

Enterprise Integration Solutions (EIS) Practice

International Outward Remittance



Introduction

The banks everywhere have remittance as one of its core business activity. There are branches where still the remittance work is carried out by traditional pen and paper method. Our solution helps to automate the remittance process by leveraging the full potential of SAG Products.

What is a Remittance Transaction?

The remittance transaction carried out by the banks is shown below



Remitter instructs his bank to debit the money from his account and transfer it to beneficiary account



The Remitters Bank debits the money from the remitter account and credits it to the beneficiary account



The remittance process appears like a two step process. But in reality, this two step process requires multiple numbers of approvals and has more steps than what meets the eye.

This process becomes even more complex when the remitter's bank does not have a tie up with the beneficiary's bank. This case will involve one more bank – correspondent bank, which will connect both the banks



What are the steps carried out in bank branches for a remittance transaction?

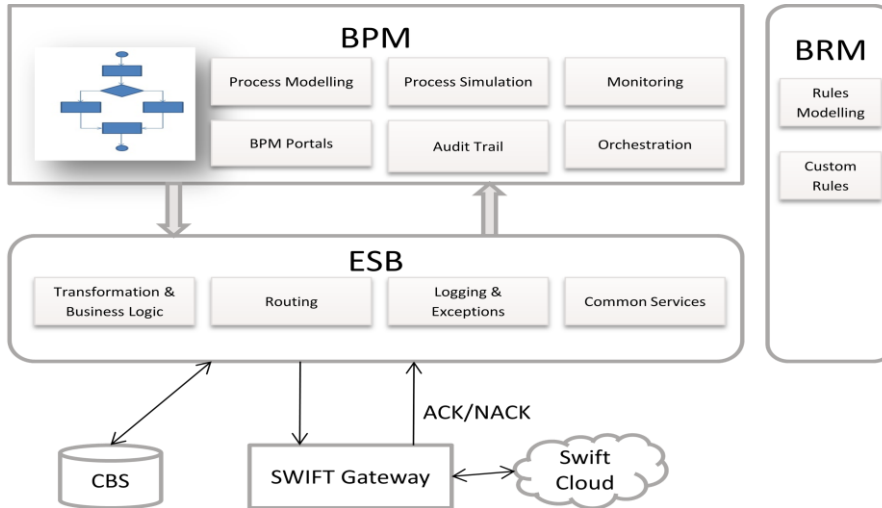
The remitter who wants to do a transaction submits a Purchase Order for remittance. He submits supporting documents including Identity and address proofs at the bank premises.

- The bank staffs uploads the submitted documents for verification
- Once the documents are verified, the staff checks the remitters account for balance. If the balance is sufficient, Purchase Request is generated
- This PR is sent for first level of approval by the staff who created the PR
- Once this approval is obtained, then the remittance compliance check is done
- This compliance varies from one country to another
- The bank staff performs the compliance check for both the originating and target country
- Anti money laundering check is done for large transactions as a part of compliance check
- Once all the checks are passed, the bank creates a Fund transfer request and sends it to Core Banking systems
- The bank triggers the FT request through Swift Gateway and on successful posting to the SWIFT cloud receives a confirmation message

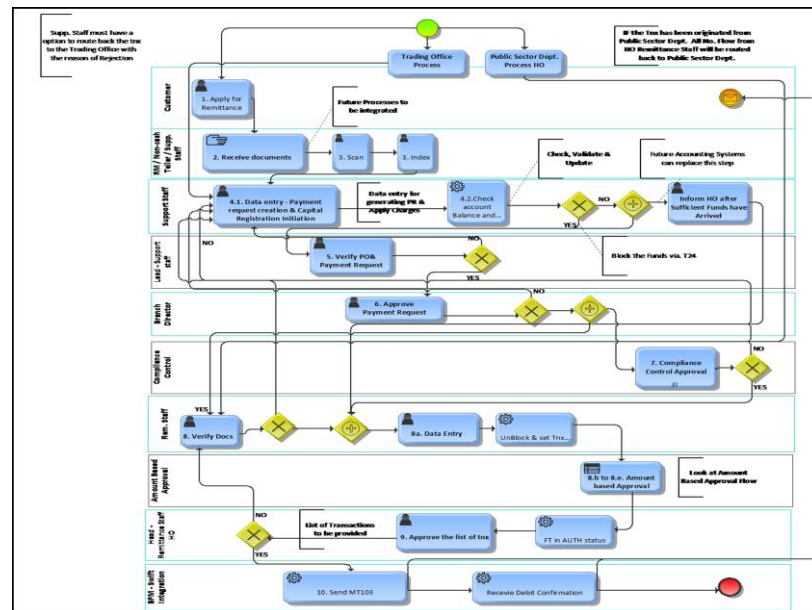


Tech Mahindra Remittance Solution

TechM uses BPM, BRM and ESB suites to automate the remittance process.



The TechM designed remittance workflow (using BPM Engine), automates the various manual steps performed by the bank staff.



- The various user approvals are automated
- The account balance check is part of the workflow
- The country based compliance checks are automated using BRM
- The compliance regulations for various countries are pre built as customizable business Rules
- Money Laundering checks are performed
- The Integration with Swift gateway, payment systems, CBS are performed using ESB.
- The ACK and NACK features have been enabled
- Provisions have been provided for the customer to make corrections to the documents submitted, if any
- The Remittance flow is traceable
- The remittance advice can be cancelled

Benefits to customer

- Improve Operational efficiency
- Minimize the paper work ,thus eliminating human errors
- Enables more number of remittance transaction per day
- Transaction Traceability by means of text message to end customer

About EIS

TechM Integration Practice which is 16+ years old is one of the largest practices among Global SIs with a strong vertical focus and market leadership position in Manufacturing, Retail & Logistics, Telecom, BFSI and other verticals. Offers end-to-end solutions in the space of ESB/SOA, BPM, ODM, API Management, B2B Gateways, iPaaS, Microservices, Rules Management and MDM. Executed more than **200+ global engagements** with mostly Fortune 500 companies across geographies like US, Europe, Middle East, ANZ, ASEAN.