

PAYMENTS TRANSFORMATION

Leading banks across the globe have achieved payment transformation with TCS BaNCS for Payments

In Switzerland, Japan, UAE, Sweden, and across the world, the leading providers in payments have turned to TCS BaNCS.

The payments marketplace is experiencing unparalleled hypergrowth. More regions and countries have expanded the availability of newer payment types like real-time payments, retailers and consumers have embraced non-cash digital payments at the point-of-sale, and enterprises are embedding payments throughout their entire supply chain. These trends are leading to more frequent payments, more types of payments, and a broader range of counterparties.

Financial institutions also need to address the adoption of the ISO 20022 messaging standard for both domestic and international payments. Starting November 2022, SWIFT will enable ISO 20022 messages for cross-border payments, with coexistence for MT and MX messages for a three-year transition period. Payments networks in the United States, United Kingdom, Europe, and Australia have adopted or are in the process of adopting ISO20022 standards for domestic clearings.



The current fragmented, silo-based systems restrict the capability of financial institutions to keep pace with growth in volumes, frequent market changes, and regulatory evolution. To keep pace with these challenges, many institutions are deploying Payment Hubs built on the latest technology stack with microservices architecture hosted on public or private cloud.

TCS BaNCS can help banks consolidate multi-product, multi-country, and multi-currency payments into a single solution with centralized, ISO 20022-compliant connectivity to any payments rail.

TCS BaNCS also enables processing of real-time payments across multiple geographies with different clearing rules, SLA requirements, account addressing and messaging standards.

Instant transfer, instant debit, request-to-pay, and pay-by-proxy – these are among the latest real-time payment mechanisms that financial institutions can quickly implement through the market-ready, modular deployment of TCS BaNCS for Real-Time Payments, which is already live in multiple countries including Sweden, India, the Kingdom of Saudi Arabia, United Arab Emirates, and Bahrain.

Built using cloud-native microservices for maximum flexibility and ease of deployment, the TCS BaNCS solution enables faster time to market, faster compliance with new payments regulations, and an enhanced user experience.



Länsförsäkringar (LF) Bank – One of Sweden’s largest banks

In one of the fastest core banking and payments transformations in Sweden, LF Bank modernized with its go-live of TCS BaNCS in April 2019.

The result has been faster time to market for new and innovative products. Using the real-time payment components of TCS BaNCS, LF Bank now connects its customers to Swish, a real-time Swish mobile payment service, and to several clearing and RTGS networks in Sweden. LF Bank has also been a strong champion of open banking and open APIs, establishing connectivity to regional payment infrastructures, business partners, and customers.

The deployment has also reduced transaction costs, simplified the bank’s technology stack, and standardized its approach to integration. The rich API repository of TCS BaNCS enables open banking and participation in the larger ecosystem, positioning LF Bank for continued growth and success.

TCS BaNCS is easy to integrate with the external world, making it easy to extend our partner network.” – Rikard Lundberg, Core Banking Director, Länsförsäkringar Bank

From: TCS BaNCS #34



MUFG – Japan’s Largest Bank

TCS implemented a Regional Payments Hub, powered by TCS BaNCS for Payments, for MUFG Bank, Japan’s largest financial institution.

Ranked by Bloomberg as the eighth largest bank in the world, MUFG Bank has an extensive branch network throughout Japan and fifty other countries. As part of its transformation journey, it consolidated its extensive multi-entity, multi-country, cross-border payment processing operations, which were running on an array of disparate legacy systems, onto a Regional Payments Hub powered by TCS BaNCS for Payments. The future-proof solution is designed on ISO20022-based data and process models and includes all the cutting-edge features that forward-thinking customers seek from a modern banking solution, including real-time payments and open APIs.

With this transformation, MUFG Bank has realized its vision to streamline all payment operations across the entire Asia-Pacific region to drive future growth, improve efficiency and lay a strong foundation to enable innovation.

“MUFG Bank is happy that the Regional Payment System-based consolidation has become a reality. A project of this complexity was accomplished not only because TCS BaNCS was a strong fit to our requirements, but TCS’ delivery capability and proven methodology made collaboration across multiple geographies possible,” said a spokesperson for MUFG Bank.

Read: <https://www.tcs.com/tcs-bancs-transforms-payments-operations-mufg-japan-largest-bank>

Payments

Emirates NBD – Leading banking group in the Middle East



▶ Watch the on-demand video
of our TCS BaNCS Dialogues recording:

Real-time Payments - A Platform for Innovation

Panel discussion featured **Barid Guha Neogi**, Senior Vice President, Head of Group Operations Governance & Business Support, Emirates NBD, and **Nitin Sirohi**, Head, Banking, TCS BaNCS, moderated by **Vijay Ramachandran**, Head, Ecosystems, TCS BaNCS, TCS Financial Solutions.

<https://www.tcs.com/real-time-payments-a-platform-for-innovation>

Emirates NBD deployed TCS BaNCS for Payments as an “Enterprise Payment Hub” in the ENBD group technology landscape. It is deployed as a single instance, multiple-entity solution supporting payments rails across seven entities of ENBD. This platform supports standardized payment processing and operations, including clearing and settlement for international and domestic payments.

With a multi-entity, multi-currency, multi-channel Enterprise Payments Hub, Emirates NBD has become the market leader in innovation.

At the branch, employees can manage exceptions in much better and more efficient ways.

For corporate customers, the extensive parameterization of the TCS BaNCS solution enables Emirates NBD to cater to their specific needs. Corporate entities often have specific

needs for their business, and Emirates NBD prides itself on its ability to support those requests. Furthermore, the multi-currency, multi-entity capabilities of TCS BaNCS have helped Emirates NBD to provide additional capabilities to support its businesses.

TCS BaNCS APIs have been essential in supporting digital innovation at Emirates NBD, which leads the marketplace as a digital innovator. The bank offers intuitive digital apps that deliver a wide range of fast and flexible capabilities, which are connected to real-time payments data through granular, real-time APIs. With TCS BaNCS for Payments APIs, the bank can create faster and easier solutions for customers, who can use fine-grained controls and parameters to maximize straight-through processing.

Emirates NBD’s TCS BaNCS-powered Enterprise Payments Hub is now being used for international payments in United

Arab Emirates, United Kingdom, Singapore, India, Saudi Arabia and Egypt and Local Payments through the gateway provided by the respective Central Banks for the relevant entities. The most recent go-live, for EG-ACH in Egypt, supports Egyptian Pound and multi-currency transactions to facilitate salary and pension distributions, government payments, supplier payments, and other services.

In addition, the solution will enable the bank to support SWIFT for Corporates and to adapt upcoming market innovations in real-time clearing such as GCC-RTGS (KSA, UAE), IPI, and Egypt – RTGS, while also enabling GPI certification for all its entities.

Emirates NBD is currently evaluating TCS BaNCS microservices to support the EGYPT IPN and to have a future roadmap to extend the capability into other instant payment schemes such as UAE NPSS, KSA IPS, and others.

“TCS BaNCS for Payments has given the bank a very stable platform, with everything connected in one place. Centralized connectivity has improved payments processing with higher STP rates and faster confirmation for payments. Furthermore, Emirates NBD now has instant visibility into trends and patterns across business units. Having the entire payments platform in one place helps us with analytics and decision making.”

– Barid Neogi, Head of Group Operation Governance and Business Support at Emirates NBD.

From: TCS BaNCS #33

Two leading banks in GCC region

Two of the top banks in the GCC region have implemented TCS BaNCS Enterprise Payments Hub for their international and domestic operations.

For their Enterprise Payments Hub deployments, the banks have selected components including Real-Time Payments, Credit Transfer (domestic and international), Standing Order, Direct Debit, Cheques and Bill Payments.

With TCS BaNCS, both banks will achieve operational benefits and efficiencies through automation of key processes; reduced risk with real-time connectivity to core banking; and strengthened compliance from configurable business rules. The solution also supports onboarding to new clearing rails including GCC RTGS.

With the multi-entity capabilities of TCS BaNCS, the banks have consolidated operations across multiple entities and eliminated manual steps for payment operations, using standardized payment processing that supports country-specific functionality. Both financial institutions have reduced transaction costs while supporting increased payment volumes.

PostFinance – a leading financial institution in Switzerland

PostFinance is the number one provider in the Swiss payment transactions market, ensuring a seamless daily flow of liquidity for its customers.

In 2011, the Bank standardized its payments platform with TCS BaNCS. The multi-entity and multi-currency solution has provided PostFinance with application components for accounts management; domestic and international payments including credit transfers and direct debits; market connectivity to domestic clearing in Switzerland; Pan-European clearing with SEPA; and international payments via SWIFT.

PostFinance became first bank in Switzerland to go-live in 2015 with fully compliant implementation of ISO20022 standards. By being first to market with ISO 20022, PostFinance was able to demonstrate their knowledge and

capabilities in the payments area by helping customers through their migrations. By the end of 2017, virtually all PostFinance customers were successfully migrated to the ISO 20022 standard.

In 2018, PostFinance completed a full core banking transformation with TCS BaNCS. The connectivity between TCS BaNCS modules for Core Banking and Payments allows the bank to move rapidly with its digital strategy, achieving fast time to market for new products.

During 2021, PostFinance processed 1.265 billion transactions, through channels including online banking, mobile banking and investment apps, point-of-sale, branch consultations, and platform businesses. On peak days, PostFinance processes over 8 million payments with no degradation of services for customers or back-office users.

“With TCS BaNCS, we have become more modern and standardized—especially in terms of product diversity. With the new capabilities, we can set up and launch new products more swiftly. In short, TCS was the enabler for the next generation of technology in payment traffic and has made us leaner and more modern with a standardized approach, which ultimately benefits our customers.”

– Hansruedi Köng, CEO, PostFinance

From: TCS BaNCS #13, #24, #34

One of the fastest-growing next-generation banks in India

A universal bank with tens of millions of customers transformed its payments landscape with the cloud-based, microservices architecture of TCS BaNCS Enterprise Payments Hub.

In response to triple-digit hypergrowth in payment volumes, the bank deployed the TCS BaNCS Enterprise Payments Hub. With auto-scaling using microservices and containerization deployed on Amazon Web Services, the application precisely matches computing capacity with transaction volumes, ensuring high resiliency and zero downtime for a 24/7 operation.

The microservices-based deployment of TCS BaNCS Enterprise Payments Hub has given the bank a standardized solution that handles all payment types, optimizes transaction processing costs, and minimizes disruption of core systems. [\(See full story, page 20.\)](#)



One of the leading private sector banks in India

A major player in corporate and institutional payments for Indian enterprises has deployed the payment processing engine of TCS BaNCS along with channel solutions for branch and internet banking.

With the deployment of TCS BaNCS, the bank has transformed its payment initiation and servicing capabilities across a large branch network, enabling staff to process large files in a fraction of the time previously required. The system has scaled smoothly to support hypergrowth in payment volumes.

The bank also offers virtual account-based solutions for corporate customers, including a collections and reporting service and a pension investment tool for employees. These new business capabilities have enabled the bank to improve its strategic positioning with its corporate and institutional client base.