

CLOUD OFFERING



The banking sectors have seen phenomenal growth over recent years. This is due to the growth in technologies such as machine learning, artificial intelligence and cloud computing. With development of cognitive computing abilities, banks are changing the way they interact with customers.

Banks have observed transformation of banking experience end customers led by Information Technology (IT) enabled solution and the complete spectrum of services such as Core Banking, Internet Banking, Mobile Banking, Wallet, Cards and Kiosk Banking. Both banks and their customers are benefitted by the evolution of IT in Banking sector specially with cloud services. The business models of Banks are now oriented around achieving customer delight through IT enabled solutions and services.

Cloud computing/services can help banks to lower the capital investment in IT infrastructure. Cloud computing converts big capital expense into smaller operational expenses. Worldwide not only smaller banks but larger banks too are now perceiving vision to adopt cloud-based IT solutions to control the expenses on IT infrastructure.

And we at IDBI-Intech empower businesses by accelerating innovation, and providing business agility while optimizing costs. Comprehending the constant need to experiment and innovate with the help of cloud offering.

Benefits of using cloud in banking

Cloud enables Banks to be more agile, scalable, and flexible with its ability to operate in a dynamic, contact-less environment. Migrating traditional data centres to a cloud server helps in increasing security, boosting data-handling capacity, and providing access to new delivery channels. Cloud computing will help Banks to meet the following business challenges:

Improved data security

Banks on cloud computing are better prepared to economic uncertainties, environmental changes and shift of customer expectations. Cloud technology has paved the way to a successful alternative that prevents harm to data. Cloud has various standards to manage data security like:

- Certifications and standards
- Regulatory and compliance
- State of the art technology
- Reliability and performance
- Guideline and processes
- Technical compatibility and cybersecurity
- Risk mitigation and safeguard
- Migration support and engineering
- Service dependencies
- Partnerships
- Business strategy
- Dynamic business environment

Reduced infrastructure costs

Cloud computing converts Capital Cost into Periodical Operational Cost thus regulate cash outflow. Cutting down capital investment on IT infrastructure will reduce the capital inadequacy of the Bank. By migrating, changes in the IT infrastructure becomes manageable. Organizations comfortably scale up their needs immediately. Leveraging cloud to offer systematic processes and for quickly adapting to organizational changes

High efficiency

Banks can take the cloud advantages and can enjoy benefits like:

- Disaster recovery and business continuity
- Quality control and automation
- Loss prevention
- Flexibility and Sustainability
- Health check, Monitoring and control

Hosting made easy

On-premise systems need regular maintenance to prevent any disruption. Even small issues can have adverse effects on the way bank functions. Since banking portals need 100% uptime, hence migrating to a cloud will guarantee 99.99% uptime. The servers will be available through maintenance and the maximum uptime factor.

Business Competition

Bank can save 3Ms (Man, Minutes and Money) by implementing cloud computing and utilize these in new business opportunities

Software applications

SaaS based applications (i.e., ERP, CRM etc) are mostly hosted on the cloud. As these applications are a part of the SaaS model, customers and vendors have complete control over them. This will help in improving the support system.

Scalability and Flexibility

Cloud infrastructure is connected to multiple servers simultaneously. This allows banks to increase or decrease their processing capability based on evolving market conditions without any additional investment. The ability to rapidly scale cloud computing capacity allows banks to keep up with customers' demands and remain competitive in a dynamic ecosystem.

Agility and Innovation

Cloud allow banks to innovate and transform their customer experience by streamlining processes and utilizing new-age technologies, like artificial intelligence, machine learning, and robotic process automation. Cloud-based infrastructure also provides quick access to software and application updates without requiring additional investments, making banks more agile and responsive to changing market trends.

IDBI-Intech and cloud computing

IDBI-Intech has partnership with [Yotta](#) (Asia's largest cloud datacentre – [news18.indiatimes](#)) and provide BaaS apart from major services classified under the cloud environment such as SaaS, IaaS, PaaS, FaaS and many more

- **BaaS (Banking as a service):** Delivering banking solutions using the internet on subscription basis
- **SaaS (Software as a service):** Delivering software applications using the internet
- **IaaS (Infrastructure as a service):** Using IT infrastructure, data storage, operating systems with IP connectivity

- **PaaS (Platform as a service):** On-demand environment for developing, delivering, and managing applications.
- **FaaS (Function as a service):** To achieve MSA (microservices architecture) / serverless deployment

Regulatory body for IDBI-Intech

- [Department of Financial Services \(Ministry of Finance\)](#)
- [Reserve Bank of India \(RBI\)](#)
- [Securities and Exchange Board of India \(SEBI\)](#)

Laws which IDBI-Intech follow

- [Information Technology Act, 2000 \(IT ACT\)](#)
- [Information Technology \(Reasonable Security Practices and Sensitive Personal Data or Information\) Rules, 2011 \(Privacy Rules\)](#)

Guidelines considered by IDBI-Intech

- [Guidelines on Managing Risks and Code of Conduct in Outsourcing of Financial Services by Banks, \(2006\) \(Outsourcing Guidelines\)](#)
- [Guidelines issued by the Working Group on Information Security, Electronic Banking, Technology Risk Management and Cyber Frauds - Implementation of recommendations, \(2011\) \(Gopalakrishna Guidelines\)](#)
- [Cybersecurity Framework in Banks, \(2016\) \(Cybersecurity Framework\)](#)
- [Guidelines on the Sharing of Information Technology Resources by Banks, \(2013\)\(IT Sharing Guidelines\)](#)

Confines between cloud and banks

There are some boundaries with cloud that might prevent Banks to switch with. Due to security concerns, many banks are hesitant about migrating. The security of Banks is of utmost importance, so it's important for banks to use encrypted cloud service to manage risks. The use of shared services or a public cloud is not recommended.