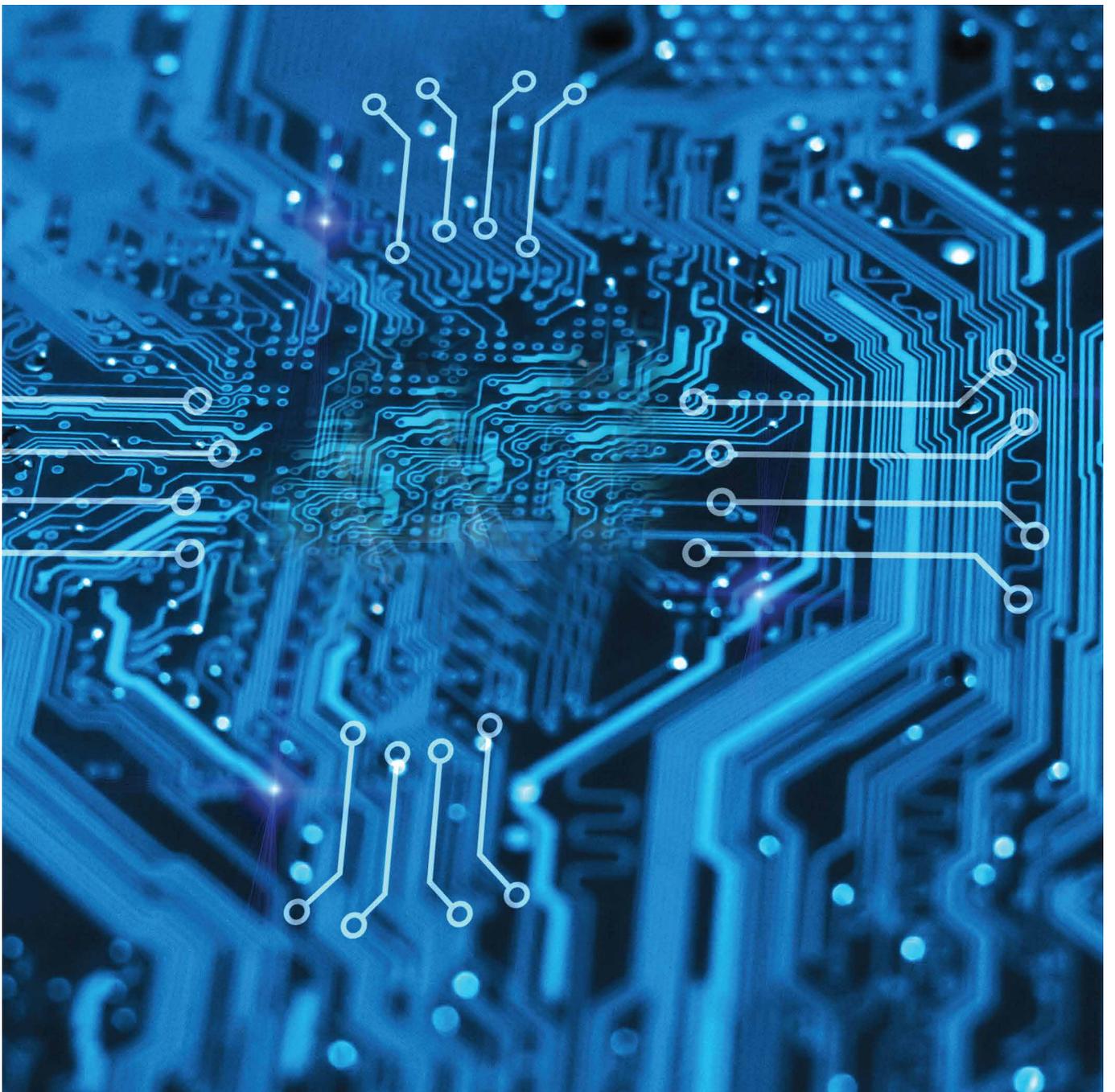TCS BɑNCS™

TCS BaNCS for Compliance

Overview

Global money laundering is estimated to cost Financial Institutions (FI) trillions of dollars annually. With technological advancements and seamless communication in the field of financial information, the transfer of money today is literally at our fingertips. Consequently, financial institutions are strengthening their surveillance mechanisms to ensure full compliance with stringent Anti-Money Laundering (AML) regulations and mitigating reputational risks. Firms can effectively defend themselves against money laundering by adopting a comprehensive regulatory technology (RegTech) solution that facilitates complete visibility into enterprise-wide customer relationships and transactions.

TCS BaNCS for Compliance from Tata Consultancy Services is a pan-enterprise AML platform that enables firms to effectively manage challenges arising across various phases of the money laundering prevention lifecycle. The solution offers a comprehensive view of all client relationships spanning across firms' business lines, enables intelligent and informed decision-making, and aids in minimizing the risk of financial fraud.

An AI-based regulatory risk compliance and financial crime detection solution

Financial and non-financial Institutions today have to adhere to onerous global regulatory standards concerning AML, such as BSA, USA Patriot Act, Basel III, EU Directives, MiFID, FATCA, etc. They must also remain nimble enough to adapt to local variations of such laws across different jurisdictions. Frequent changes in these stipulations require business rulebooks to be flexible in order to foster quick compliance. Moreover, as FIs keep evolving–-offering new products and services, and widening their customer base—there is a need for them to institutionalize scalable AML platforms for business continuity.

An effective AML solution will assist banks in addressing challenges related to crime prevention, including client information screening, 'Know Your Customer' (KYC) verifications, transaction monitoring and reporting.

TCS BaNCS for Compliance is an Artificial Intelligence- based regulatory risk compliance and financial crime detection solution that helps companies proactively manage money laundering risks. The solution is embedded with advanced analytics and a range of tools facilitating intense surveillance, including sanction screening, KYC-related due diligence, and advanced risk analyzers that help build explicit customer risk profiles.

Look beyond the obvious

The comprehensive and robust architectural design of TCS BaNCS for Compliance empowers firms to gain deeper insights into customers' portfolios, thereby assessing and identifying potential risks. The solution can eliminate harmful elements from an organization's portfolio and protect reputation, while also enabling high scores in external and internal regulatory audits.

TCS BaNCS for Compliance facilitates the following key business functions:

Sanction Screening & Watch-list Capture: Being list agnostic, the solution can ingest any number of regulatory, third- party and user-defined internal watch-lists. To name a few, the solution captures and screens customer Name, Address, DOB/DOI, and related identification against UK Financial Sanctions (HMT), OFAC – Specially Designated Nationals (SDN), United Nations Sanctions (UN), US Consolidated Sanctions and Embargo lists, along with few paid watch-lists like World-check, Dow Jones FACTIVA, FINCEN, etc. The solution uses an approach called vertical extensibility, which enables the system to absorb any kind of watch-list independent of the number of fields. It uses advanced screening algorithms to cover spelling variations, synonyms, aliases, double names, phonetic variations, and alternate names.

KYC & Risk Assessment: An inbuilt engine performs end-to-end KYC processing, thereby aiding in customer profiling and risk assessment. Rule-driven parameters help provide a 360o view of the customer and meaningful insights towards assessing & mitigating risk. Integrated with WebCrawler and OCR tools, the KYC process is further enriched to accommodate for assessment checks against corporate customers.

Transaction Monitoring: Through the flexible and robust rules engine, suspicious activities can be detected proactively. The solution is capable of generating behavior patterns in line with FATF and other local regulatory guidelines, monitoring statistical deviations, sifting outliers from peer transactions and analyzing links to unearth underlying criminal activities.

Reporting & Audit: A robust reporting engine and dashboard caters to various reporting requirements, which are useful for management review and regulatory compliance. The dashboard is equipped with graphs and statistical charts to provide users with a holistic view of suspicious activities and risks associated with customer activities. An end-to-end audit trail is available to track all activities (configuration, workflow, etc.) that are performed by users of the solution.

TCS BaNCS for Compliance - Key Features

Cloud Ready – The TCS BaNCS product suite is designed and developed with the Digital First, Cloud First philosophy. The compliance solution can be readily deployed on TCS Cloud services, Microsoft Azure, Amazon Web Services (AWS), among others, either on the existing cloud infrastructure of customers or as a solution out of the box, where TCS takes care of the infrastructure and solution (SaaS). TCS BaNCS PaaS (Platform as a Service) helps customers manage, operate and launch cloud based applications globally.

Mine Complex Data with a Web Crawler – The solution's search engine is empowered with a web crawler that can mine complex data and scan all relevant information from external sources, thereby helping in negative news screening.

Enhanced Screening –The solution has enriched sanctions screening capabilities by incorporating enhanced algorithms which aid in efficient matching between customer and watch-list data. The screening mechanism derives from a tokenization concept, thereby, reducing false positives effectively when calculating confidence levels or matching percentage results.

- Agnostic platform list
- Negative list checks
- OFAC, SDN (sanctions lists)
- Third party list scans
- Internal lists screening

- Global policy engine
- Configurable rule engine
- Document management
- 360° case profile

- Global regulatory standards
- Flexible reporting engine
- Dynamic report builder
- Embedded dashboards

01 Screening
02 KYC Policy Check
07 Report Manager
03 Risk Analyzer
06 Performance Enhancer
04 Activity Monitoring
05 Case Manager

AML

- Profile & dynamic scoring
- Risk movement tracker
- Periodic reviews and dynamic updates
- Risk based monitoring

- Auto-assign, auto-escalate
- Visual aids & stats charts
- Print & email facility
- Audit trailer for all events
- Announcement and quick links

- Drill down justification
- Dynamic workflow
- Alert consolidation
- Overall control with centralized-decentralized setup

- Detection typologies – FATF & other regulators
- Link analyzer
- Behavior tracker
- Peer group analyzer

An Overview of TCS BaNCS for Compliance

Advanced Features

Quartz Blockchain – TCS blockchain technology solution, Quartz, facilitates parsing of data via AML engines and simultaneously storing it in a blockchain network, which is updated as and when required and readily available for other firms

Advanced Analytics – TCS BaNCS OPTiX is an advanced analytical solution that can mine complex data and processes to provide predictive, descriptive and diagnostic insights for better risk identification and superior risk management, resulting in improved operational efficiency. The solution can analyze and predict customers' future transactional activities and include:

a) A Workbench Simulation Helpmate: This feature helps acknowledge results for user specific threshold simulations in real time. The comparative analysis between the counts of alerts generated for existing configurations and the increment/decrement of threshold values by user inputs is shown on the GUI. The graphical interpretation of the predicted count of alerts for a money laundering pattern/typology helps users make informed decisions in either modifying or leaving the existing configuration unchanged.

b) Predictive Analytics: The solution uses analytical algorithms to train the workflow data, creates models by analyzing data, and predicts the future state of newly generated alerts based on the historical workflow. This automates the manual workflow and allows users to carry out investigations with accurate predictions.

c) Proactive Behavioral Analysis: This feature aids in analyzing past transaction patterns of customers, and predicts future transactional activity by considering various attributes captured against the customer activity. The analysis derived for each customer provides users with statistical deviations in the transaction patterns and exposes any underlying suspicious behavior.

d) Sentiment Analysis: This feature explores all possible information related to the profile of a customer and uses cognitive Analytics to determine associated risks. Expanding the boundary to consider the Internet medium for understanding opinions, attitudes, emotions, and sentiments attached to a particular customer, the wide view of the public sentiments is carefully analyzed with powerful analytical patterns.

The TCS BaNCS Advantage

The TCS BaNCS universal financial solution is designed to help financial services institutions enhance end customer experience, enabling them to embrace open and innovative technologies that embody true digital customer engagement. Deployed at more than 450 installations worldwide, it is the largest collection of components, enterprise and consumer apps for the financial industry made available through the cloud, helping firms become more agile and intelligent by leveraging the power of new and extended ecosystems.

By partnering with TCS BaNCS, financial institutions benefit from: TCS BaNCS long-established track record of working with various leading banks and financial institutions, and a company-wide culture of continuous learning and innovation. This approach along with an award-winning product suite, makes TCS BaNCS the ideal partner for a financial institution to gain a competitive edge in Anti-Money Laundering.

Performance Benchmark Results at IBM Labs

TCS BaNCS for Compliance can handle high volumes and a minimal batch window of less than 6 hours for 10 million transactions. The solution's high-volume benchmark with power systems and DS8000 storage, exceeded previous batch and online benchmarks, scaling up to 20,000 virtual users.

TATA CONSULTANCY SERVICES

About TCS Financial Solutions

TCS Financial Solutions is a strategic business unit of Tata Consultancy Services. Dedicated to providing business solutions to financial institutions globally, TCS Financial Solutions has compiled a comprehensive product portfolio under the brand name of TCS BaNCS. The TCS BaNCS universal financial solution is designed to help financial services institutions enhance end customer experience, enabling them to embrace open and innovative technologies that embody true digital customer engagement. Deployed at more than 450 installations worldwide, it is the largest collection of components, enterprise and consumer apps for the financial industry made available through the cloud, helping firms become more agile and intelligent by leveraging the power of new and extended ecosystems.

To know more about TCS BaNCS, please visit: **https://www.tcs.com/bancs**
or write to us at **tcs.bancs@tcs.com**

About Tata Consultancy Services Ltd (TCS)

Tata Consultancy Services is an IT services, consulting and business solutions organization that delivers real results to global business, ensuring a level of certainty no other firm can match. TCS offers a consulting-led, integrated portfolio of IT and IT-enabled infrastructure, engineering and assurance services. This is delivered through its unique Global Network Delivery Model™, recognized as the benchmark of excellence in software development. A part of the Tata Group, India's largest industrial conglomerate, TCS has a global footprint and is listed on the National Stock Exchange and Bombay Stock Exchange in India.

For more information, visit us at **www.tcs.com**

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