 10. Individual Rights

Individuals have the right to:

- Access and correct data
- Withdraw consent (subject to law)
- Request deletion/restriction
- File complaints with the DPO or authorities

### 11. Data Breach Reporting

In case of breach:

- Prompt internal reporting



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- Notify SEBI or CERT-In as required
- Inform affected persons where relevant

### 12. Third-Party Relationships

- Third parties must sign DPAs
- Due diligence on vendors' security practices
- Regular audits of external data handlers

### 13. Policy Review and Amendments

Policy reviewed annually or upon legal changes. Approved changes are communicated to stakeholders.

### 14. Contact Details

Compliance Officer

Vishakha Karnani

vishakha@skyridgefund.com

### 15. Approval

Approved by:

Board of Directors – Skyridge Fund Managers LLP

Abhishek Maheshwari – Principal Officer

Vishakha Karnani – Compliance Officer

Date: 15<sup>th</sup> March 2025



SKYRIDGE FUND MANAGERS LLP

# Conflict of Interest Policy

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Category III Alternative Investment Fund (AIF)

Regulatory Framework: SEBI (Alternative Investment Funds) Regulations, 2012

## 1. Objective and Scope

The Fund will be subject to certain conflicts of interest that may arise in relation to the various activities carried out by the Trustee, Investment Manager/Sponsor, Affiliates/group entities, directors, employees and agents of the Trustee and Investment Manager/Sponsor (collectively, the “Interested Parties”) vis-à-vis the activities of the Fund. The Fund may enter into or approve a transaction or arrangement or any investment (a “Conflicted Transaction”) notwithstanding that any of the Interested Parties have any direct or indirect interest or concern in such Conflicted Transaction so as to place the Interested Party in a position where such relationship conflicts with his fiduciary duty to the Fund, save that such conflict of interest shall be disclosed in full to the Trustee, the Unitholders and such Interested Party shall not participate in any decision relating to such Conflicted Transaction.

The Investment Manager has adopted certain policies and procedures intended to protect the interest of Investors in the funds launched by the Trust against any adverse consequences arising from potential conflicts of interest. The protection of the Investors’ interests is the Investment Manager’s foremost priority. The conflict-of-interest situation may adversely affect the interest of the Contributors and the Contributor may lose its Capital Contribution due to such conflict of interest. The Contributor acknowledges the existence of risk arising out of conflict of interest. The Investment Manager and Sponsors of the Fund shall abide by high level principles on avoidance of conflicts of interest with associated persons as may be specified by SEBI from time to time.

The Interested Parties shall exercise a standard of good faith in their dealings with the Fund and any of its Portfolio Entities. The Investment Manager will be transparent and make disclosures with respect to conflicts of interest that the Investment Manager determines may have arisen (or which seem likely to arise) with respect to any of the Interested Parties vis-à-vis the Fund and the Contributors (and/or any of the Portfolio Entities).

The Investment Manager maintains and operates effective organizational and administrative arrangements with the view of taking all reasonable steps to identify, continuously monitor and manage conflicts of interest.

Some of the potential conflicts of interest situations and the policies of the Investment Manager for managing conflicts of interest are provided below. It is not intended to provide a comprehensive list of conflicts of interest or account of the processes and procedures which the Investment Manager adopts in connection with the management of conflicts of



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interest, but is instead intended to be a statement of principles with which the Investment Manager seeks to manage foreseeable conflicts of interest.

### 2. Potential Sources of Conflict of Interest

All potential sources of conflicts of interests that the Investment Manager envisages during the operations of the Fund, which includes conflicts arising at following levels:

- **At the level of employee of the management entity**

The employees of the Investment Manager and the key personnel of the Interested Parties will only devote so much of their time to the Fund's operations as is, in their judgment, reasonably required. The employees that provide services to the Fund will have, in addition to their responsibilities for the Fund, responsibilities for other companies, projects and clients. Accordingly, they may have conflicts of interests in allocating management time and other resources amongst the Fund and such other companies, projects and clients. The employees may provide services to other entities/clients in financial services space and will not work exclusively for the Fund. However, such employees, especially key personnel, shall endeavor to devote requisite time in the interest of the Fund.

- **At the level of service providers of the Fund**

The attorneys, accountants, professionals and other service providers, who perform services for the Fund may, and in some cases do, also perform services for the Interested Parties.

- **At the level of the Investment Manager**

**Allocation of Investments:** The Investment Manager may be subject to conflicts of interest in allocating investment opportunities among the Fund, other clients managed or advised by them. Investment opportunities identified by the Investment Manager may be suitable for the Fund, one or more clients managed or advised by the Interested Parties. The Investment Manager will endeavor to resolve any such conflicts in a reasonable manner taking into account, amongst other things, the investment objectives and policies of each fund/clients, the remaining un-invested capital of each fund/scheme/clients and the level of diversification of each fund/clients. However, there can be no assurance that the Fund will be allocated any particular investment opportunities that are identified by the Investment Manager. Furthermore, the Investment Manager shall have the right, in its discretion, to allocate any investment opportunities to the other funds /clients or to their own portfolios as long as all conflict of interest, if any, are communicated to the Investors.

- **At the level of the Investor**

The Investment Manager (without any act, consent or approval of or notice to any investor) may enter into, deliver or perform written agreements or instruments to



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or with one or more Contributors of the Fund which have the effect of establishing different rights under, or altering or supplementing the terms of an investment in the Fund, including, without limitation, modifications of exit rights, fee arrangements and access to Fund information. Any rights established, or any terms of an investment in the Fund altered or supplemented in the Contribution Agreement, separate letter entered with an Investor will govern such Investor's investment in the Fund notwithstanding any other provision of the Fund Documents to the contrary.

- **At the level of members of various governance bodies**

The board of directors of the Investment Manager, in addition to their responsibilities for the Fund, will have responsibilities for other funds, projects and clients. Accordingly, allocating management time and other resources among the Fund and such other funds, projects and clients can be a challenge.

The Board will ensure that separate teams are in place for managing different divisions of businesses whether at IM entity or any interested parties so that each can be serviced in an efficient manner.

- **At the level of the Sponsor/ Investment Manager group entity, in relation to various schemes managed by the Sponsor/ Investment Manager**

**Inter-se different activities:** The Investment Manager and its Affiliates or group companies may be involved in variety of advisory, management and investment-related activities including management of other funds. The Fund shall not have any rights in or to any cash receipts or profits of the Investment Manager and any of its Affiliates. The Investment Manager and any of its affiliate/group may, from time to time, act as investment managers or advisers to other entities, companies or funds other than the Trust/Fund. It is therefore possible that the Investment Manager may in the course of their business have potential conflicts of interest inter-se different activities.

**Transactions with Interested Parties:** An Interested Party may receive certain fees for services performed for or on behalf of the Fund or any other entity or any other person in which the Fund or any other entity holds Portfolio Investments, including, without limitation, fees relating to broking activity and other products and services provided, directly or indirectly, to the Fund or any other entity or any other person in which the Fund or any other entity holds Portfolio Investments. Further, the Fund shall not buy or sell investments from or to (a) Associates; or (b) schemes of AIFs managed or sponsored by Investment Manager, Sponsor or associates of its Investment Manager or Sponsor or (c) an investor who has committed to invest at least 50% (fifty percent) of the corpus of the Fund except with the consent of Super Majority of the Contributors, provided that while obtaining such approval of the Contributors, the Contributor specified under (c) who has committed to invest at least 50% (fifty percent) of the corpus of the Fund



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and is buying or selling the investment, from or to, the Fund, shall be excluded from the voting process.

**Investments in Portfolio Entities in which Interested Parties have Interests:**

The Fund may participate in Portfolio Entities in which Interested Parties have an existing investment or other interests, which may be on the same terms as the Fund's investment or on different terms. In such cases, there could be a potential conflict between the interests of the Fund and those of the Interested Parties. Any of the Interested Parties may deal in the securities/products (including handling assignment for Portfolio Entities/advising-managing any portfolio/fund consisting of such securities/products etc.) which are/may in future be a part of the Fund Investment. The timing/pricing/buy-sell decision under the dealing by such Interested Parties can be different from that of the Fund. Provided that the Fund shall not invest in Associates except with the consent of Super Majority of the Contributors.

**Conflict in case of warehousing:** Not Applicable.

**Conflict in case of co-investments:** Not Applicable.

### 3. Identification of additional of Conflict of Interests

The Investment Manager may identify additional conflicts of interest situations from time to time, which will be managed/mitigated with the help of the principles identified herein and by also taking into account further processes which the Investment Manager may develop over the period of time.

### 4. Mitigation and Management Measures

In addition to compliance with the Regulations and Applicable Laws, some of the measures the Investment Manager will adopt to manage the identified conflicts are set out below. The Investment Manager will take reasonable care that, in relation to each identified conflict, it acts independently to avoid material risk to the Investors' interests:

- In managing the aforesaid conflicted transactions, the Investment Manager will have regard to its obligations under the Fund Documents pertaining to the Fund and will act in the best interests of the Investors in the Fund.
- The Investment Manager will be transparent with respect to conflicts of interest that the Investment Manager determines may have arisen in any transaction (or prospective transaction) between the Investment Manager and the Fund.
- The Investment Manager will make efforts to see that any transaction involving a potential conflict of interest will be affected on terms that are not less favorable to the Investors in the Fund than if the potential conflict had not existed. The Investment Manager will place significant emphasis on its strong compliance





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culture, and the efficient operation of systems and controls, to manage issues such as conflicts of interest.

- The Investment Manager will ensure that the interest of all the Contributors is paramount and all personal interests, relationships or arrangements of the Investment Manager and those of Interested Parties do not work against the Investors' interest.
- The Investment Manager will take appropriate measures intended to assure that it will not unfairly profit from any transaction between its Affiliates/group companies/entities and the Fund and all such transactions shall strictly be done on an arm's length basis. The Investment Manager will use reasonable efforts to apportion or allocate business opportunities among persons or entities to or with which they have fiduciary duties and other relationships on a basis that is as fair and equitable as possible to each of such persons or entities, including the Fund.
- The Interested Parties and their management personnel will devote so much of their time to the Fund as is, in their judgment, reasonably required.

### 5. Review

The Policy shall be reviewed and updated to ensure it is in lines with the existing applicable regulatory requirement. The policy will be reviewed annually or at any other time as it may deem fit to ascertain any change in the existing Conflict of interest policy and whether controls prescribed are enough to mitigate the risk in view of changing business environment.

### 6. Acknowledgements and Waiver

By making an investment in the Fund, prospective investors are deemed to have acknowledged the existence of the potential and/or actual conflicts of interest set forth above, and to have waived, to the greatest extent permissible under any Applicable Law, any claim with respect to, or arising from, the existence of any such conflicts.8. Oversight and Governance

### 7. Approval

Approved by:

Board of Partners – Skyridge Fund Managers LLP

Abhishek Maheshwari – Principal Officer

Vishakha Karnani – Compliance Officer

Date: 15th March 2025



# Investor Grievance Redressal Policy

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Category III Alternative Investment Fund (AIF)

Regulatory Framework: SEBI (Alternative Investment Funds) Regulations, 2012

## 1. Objective

The objective of this Investor Grievance Redressal Policy is to establish a structured mechanism for resolving investor grievances in a fair, transparent, and timely manner in compliance with SEBI regulations.

## 2. Scope

A grievance is defined under this policy as a written or verbal expression of dissatisfaction against the operation of the Scheme or its employees resulting from a potential damage or wrong-doing to an investor or from a violation of SEBI guidelines or related laws/regulations which may or may not request for a claim for compensation.

Grievances will include allegations such as failure to disclose conflicts of interest, misrepresentations, etc. Such grievances may be regarding processing of drawdown transactions, distribution of units, NAV reporting, Investor reporting, etc. Investor feedback, queries/clarifications will not be considered as instances of complaint or grievance.

Such grievances if not addressed in due course will hamper the Scheme/ Funds and Skyridge's reputation and functioning. Hence, this policy provides for the framework to be adopted by the Investment Manager with respect to effective redressal, in the event of any investor grievance.

The purpose of this policy is to develop principles for redressing investor grievances in a time bound and appropriate manner and ensuring that no complaint/grievance stays unaddressed or pending for a long period of time.

## 3. Grievance Redressal Mechanism

The Investment Manager will inform the Investors regarding the following options available for grievance redressal:

- Registration of investor's grievance with Skyridge – Any grievances received from the investors will be directed and acknowledged by the Compliance Officer. The Compliance Officer will endeavor to resolve the complaint within a reasonable time and keep the investors duly informed of the status and actions taken.



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- Registration of investor's grievance on the SEBI Complaints Redress System (SCORES) website/Online Dispute Redressal (ODR) Portal – Without prejudice to anything stated above, any investor may further register their grievance/complaint through SCORES (SEBI Complaints Redress System) available at <http://scores.gov.in>, post which SEBI may forward the complaint to the Investment Manager or directly at the SMART ODR Portal available at <https://smartodr.in/login> and the Investment Manager will suitably address the same. Upon receiving complaints through the SCORES platform, the Investment Manager will ensure its resolution within thirty days of submission of such complaint. During such period, the investor will be kept duly informed of the status and actions taken.
- Dispute resolution mechanism - Any dispute unresolved by the above internal grievance redressal mechanisms may be submitted to arbitration under the Arbitration and Conciliation Act, 1996. The arbitration shall be held in accordance with the terms of the Contribution Agreement, or such amended/ additional Agreements as may be executed between Skyridge and the investor.

### 4. Acknowledgment and Resolution Timelines

Skyridge shall endeavor to redress the investor complaint (s) within 21 (twenty-one) calendar days from the date of the receipt of the complaint by Skyridge as per the specified timelines mentioned in the Regulations.

Skyridge shall submit the Action Taken Report ("ATR") on SCORES within 21 calendar days from the date of receipt of the complaint as directed in circular SEBI/HO/OIAE/IGRD/CIR/P/2023/156 dated September 20, 2023.

### 5. Obligations of the Fund

Skyridge will ensure adherence to the following principles:

- Investors are treated fairly, reasonably, justly and in a time-bound manner always.
- Investors data, confidentiality and privacy is always maintained through a secure environment.
- Investor is well informed about the status or resolution through appropriate channels.

### 6. Documentation and Record Keeping

All documents relating to investors grievances and resolutions, including escalated matters will be maintained for records. The Investment Manager will submit periodic reports to SEBI/the Trustee (for AIFs) on the complaints received, status and steps taken to address the same.



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The same shall also be updated in respective PPMs, etc. as may be required under SEBI (PM) Regulations and SEBI (AIF) Regulations, as amended from time to time.

### 7. Review and Reporting

This policy will be reviewed periodically, as required, considering the changes in regulatory framework or for business or operational reasons, if any.

### 8. SEBI SCORES Platform

Investors may also file complaints directly with SEBI through the SCORES portal: <https://scores.gov.in>. SEBI Complaint Redress System ensures a transparent process for investor protection and monitoring.

### 9. Approval

Approved by:

Board of Partners – Skyridge Fund Managers LLP

Abhishek Maheshwari – Principal Officer

Vishakha Karnani – Compliance Officer

Date: 15<sup>th</sup> March 2025



# Red Flag Indicators Recommended by SEBI and FIU-IND

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## Category III Alternative Investment Fund (AIF)

The **red flag indicators** for suspicious activity in relation to **Anti-Money Laundering (AML)** and **Combating the Financing of Terrorism (CFT)** are crucial in detecting potential illegal activities like money laundering and terrorist financing. Both the **Securities and Exchange Board of India (SEBI)** and the **Financial Intelligence Unit - India (FIU-IND)** provide guidelines to help financial institutions and intermediaries (such as Category III AIFs) in identifying such activities. Below are the key **red flag indicators** as recommended by SEBI and FIU-IND:

### 1. Unusual/Complex Transactions

- Transactions that do not appear to have a clear or legitimate business or economic purpose.
- Transactions that appear to be unusually large, complex, or structured to avoid detection or reporting requirements.
- Transactions inconsistent with the investor's usual behavior or profile.

### 2. Unexplained or Unjustified Use of Third Parties

- The involvement of third parties in transactions where the investor has no clear relationship with them, or the third parties' identities are difficult to verify.
- Investors acting on behalf of another person, without adequate documentation or clarity.

### 3. Reluctance to Provide Information

- The investor's unwillingness to provide required documentation (e.g., KYC, source of funds, or source of wealth).
- Investors or clients providing false or misleading information during the onboarding process.
- The investor requests for secrecy or confidentiality beyond normal business confidentiality practices.

### 4. Source of Funds or Wealth Not Justified

- Investors unable or unwilling to explain the source of their funds, especially when dealing with large transactions.
- Investment from an individual or entity whose financial standing is inconsistent with the volume or nature of the transactions.



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- The use of offshore accounts or entities located in jurisdictions known for money laundering, tax evasion, or terrorism financing.

### 5. Transactions with High-Risk Countries or Jurisdictions

- Transactions involving countries or jurisdictions that are known for inadequate AML/CFT regulations, or those that are subject to international sanctions.
- Transfers or investments in/from high-risk countries or countries under international scrutiny (e.g., those included in the FATF's high-risk or non-cooperative jurisdictions list).

### 6. Frequent and Unnecessary Changes in Investment or Account Details

- Frequent changes in the nature of the investor's account (e.g., frequent changes of beneficiaries, account instructions, or sources of funding).
- Sudden or large transfers of funds to or from high-risk jurisdictions or multiple countries.
- Clients switching between products or strategies without clear rationale.

### 7. Multiple Small or Round-Sum Deposits

- Large sums of money being deposited in small amounts to avoid detection or reporting requirements, a practice known as **structuring** or **smurfing**.
- Clients depositing or transferring money in round sums (e.g., multiple transactions of the same amount), which may indicate an attempt to mask the total value of the funds.

### 8. No Clear Economic or Business Purpose

- Transactions where the client cannot provide a clear and verifiable reason for the investment or transaction.
- Investments in products or assets that do not align with the client's declared objectives or investment strategy.

### 9. Suspicious Withdrawals

- Investors withdrawing funds shortly after they have been deposited, especially without any substantial reason.
- Early redemption of investments or liquidations in a manner that is inconsistent with the fund's expected maturity or investment horizon.

### 10. Irregularities in Documentation

- Gaps or discrepancies in documentation provided by the investor (e.g., mismatched signatures, missing corporate documents, unregistered addresses).
- Inconsistent or incomplete KYC documentation, particularly for corporate or high-net-worth investors.



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### 11. Unusual Pattern of Transactions Across Different Accounts

- Funds transferred between multiple accounts without a clear or justifiable reason (e.g., from multiple clients to a single account or vice versa).
- A client using multiple accounts without clear business reasoning behind such patterns.

### 12. Involvement of Politically Exposed Persons (PEPs)

- A client or associated parties being categorized as Politically Exposed Persons (PEPs) or their close family members.
- If the client is identified as a PEP, enhanced due diligence must be applied, and any suspicious activity related to their transactions must be reported.

### 13. Over- or Under-Invoicing of Transactions

- The use of over-invoicing or under-invoicing for goods or services as a method of money laundering.
- Payments for transactions involving a business relationship that cannot be substantiated or that lack reasonable business justification.

### 14. Activities Inconsistent with Known Business Activities

- The volume or type of transactions being inconsistent with the known business or economic activities of the client.
- If an investor engages in an activity that is outside the scope of their declared business, the transaction could be suspicious.

### 15. Involvement of Shell Companies or Complex Ownership Structures

- Transactions involving shell companies or entities with opaque or complex ownership structures designed to obscure the identity of the true beneficial owners.
- Lack of transparency in the ownership structure of entities involved in the transaction.

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## SEBI Guidelines on Reporting Suspicious Transactions

SEBI emphasizes the following in its regulatory framework for AIFs:

- **Reporting Suspicious Transactions:** SEBI mandates AIFs to report suspicious transactions promptly to the **Principal Officer** who will forward them to the **Financial Intelligence Unit – India (FIU-IND)**.
  - **Compliance with AML Regulations:** AIFs must establish robust systems to monitor and report suspicious activities, in accordance with PMLA requirements.
  - **Employee Training:** Staff must be trained to recognize red flags and respond appropriately to suspicious activities.
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### FIU-IND Guidelines

The **Financial Intelligence Unit - India (FIU-IND)** also recommends vigilance regarding the following:

- The **filing of Suspicious Transaction Reports (STR)** for transactions that show suspicious patterns or do not match the risk profile of the client.
- Regular screening of investors against the **List of Individuals and Entities** identified by FATF and other relevant global watchlists.

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By keeping a close eye on these indicators, Category III AIFs can help prevent, detect, and report suspicious activities in compliance with the regulatory framework, thereby mitigating the risks of money laundering and terrorism financing.





# Training of Employees Policy – AML/CFT/PF

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Category III Alternative Investment Fund (AIF)  
Regulatory Framework: SEBI Master Circular on AML/CFT & PMLA, 2002

## 1. Objective

The objective of this policy is to ensure that all employees of Skyridge Investment Trust, particularly those in compliance, operations, risk management, and investor relations, are trained and made aware of their obligations under the applicable AML/CFT/PF regulatory framework. The policy also seeks to foster a culture of compliance and vigilance against financial crimes, in line with SEBI guidelines and the PMLA.

## 2. Scope

This policy applies to:

- All full-time and part-time employees
- Key managerial personnel
- Fund managers, compliance staff, and operations personnel
- Any third-party service providers involved in investor onboarding, KYC, or transaction processing (e.g., RTA, custodians)

## 3. Training Components

Employees shall be trained on the following core topics:

### A. AML (Anti-Money Laundering)

- Overview of the Prevention of Money Laundering Act, 2002 (PMLA)
- SEBI AML/CFT requirements
- Customer Due Diligence (CDD), KYC, and identification of Ultimate Beneficial Owners (UBOs)
- Monitoring and recognizing suspicious transactions
- Reporting obligations and internal escalation

### B. CFT (Combating the Financing of Terrorism)

- Nature and methods of terrorist financing
- Red flags and high-risk jurisdictions (FATF watch lists)
- Obligations related to reporting and due diligence for terrorist financing risks

### C. PF (Proliferation Financing)

- Definition and risks associated with proliferation of weapons of mass destruction
- United Nations Security Council (UNSC) sanctions and lists
- Screening requirements against sanctioned individuals and entities
- SEBI's requirement for PF-related training and record keeping



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## 4. Training Frequency and Format

Category of Employee	Frequency
All Staff	Annual
New Employees	Within 30 days of joining
Compliance & Operations	Semi-Annually
Senior Management	Annual

## 5. Roles and Responsibilities

Role	Responsibilities
Compliance Officer	Develops, coordinates, and monitors AML/CFT/PF training programs
Principal Officer (PO)	Ensures content is updated per FIU-IND and SEBI guidelines
Employees	Responsible for attending training sessions and applying knowledge in daily operations

## 6. Training Records and Documentation

- Training attendance, modules, materials, and assessments will be maintained for at least 5 years.
- Records shall be made available to SEBI or FIU-IND upon request.
- Completion confirmations and refresher reminders shall be generated through the internal HR or compliance system.

## 7. Evaluation and Effectiveness Review

- Participants may be required to complete assessments or quizzes post-training.
- Feedback will be collected to improve future sessions.
- The effectiveness of the training program will be reviewed annually by the Compliance Committee.

## 8. Non-Compliance

- Failure to attend or complete mandatory training without valid reason may be recorded in the employee file.
- Repeated non-compliance may lead to disciplinary action in line with policy.

## 9. Policy Review and Updates

This policy will be reviewed annually or earlier if there are significant changes in the regulatory framework or operational practices. Updates will be approved by the Board or the designated authority.

Approved By:  
Board of Partners – Skyridge Fund Managers LLP  
Vishakha Karnani – Compliance Officer



## SKYRIDGE FUND MANAGERS LLP

Abhishek Maheshwari – Principal Officer

Date: 15<sup>th</sup> March 2025

Place: Mumbai



# Employee Screening Policy

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Category III Alternative Investment Fund (AIF)  
Regulatory Framework: SEBI AML/CFT Guidelines & PMLA, 2002

## 1. Objective

This policy establishes the employee screening standards of Skyridge Investment Trust to ensure that only individuals with the necessary integrity, competence, and background are employed or contracted, particularly in roles that impact regulatory compliance, fund management, investor services, and risk management. The screening process helps safeguard against financial crime risks, including money laundering, terrorist financing, and proliferation financing.

## 2. Scope

This policy applies to:

- All full-time and part-time employees
- Temporary/contractual staff
- Designated Partners and key managerial personnel
- Employees of outsourced service providers handling sensitive information or transactions

## 3. Screening Requirements

### 3.1 Pre-Employment Screening

Before confirming employment, the following checks must be conducted:

Check Type	Applicable to	Description
Identity Verification	All candidates	Government-issued ID (e.g., Aadhaar, PAN)
Educational Background	All mid- to senior-level roles	Verify highest qualification from issuing institution
Employment History	All roles	Minimum last 3 years' employment checks
Criminal Record Check	All roles	Declaration and verification (including police clearance for sensitive roles)



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Reference Check	Mid- to senior-level roles	Minimum two professional references
Credit and Financial Check	Compliance, risk, finance personnel	Ensure no significant default or adverse financial history

### 3.2 Ongoing Screening

- Periodic Rescreening: Every 2–3 years for critical roles (e.g., fund management, compliance, operations)
- Continuous Watchlist Monitoring: Names of all employees in sensitive roles to be periodically screened against updated UN and national sanctions lists

## 4. Roles and Responsibilities

Role	Responsibility
HR Department	Execute background checks and maintain records
Compliance Officer	Oversee sanctions list and regulatory-related screenings
Principal Officer	Ensure alignment with AML/CFT/PF framework
Hiring Managers	Ensure role-based screening is completed before onboarding

## 5. Record Keeping

- All screening records (documents, reports, verifications) will be retained for at least 5 years after cessation of employment
- Access to records will be limited to authorized personnel only and subject to confidentiality

## 6. Confidentiality and Data Protection

- All screening information shall be collected and processed in compliance with applicable data protection laws in India
- Consent from the employee/applicant will be taken before initiating checks

## 7. Non-Compliance

Failure to complete the required screening prior to onboarding or to address discrepancies may result in:



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- Delayed or revoked offers of employment
- Internal investigation or disciplinary action
- Reporting to regulatory authorities in extreme cases

### 8. Policy Review

This policy will be reviewed annually, or as required due to regulatory changes or internal risk assessment outcomes. Updates shall be approved by senior management or the Board.

Approved by:

Board of Partners – Skyridge Fund Managers LLP

Vishakha Karnani – Compliance Officer

Abhishek Maheshwari – Principal Officer

Date: 15<sup>th</sup> March 2025

Place: Mumbai



# Customer Due Diligence (CDD) Policy

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Category III Alternative Investment Fund (AIF)  
Regulatory Framework: SEBI AML/CFT Guidelines & PMLA, 2002

## 1. Objective

The primary objective of this Customer Due Diligence (CDD) Policy is to establish a framework for verifying the identity of investors and ensuring that no funds are raised from or linked to individuals or entities involved in illegal activities, including money laundering or terrorism financing. The policy aims to meet the regulatory requirements under the PMLA, 2002, and SEBI guidelines while ensuring the protection of investors' interests.

## 2. Regulatory Framework

This policy is framed based on the following:

- SEBI (Alternative Investment Funds) Regulations, 2012
- Prevention of Money Laundering Act (PMLA), 2002
- FATF Recommendations
- SEBI Master Circular on AML/CFT (October 12, 2023)
- Guidelines issued by the Financial Intelligence Unit (FIU-IND)

## 3. Scope

This policy applies to:

- All investors in the AIF (individuals, corporate entities, partnerships, trusts, etc.)
- All employees, officers, and KMP involved in the onboarding, monitoring, and reporting of investors
- Third-party intermediaries involved in KYC and CDD processes

## 4. Customer Due Diligence (CDD) Process

### 4.1 Know Your Customer (KYC) Requirements

Before onboarding any investor, the following steps must be undertaken:

#### 4.1.1 Investor Identification

- Individual Investors: Full name, date of birth, nationality, and residential address. Valid government-issued ID (e.g., Aadhaar, PAN, Passport, Voter ID) and a proof of address (e.g., utility bill, bank statement).



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- Corporate Investors: Full legal name, registration number, registered address, business type, nature of activity, and ownership structure. Relevant documents include Certificate of Incorporation, Memorandum & Articles of Association, PAN, and board resolution authorizing the investment.
- Trusts, Partnerships, and Others: Trust deed, partnership agreement, and other related documents.

### 4.1.2 Verification of Identity

- Use of independent sources such as government databases, financial institutions, or third-party KYC platforms for verification.
- Periodic re-verification of identity at least once every 3–5 years for high-risk investors.

### 4.2 Risk-Based Approach

- Low-Risk Investors: Standard KYC checks and verification. Monitoring based on transactional activity.
- Medium-Risk Investors: Enhanced due diligence (EDD) including additional checks on source of funds and wealth.
- High-Risk Investors: Thorough background checks, including verification against sanction lists (UNSC, FATF, SEBI), politically exposed persons (PEPs) screening, and source of funds and wealth checks. Regular monitoring and reporting of transactions.

### 4.3 Enhanced Due Diligence (EDD) for High-Risk Clients

For clients categorized as high-risk, the following procedures must be followed:

- Obtain detailed information regarding the investor's source of wealth and source of funds.
- Perform detailed checks for negative news, legal actions, and involvement in criminal activities.
- Obtain independent verification from trusted third-party sources where applicable.
- Ensure ongoing monitoring of the relationship with periodic reviews every 6–12 months.

### 4.4 Politically Exposed Persons (PEPs)

- Identification of PEPs: All investors must be screened against international PEP databases.
- Additional Measures for PEPs: When dealing with PEPs, enhanced due diligence is mandatory, including identifying the source of wealth, the source of funds, and close family members and associates.

## 5. Ongoing Monitoring and Reporting

### 5.1 Transaction Monitoring

- Continuous monitoring of investor transactions to detect unusual or suspicious activity.





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- Automated tools may be used to flag unusual transactions that deviate from expected patterns (e.g., large, complex, or unusual transactions).
- Suspicious Transaction Reporting (STR): If any suspicious transaction is identified, it must be reported immediately to the Principal Officer, who will forward the report to the Financial Intelligence Unit (FIU-IND).

### 5.2 Record Keeping

- Maintain investor-related documentation (KYC, due diligence reports, communications, etc.) for at least 5 years after the business relationship is terminated.
- Ensure records are easily retrievable and made available for regulatory review.

### 6. Third-Party Intermediaries

- Outsourcing of KYC Services: If third-party service providers (e.g., KYC verification agencies) are used for the investor identification process, the AIF must ensure that these providers comply with PMLA, SEBI regulations, and other applicable laws.
- Due Diligence of Intermediaries: Ensure that any third-party intermediary used for investor screening, KYC, or CDD complies with the standards set in this policy.

### 7. Compliance Officer and Principal Officer

- Compliance Officer: Responsible for ensuring the implementation of this CDD policy, conducting regular audits of the KYC process, and reporting non-compliance to the Board.
- Principal Officer: The designated Principal Officer is responsible for submitting Suspicious Transaction Reports (STRs) to the FIU-IND and ensuring that the organization follows AML/CFT regulations.

### 8. Training and Awareness

- All employees involved in the onboarding, monitoring, and reporting of investors will undergo mandatory training on CDD, KYC, and AML/CFT policies.
- Training must be conducted at least annually and updated as per changes in regulations or risk assessments.

### 9. Non-Compliance and Penalties

- Failure to Comply: If an investor refuses to provide the necessary KYC information or documentation, the AIF may refuse to accept the investment or terminate the existing relationship.
- Disciplinary Action: Employees who fail to follow the CDD procedures may face disciplinary action, including suspension or termination.



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### 10. Review and Amendments

- This policy will be reviewed at least annually, or sooner if there are changes in SEBI regulations, PMLA guidelines, or internal risk assessments.
- Any amendments to this policy must be approved by the Board of Directors.

Approved by:

Board of Partners – Skyridge Fund Managers LLP

Vishakha Karnani – Compliance Officer

Abhishek Maheshwari – Principal Officer

Date: 15<sup>th</sup> March 2025

Place: Mumbai



# Policy on Prevention, Detection, and Reporting of Suspicious Transactions

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Category III Alternative Investment Fund (AIF)

Regulatory Framework: SEBI Master Circular on AML/CFT and PMLA, 2002

## 1. Objective

To establish a robust and SEBI-compliant Anti-Money Laundering (AML) and Combating the Financing of Terrorism (CFT) framework to prevent, detect, and report suspicious transactions in accordance with the Prevention of Money Laundering Act, 2002 (PMLA) and rules made thereunder, and the SEBI Master Circular dated October 06, 2023, and subsequent updates.

## 2. Applicability

This policy is applicable to:

- The AIF and its Investment Manager
- Trustees and Designated Partners (if applicable)
- Fund employees and intermediaries
- Portfolio Managers and Custodians engaged by the AIF

## 3. Key Roles and Responsibilities

Role	Responsibility
Designated Partners/KMPs	Overall compliance with the obligations under the PMLA.
Principal Officer (PO)	Acts as the nodal person for AML matters, including reporting of Suspicious Transaction Reports (STRs) to FIU-IND.
Compliance Officer	Implements, monitors, and ensures ongoing adherence to AML/CFT procedures. Coordinates employee training and internal controls.

## 4. Client Due Diligence (CDD)

As per SEBI Master Circular and PMLA, the AIF shall:



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- Carry out KYC through KRA and CKYC for all investors prior to onboarding.
- Collect PAN, proof of identity, address, financial details, and beneficial ownership information.
- Conduct Enhanced Due Diligence (EDD) for high-risk categories such as PEPs, non-face-to-face clients, or those from FATF non-cooperative jurisdictions.
- Maintain updated records and perform periodic reviews.

### 5. Identification of Suspicious Transactions

Suspicious indicators include but are not limited to:

- Large or inconsistent investments not in line with declared income or profile.
- Frequent fund transfers between jurisdictions, especially from FATF-flagged countries.
- Investments without clear economic purpose or that involve layering of funds.
- Attempts to obscure the identity of the ultimate beneficial owner (UBO).

The AIF shall develop an internal list of Red Flag Indicators as recommended by SEBI and FIU-IND.

### 6. Monitoring and Detection Mechanism

- Risk-Based Monitoring shall be implemented across investor transactions.
- High-risk clients shall be subject to enhanced monitoring.
- Transactions flagged through internal alerts or employee reporting will be reviewed by the Compliance Team.
- Monitoring shall be both automated (where feasible) and manual, depending on the volume and risk profile.

### 7. Reporting of Suspicious Transactions

- Employees must escalate any suspicious transaction to the Principal Officer (PO) immediately.
- The PO, after internal assessment, shall submit a Suspicious Transaction Report (STR) to FIU-IND in the prescribed format and within 7 working days of reaching a conclusion.
- Reporting is confidential – clients are not to be informed.
- Records of all STRs must be retained securely for a minimum of 5 years.

### 8. Training and Awareness

- Mandatory AML/CFT training will be conducted for employees annually.
- Training shall cover:
  - KYC/UBO identification
  - Detection of suspicious activity
  - Reporting procedures
  - Legal implications under PMLA/SEBI



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- Records of training must be maintained.

### 9. Record Maintenance

As mandated by Rule 3 of PML Rules, 2005, the AIF must:

- Retain investor KYC and transactional records for at least 5 years from the end of the business relationship.
- Maintain a register of STRs and internal investigations.
- Make such records readily available for inspection by SEBI or FIU-IND.

### 10. Internal Audit and Review

- The internal audit team, if any, shall periodically verify adherence to the AML framework.
- Any deficiencies or non-compliance shall be reported to the Board and SEBI where necessary.
- The policy will be reviewed annually or upon significant regulatory changes.

Approved By:

Board of Partners – Skyridge Fund Managers LLP

Vishakha Karnani – Compliance Officer

Abhishek Maheshwari – Principal Officer

Date: 15<sup>th</sup> March 2025

Place: Mumbai