QUARTZ

Quartz for KYC

KYC regulations are increasingly becoming critical issues for organizations globally and it is estimated that millions are spent each year on KYC related procedures alone. Existing KYC processes are lengthy and complex, affording little transparency on how data is collected. Further, the secure authentication of customer identification data and the need to protect it from unauthorized and fraudulent usage add to the challenges faced by firms worldwide. What institutions are looking for is a single and integrated solution catering to multiple regulatory requirements and stakeholder needs.
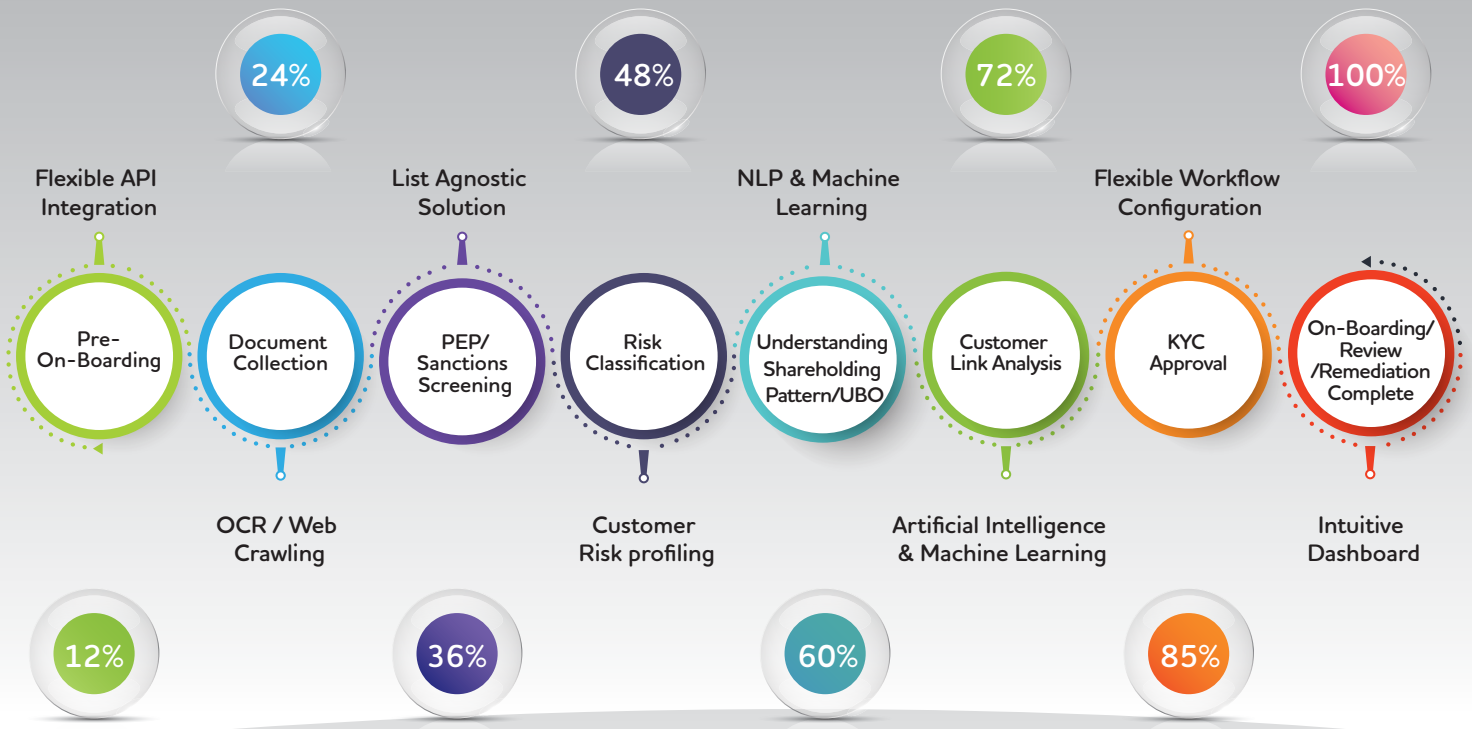
A decentralized solution for KYC can collect data from multiple sources and maintain it in a single, immutable, secure, data store. Authentication becomes faster, easier, safer and more efficient by leveraging distributed ledger technology (DLT), and ensures instantaneous access to authentic KYC information. The KYC solution from Quartz is a pan-enterprise e-KYC platform that offers organizations a comprehensive view of all client relationships spanning multiple business lines, enabling intelligent and informed decision-making.

Overview

TCS has invested in future proofing our KYC solution through integration with blockchain technology and enabling organizations to leverage the power of ecosystems. This strategy is designed to bring inefficiencies for the organizations and enhance the end customer experience significantly. The solution utilizes a private permissioned blockchain to record and provide KYC compliance information to authorized entities based on customer consent. The solution is designed to simplify the end-to-end KYC process, standardize and streamline data collection for efficient and rapid customer onboarding, periodic reviews, remediation and lifecycle management. It caters to the KYC requirements of institutions across multiple industries and is designed as a combination of off-chain and blockchain-based (on-chain) services.

Key features:

- **Blockchain leverage** – The solution leverages a unique on-chain and off-chain service delivery model so that the right parts of the KYC business process, including processes related to KYC approval by linked registries or authorities, sharing of valid KYC information to authorized ecosystem participants etc. are maintained on blockchain while other processes including the acquisition of customer information, due diligence, screening, etc. are managed in an off-chain model. Such an approach ensures that organizations are able to access accurate, tamper-proof KYC information on an instantaneous basis, even while ensuring data privacy and sharing of information based on customer consent.

- **KYC** - Assesses the risk associated with a customer by considering multiple attributes, which may differ based on the customer type. The workflow feature of KYC module enables financial institutions (FI) to perform, enhanced Due Diligence, and continuous monitoring of customers (perpetual KYC).

- **Risk Assessment** – In-depth analysis and actionable advice such as trigger based reviews on virtually all aspects of risk cutting across credit risk, operational risk, market risk, governance risk and compliance (GRC).

- **Sanctions screening and watchlist scanning** – List agnostic support for local and global watch lists with advanced scanning algorithms.

- **Case Management and workflows** – Easy configurability to drive processing, using a rule engine and automated workflows to manage a case throughout its life cycle.

- **Dashboards** – Holistic view of various statistical data captured and analyzed by the solution.

- **Single interface connecting both internal and external data sources** - AI, cognitive chatbots to support queries, policies, procedures and hard-to-spot early warning signals across the risk and compliance value chain.

- **Reporting and Audits** – Audit log maintained on blockchain for all actions performed by users. It offers both standard MIS and ad hoc reports for compliance to support local and global regulatory requirements.

24% — Flexible API Integration

48% — List Agnostic Solution

72% — NLP & Machine Learning

100% — Flexible Workflow Configuration

| Pre-On-Boarding | Document Collection | PEP/Sanctions Screening | Risk Classification | Understanding Shareholding Pattern/UBO | Customer Link Analysis | KYC Approval | On-Boarding/Review/Remediation Complete |

12%

OCR / Web Crawling

36%

Customer Risk profiling

60%

Artificial Intelligence & Machine Learning

85%

Intuitive Dashboard

End-to-end KYC with latest technological interventions

Benefits

- Instant access to trusted KYC information, elimination of duplicate records, immutability of records through the use of blockchain technology.

- A common platform for multiple business lines or multiple institutions, allowing for the creation, modification and sharing of KYC data.

- Flexibility to configure KYC rules and parameters as per business needs

- Compliant with global regulations and data privacy norms.

- Digital data analysis supported by unsupervised models and NLP, connecting internal and external data sources.

- Real-time simulation and easy integration with any BPM tool

- Reverse link analysis with advanced analytics and support for continuous risk assessment for real-time views of the client profile.

The Quartz Advantage

Quartz solutions are targeted at helping organizations across industries to leverage blockchain meaningfully for their businesses. The advantages of Quartz are deeply rooted in the following principles:

Co-existence and Interoperability: Quartz solutions are built on this philosophy and can integrate with third-party solutions and various blockchain based systems and networks.

Integration: Quartz solutions are simple, lightweight and can seamlessly bring together third-party solutions, legacy applications and messaging middleware. They can therefore reduce entry barriers to blockchain adoption by insulating connecting systems from the complexities of the underlying blockchain.

Agile Development and Deployment Framework: Quartz DevKit along with its foundational components can provide an agile framework for faster development and deployment of business applications on a choice of blockchain platforms.

About Quartz

Quartz provides foundational technology, tools and business components that harness the power of next-gen technologies including DLT, AI/ML for organizations across varied industries. Quartz caters to organizations across Industry segments including Financial Services, Banking, Supply Chain, Energy & Utilities and eGovernance. Backed by awards from the Asian Banker (Best Fraud Prevention Technology Implementation 2023), Financial Technology Forum (Best New Post Trade Solution of the Year 2022), Asset Servicing Times (Outstanding Innovation Award 2022) and recognition from Analysts (ranked #1 Best Performing Fraud Management Solution by IBS Intelligence 2022) Quartz can help organizations operate at the forefront of technology innovation.

To know more about Quartz, please write to us at tcs.quartz@tcs.com or visit our website https://www.tcs.com/quartz

About Tata Consultancy Services Ltd (TCS)

Tata Consultancy Services is an IT services, consulting and business solutions organization that has been partnering with many of the world's largest businesses in their transformation journeys for over 56 years. Its consulting-led, cognitive powered, portfolio of business, technology and engineering services and solutions is delivered through its unique Location Independent Agile™ delivery model, recognized as a benchmark of excellence in software development.

A part of the Tata group, India's largest multinational business group, TCS has over 601,000 of the world's best-trained consultants in 55 countries. The company generated consolidated revenues of US $29 billion in the fiscal year ended March 31, 2024, and is listed on the BSE and the NSE in India. TCS' proactive stance on climate change and award-winning work with communities across the world have earned it a place in leading sustainability indices such as the MSCI Global Sustainability Index and the FTSE4Good Emerging Index. For more information, visit www.tcs.com