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# INTEROPERABLE TRANSACTIONS

BY: SAI & KAMAL



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# The Incredible Technology: **BLOCKCHAIN**

#### **Network**

The data is distributed across all the devices in the network

2

#### Secure

The data inside the blockchain is very secure

1 Ledger

A blockchain is an open, distributed ledger.

**Decentralized** 

**3** The whole blockchain is decentralized.

Logging Logging

We get the whole history of activities.

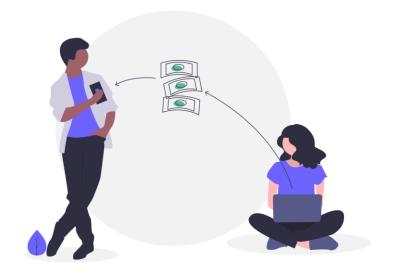
## INTEROPERABILITY AND INTEROPERABLE PAYMENTS

#### **INTEROPERABILITY**

Interoperability is seen as a means for people worldwide to make electronic payments in a convenient, affordable, fast, seamless and secure way through a transaction account.

#### **INTEROPERABLE PAYMENTS**

When payment systems are interoperable, they allow two or more proprietary platforms or even different products to interact seamlessly. Interoperability can promote competition, reduce fixed costs and enable economies of scale that help ensure the financial viability of the service and make payment services more convenient.



## **BUSINESS CASE REQUIREMENT**

• To create a platform in which peers of different banks of different organizations can transfer asserts between each other without any external intermediate involvement.

 The transfer of asserts between banks is performed by using cryptocurrency as a medium as exchange. • The whole system should be flexible, secure and trustworthy.



# **Node SDK** Used to communicate with the Frontend Hyperledger-Fabric The blockchain technology for Angular Frontend Framework creating the private distributed ledger **TECH STACK**

#### **ERC20Token**

For Tokenization of Asserts

### HYPERLEDGER FABRIC.

## Permissioned membership

Hyperledger Fabric is a framework for permissioned networks, where all participants have known identities. When considering a permissioned network, you should think about whether your blockchain use case needs to comply with data protection regulations.

#### **Protection of digital keys**

HSM (Hardware Security Module) support is vital for safeguarding and managing digital keys for strong authentication. Hyperledger Fabric provides modified and unmodified PKCS11 for key generation, which supports cases like identity management that need more protection

#### Data on a need-to-know basis

Hyperledger Fabric is a framework for permissioned networks, Businesses, due to competitiveness, protection laws, and regulation on confidentiality of personal data dictate the need for privacy of certain data elements, which can be achieved through data partitioning on the blockchain. Channels, supported in Hyperledger Fabric, allow for data to go to only the parties that need to know all participants have known identities. When considering a permissioned network, you should think about whether your blockchain use case needs to comply with data protection regulations.

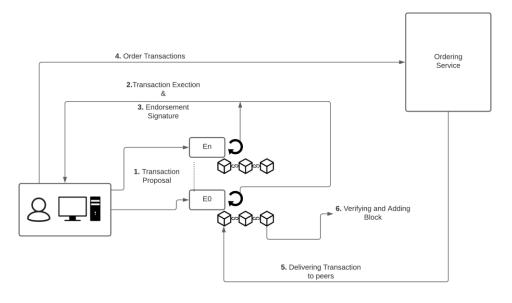
### RIPPLE XRP

- Ripple XRP is an open source, peer to peer, payment network a simple way for anyone in the world to send money at practically no cost
- The XRP Ledger is an online system for payments, powered by a community without a
  central leader. Anyone can connect their computer to the peer-to-peer network that
  manages the ledger. The XRP Ledger is the home of XRP, a digital asset designed to bridge
  the world's many currencies. The XRP Ledger is one part of the developing Internet of
  Value: a world in which money moves the way information does today.
- "ripple-lib" API's are used to manage the transactions
- It uses XRP as the currency
- Key attributes of RIPPLE XRP:
  - The ripple API Server
  - The Ripple API ServerNet credentials
    - Address
    - Secret
- The address is the unique address of the sender or receiver.
- The secret is basically the password of the address.
- The address acts as the sender address when we send XRP from that address.
- The same address acts as the receiver when XRP is received.
- The user needs to provide the secret when they act as the sender in the transaction.
- The address can be shared but the secret should never be shared with others.
- When the XRP is transferred the new owner of the asset is updated in the ledger.

## TRANSACTION FLOW

- Step1: Propose Transaction
  Client application will propose a
  transaction by sending the
  transaction details to all the
  endorsing peers available on the
  network. All the endorsing peers
  on the network will receive.
- All the endorsing peers in the network will execute the proposed transaction. Each execution will capture the set of Read and Write data, called RW Sets. Transactions can be signed and encrypted.
- The Read Write sets are asynchronously returned to the application. The Read Write sets are signed by each endorser and this will be later checked in the consensus process.

**Step3: Proposal Response** 

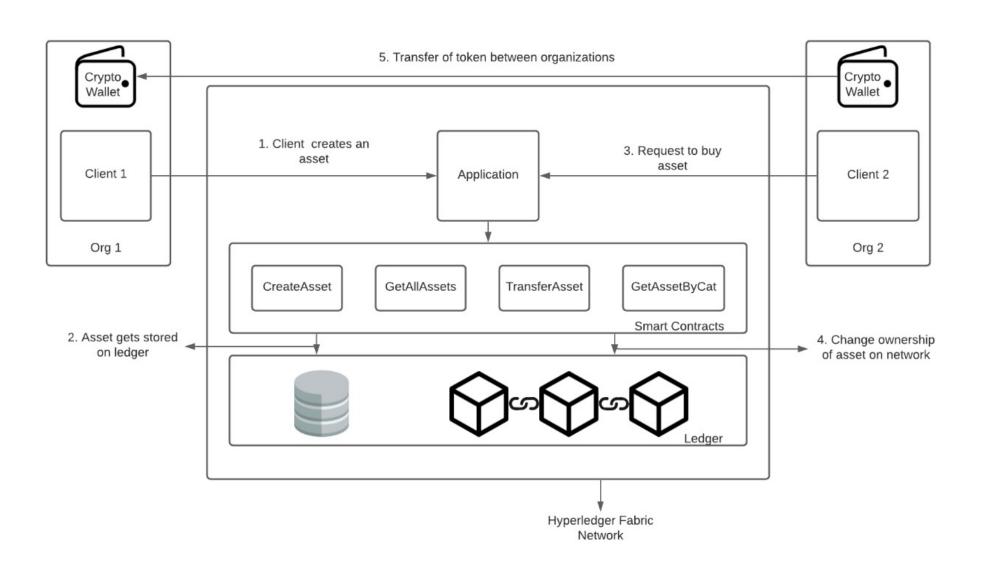


- Step4: Order Transaction
  - Application submits responses as a transaction to be ordered.
    Ordering happens across the fabric in parallel with transactions submitted by other applications
- Step5: Deliver Transaction
  - Ordering service collects
    transactions into proposed
    blocks for distribution to
    committing peers. The ordering
    service forms a block of
    transactions by using ordering
    services like Kafka, solo (here we
    are using solo).
- Step6: Validate Transaction

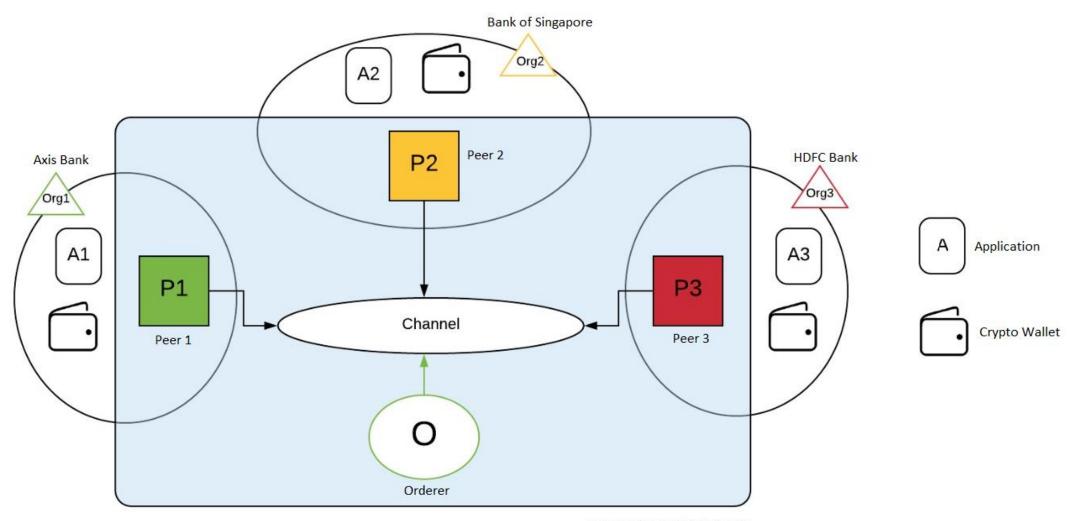
Every committing peer validates against the endorsement policy.

Validated transactions are applied to the world state and retained on the ledger. Invalid transactions are also retained on the ledger, but it will not update the world state

## HIGH LEVEL ARCHITECTURAL FLOW



## **NETWORK OVERVIEW**



HyperLedger Fabric Network

## **OUR SOLUTION!**

#### **Synopsis**

- Using Hyperledger Fabric to setup a permissioned blockchain network and adding all the banks (of different organizations)
- We use chaincodes (smart contracts) to implement the business logic.
- Every organization has its own ledger
- We use membership providers to add peers into the network
- Every member in the network is a trusted member by the organization
- We can hide the internal details of a transaction.
- Every transactions is recorded in the ledger.
- We use ERC20Token to tokenize the asserts.

#### **Data Structure**

```
contains the details of the transaction
{
    UNQID:
    VERSION:
    ISSUERID:
    ISSUERNAME:
    OWNER:
    PRODUCTNAME:
    ISSUEDATE:
    VALUE:
    STATE:
    CATEGORY:
```

We defined a data structure which

#### **Category**

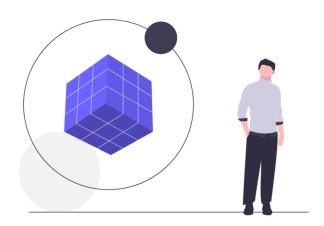
GASFEE:

Every assert is categorized into one of the below category:

VEHICLES, MACHINERY, COMPUTERS, STOCKS
AND BONDS

#### Working

- We categorize every bank based on its organization.
- We create a channel and add all the organizations in the channel.
- The channel acts as a medium of exchange.
- We tokenize every assert so that it can be used in the assert transfer
- We can issue or assign or query an assert



## **OUTPUT SCREENS**

```
onfig configtx.yaml create-artifacts.sh crypto-config.yaml
ol@sai-Inspiron-3521:/mnt/d116583a-144a-43c5-ac3f-fac8d166d8d4/blockchain/test3/fabric-samples/interOperablePayments/artifacts/channel$ ./cr
e-artifacts.sh
is.interoperable.com
                                                                                                                      NFO 802 orderer type: etcdraft
 tick_interval:"500ms" election_tick:10 heartbeat_tick:1 max_inflight_blocks:5 snapshot_interval_size:16777216
 3d4/blockchain/test3/fabric-samples/interOperablePayments/artifacts/channel/configtx.yaml
                                                                              Block -> INFO 006 Writing genesis block
INFO 001 Loading configuration
                                                                                                    602 Loaded configuration: /mnt/d116583a-144a-43c5-ac3f-fac8d16
                                                                                       CreateTx -> INFO 003 Generating new channel configtx
                                                                                                       INFO 004 Writing new channel tx
                                                                            INFO 001 Loading configuration
Fig] Load -> 1NFO 002 Loaded configuration: /mnt/d116583a-144a-43c5-ac3f-fac8d10
  d4/blockchain/test3/fabric-samples/interOperablePayments/artifacts/channel/configtx.yaml
     /blockchain/test3/fabric-samples/interOperablePayments/artifacts/channel/configtx.yaml
                                                                                                        INFO 883 Generating anchor peer update
                                                                                                            0 004 Writing anchor peer update
                                                                             INFO 001 Loading configuration
fig] Load -> INFO 002 Loaded configuration: /mnt/d116583a-144a-43c5-ac3f-fac8d1
20-88-24 16:53:44.395 IST [common.tools.configtxgen] dooutputAnchorPeersUpdate -> INFO 004 Writing anchor peer update
l@sal-Inspiron-3521:/mnt/di16583a-144a-43c5-ac3f-fac8d166d8d4/blockchain/test3/fabric-samples/interOperablePayments/artifacts/channel$ dock
eating peer6.hdfc.interoperable.com .
eating orderer.interoperable.com .
```

## **Creating Certificates and Starting the containers**

```
.
.@sai-Inspiron-3521:/mnt/d116583a-144a-43c5-ac3f-fac8d166d8d4/blockchain/test3/fabric-samples/interOperablePayments/artifacts/channel$ dock
ONTAINER ID
                  IMAGE
                                                     COMMAND
                                                                         CREATED
                                                                                            STATUS
                                                                                                                PORTS
                     NAMES
9213f027af0
                  hyperledger/fabric-orderer:latest "orderer"
                                                                        2 minutes ago
                                                                                            Up About a minute 0.0.0.0:7050->7050/tcp,
 .0.0:8443->8443/tcp orderer.interoperable.com
                  hyperledger/fabric-peer:latest
                                                      "peer node start" 2 minutes ago
                                                                                             Up About a minute 0.0.0.0:7051->7051/tcp
                    peer0.axis.interoperable.com
                  hyperledger/fabric-peer:latest
                                                      "peer node start" 2 minutes ago
                                                                                            Up About a minute 7051/tcp, 0.0.0.0:9051->9
                    peer0.bofs.interoperable.com
                  hyperledger/fabric-peer:latest
 3bb55fdeab9
                                                      "neer node start" 2 minutes ago
                                                                                            Up About a minute 7051/tcp, 0.0.0.0:8051->8
                    peer0.hdfc.interoperable.com
```

#### **Containers Created**

```
.deployChaincode.sh/d116583a-144a-43c5-ac3f-fac8d166d8d4/blockchain/test3/fabric-samples/interOperablePayments
 ndorina Go dependencies ...
mnt/di16583a-144a-43c5-ac3f-fac8d166d8d4/blockchain/test3/fabric-samples/interOperablePayments/artifacts/src/github.com/chaincode-go /mnt/d11
583a-144a-43c5-ac3f-fac8d166d8d4/blockchain/test3/fabric-samples/interOperablePayments
nt/d116583a-144a-43c5-ac3f-fac8d166d8d4/blockchain/test3/fabric-samples/interOperablePayments
nished vendoring Go dependencies
 i<mark>@sai-Inspiron-3521:/mnt/d116583a-144a-43c5-ac3f-fac8d166d8d4/blockchain/test3/fabric-samples/interOperablePayments$ ./deployChaincode.sh</mark>
 ============= Chaincode is packaged on peer0.axis =================
 i<mark>@sai-Inspiron-3521:/mnt/d116583a-1</mark>44a-43c5-ac3f-fac8d166d8d4/blockchain/test3/fabric-samples/interOperablePayments$./deployChaincode.sh
         17:01:13.845 IST [cli.lifecycle.chaincode] submitInstallProposal -> INFO 001 Installed remotely: response:<status:200 payload:"\nGm
 : 1:a4e5c189fbd1be947c8c925c3363a5310380917c02f8c2bb5c28c374deb74430\022\006mycc_1" >
           :01:13.870 IST [cli.lifecycle.chaincode] submitInstallProposal -> INFO 002 Chaincode code package identifier: mycc_1:a4e5c189fbd1
947c8c925c3363a5310380917c02f8c2bb5c28c374deb74430
  17:02:40.996 IST [cli.lifecycle.chaincode] submitInstallProposal -> INFO 001 Installed remotely: response:<status:200 payload: "\nGm
 1:a4e5c189fbd1be947c8c925c3363a5310380917c02f8c2bb5c28c374deb74430\022\006mycc_1" >
     :-24 17:02:40.996 IST [cli.lifecycle.chaincode] submitInstallProposal -> INFO 002 Chaincode code package identifier: mycc_1:a4e5c189fbd1
947c8c925c3363a5310380917c02f8c2bb5c28c374deb74430
 :_1:a4e5c189fbd1be947c8c925c3363a5310380917c02f8c2bb5c28c374deb74430\022\006mycc_1" >
                 .527 IST [cli.lifecycle.chaincode] submitInstallProposal -> INFO 002 Chaincode code package identifier: mycc_1:a4e5c189fbd1
           ====== Chaincode is installed on peer0.bofs ===========
```

#### **Chaincode Installed**

#### **Create Assert Function**

**Invoke create assert** 

## Query after creating assert

Chaincode Invoke Init
Function

## Thank You!