

# Kalytic

## TBML Solution

### Proactive Trade Fraud Detection to Preserve Banking and Financial Institutions Security



Our Trade Surveillance Engine offers cohesive approach to compliance

## Chinks in trade finance protection

Trade finance has potential of inflicting severe damages to banking and financial institutions through high-risk money laundering, terror financing and fraudulent activities. Losses from trade frauds can go up to millions of dollars, impacting business operations and severe revenue losses. Lack of sophisticated data management processes, high rate of false positives, inaccurate red flags make trade finance an enticing target for fraudsters and people indulging in financial crimes.

List of Alerts

My Alerts  Risk Type  Payment Type  Channel

dd-mm-yyyy  dd-mm-yyyy  Branch  Status

Show 10 entries Search:

Alert ID	Transaction Date	Transaction ID	Customer ID	Transaction Channel	Direction	Payment Type	Risk Category	Risk Score	Status
6543229	2020-12-31	876379700	9068918	Branch	Debit	Cash	AML	95	Auto Clear
6543408	2020-12-31	765928786	8737700	Branch	Debit	Wire	AML	88	Open
6543829	2020-12-31	492103786	8737700	Branch	Debit	Cash	AML	87	Open
6543848	2020-12-31	479751265	7884251	Branch	Debit	Cash	AML	85	Auto Clear
6543272	2020-12-31	850364813	9039189	Branch	Debit	Cash	AML	91	Open
6544032	2020-12-31	358856207	9278334	Branch	Credit	Cash	AML	88	Auto Clear
6544083	2020-12-31	324745242	8405753	Branch	Debit	Wire	AML	100	Open
6544158	2020-12-31	282747439	7884251	Branch	Debit	Cash	AML	87	Auto Clear
6543781	2020-12-31	536905857	8737700	Branch	Debit	Cash	AML	100	Open

## Fraudulent activities or financial crimes that transpire in trade business are:

- Bogus companies
- Invoice forgeries
- Shipment irregularities
- Fictitious trade
- Black market trade
- Payment inconsistencies

Reliance on manual processes and paper documents, and human-controlled methods are proving to be vulnerable to financial crime. However, with mounting regulatory pressure on financial institutions, adoption of advanced technologies for trade finance prevention frameworks has increased.

Monitor fraud and manage performance with AI-driven framework  
Kalolytic's TBML (Trade-based Anti-Money Laundering) solution is a 360° fraud detection and reporting framework that applies modules based on digital automation technologies. The solution is infused with artificial intelligence, cognitive analysis, robotic process automation and machine learning to reliably monitor, analyse and investigate suspicious trade activities.

The solution streamlines the overall financial data points to define customer risk profile to canonically predict potential fraud instances across customer, account and transaction level. The transaction surveillance engine is centered on Data API to identify report and investigate complex suspicious scenarios.

## The framework comprises three-part API modules:

- 1. On-boarding:** An onboarding API that takes care of customer footprint, counterparty KYC and trade business due diligence
- 2. Inflight Transaction:** A transaction API that encompasses product price risk assessment, shipping document verification and sanction screening
- 3. Post Transaction:** A customer API that streamlines product risk monitoring and a 360° view of customer

Add Rule

Untitled Rule [Edit details](#)

Rule 1

Enter an attribute name or add from side panel

+ Add condition + Add subrule

Add Rule

Add To Rule 1

ATTRIBUTES

Customer

BankingSystem

Transactions

## Characteristics

- Kalolytic's Fraud Prevention Engine adopts an agile approach to manage data reliably and at speed, gain absolute view of risk, authenticate customer identity and so on.
- It employs a potent mixture of machine learning, artificial intelligence and intelligent automation to accurately detect unusual instances, reduce false positives and identify potential threats.
- The framework utilizes intelligent models to simplify and accelerate case management and workflows with real-time decisioning features and configurable rules engine.

## Key aspects of successful trade finance protective tool

### BEHAVIOUR SEGMENTATION

Every customer or transaction is tagged with a score, which is used to track and record historical behaviour. The Financial Crime Risk (FCR) score enables authentication and easy decision-making.

### AML RULES

Anti-money laundering and fraud instances, such as under/over invoicing, and irregular payments, are effectively detected through the AI-based rules engine. It also enables setting up of risk threshold values among other things.

### DATA MANAGEMENT

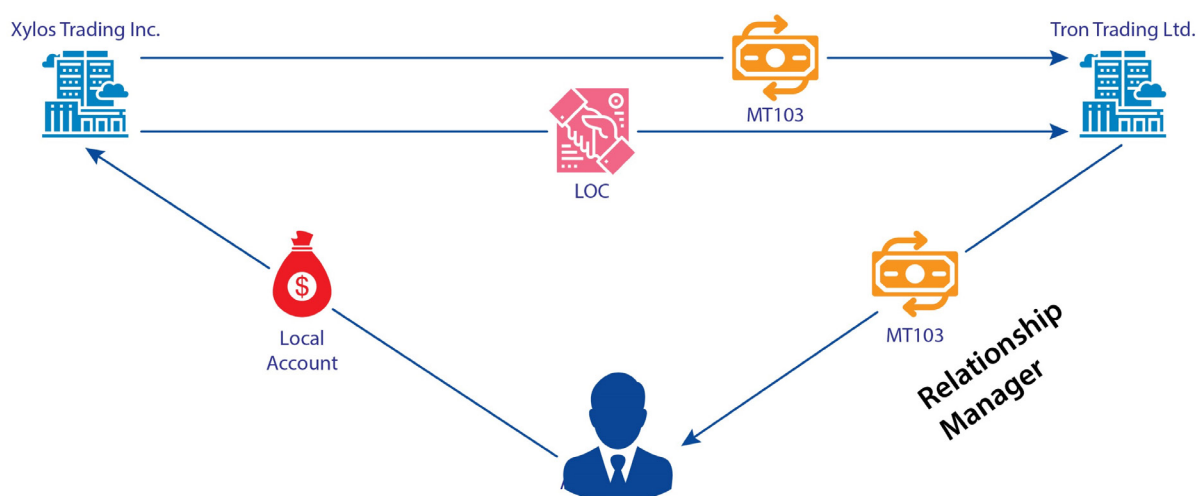
Seamless storage, management and processing of relevant data across transactions and correspondence of various TBML typologies such as real-time ships positions, sanction data, bill of lading verification, customer trade shipment profile, and Ultimate Beneficial Owner (UBO) details.

### NETWORK DIAGRAM

Effective monitoring of accounts and transactions based on the multi-layered Network Diagram enables tenacious detection of blacklisted accounts or connection with a suspicious entity or individual within the financial network.

### SANCTION SCREENING

An AI-driven mechanism to secure the on-boarding process by introducing a screening layer, in which every new entry is cross-verified against sanction list, local economic crime list and other related black lists.



## Leverage AI/ML solution to drive maximum value

### ENHANCE CUSTOMER RELATIONSHIPS

Maximize customer trust by improving security with minimal account hiccups through alerts and reduced false positives. Get enterprise-level analyses of customers, accounts and transactions for better insights into risk profile.

### POSSESS ACCURATE ANALYTICAL MODEL

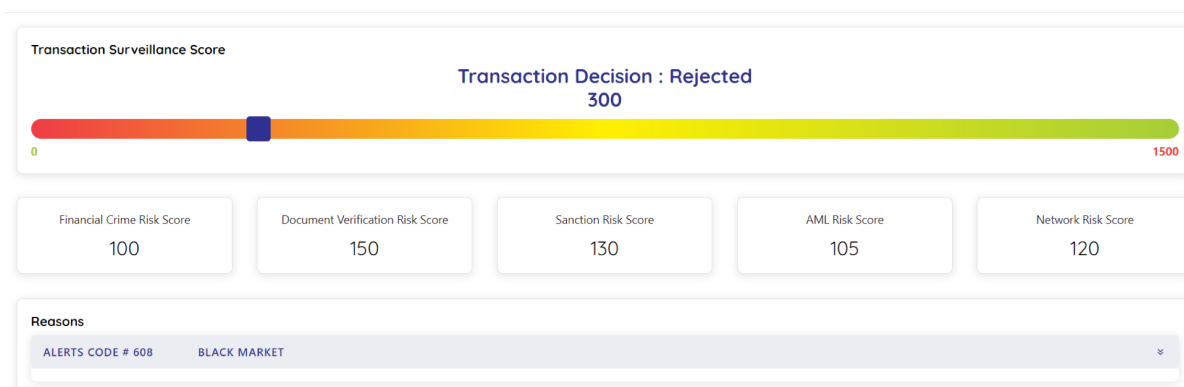
Utilize accurate analytical information to seamlessly manage overall network performance, assess risks and enforce compliance. The comprehensive data model facilitates accuracy of analytics, thereby reducing costs in terms of regulatory expenses.

### COMPREHENSIVE FRAUD SCRUTINY

Deploy multiple fraud scenarios in real-time to implement multi-level anti-fraud layers. Some of the scenarios that can instantly accommodate include over/under invoicing, shipment forgeries, u-turn payments, and ATM frauds.

### REAL-TIME DETECTION OF ANOMALIES

Detect fraudulent instances proactively through pattern analysis and identify anomalies through advanced analytics, artificial intelligence and machine learning. Further, scale up and adapt to changing fraud techniques through risk profiling and configurable scenarios.



Kalolytic

### UK

Nwms Center 31  
Southampton Row,  
Office 4.19, 4th Floor,  
London, United Kingdom,  
WC1B 5HJ

### INDIA

912, Tower A, IThum  
Corporate Tower,  
Sector 62,  
NOIDA-201301

Phone: 0120-4117277 | Email: [info@kalolytic.com](mailto:info@kalolytic.com)

[www.kalolytic.com](http://www.kalolytic.com)