

Cloud Banking System in India an Overview Descriptive Study

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ABSTRACT

In this contemporary world technology creeping everywhere, banking sectors is no exception. This study looks the way forward into those technological advancement in banking sector especially the cloud banking. The technical impediments came across in the past and the challenges to be faced in the futuristic phenomenon. The author also discusses the factors affecting contemporary banking sector in terms of technology and employments, the impact of cloud banking in the future. It also explores various technologies which are emerging in future in the field of banking. It not only discusses the technological impediments, also confidentiality of data, and prevention of data from intruders, hackers and crackers. The roll of cloud platforms in modern banking system and data theft prevention policies.

Key Words: CB-Cloud Banking,

1. INTRODUCTION

Basis of the entire technology is platform, this cloud banking provides its service in terms of PaaS, SaaS and IaaS. These terms refer to Platform as a Service, Software as a Service and Infrastructure as a service. These are the basic mode of service provider. First, IaaS is a fundamental service in CB; it includes servers and data storages. Through this banks can access and store the data of clients. Second, PaaS is a phase it includes programming language, frame work. In this way in which the data are manipulated according to the machine language. User must pay attention in choosing platforms; it would be very convenient when they switch to any other service provider. Third, SaaS provides only the facility of the end-user accessible software's and applications. The above stated facilities are provided by the service provider according to the requirement of the client. The contribution of banks is tremendous in contemporary world. Banking activities are very sensitive and confidential. The cloud technology has been used according to the need of the organization, as per Indian banking sectors or any other banking sectors all over the world needs vast amount of storage in order to maintain their client data confidential. As we aware the banking activities are very difficult to handle, at the same time it's very hard to maintain cloud storage on their own. Since they outsource these cloud facilities. In such case activities of banking sector must be outsourced in terms of cloud platform, storage, database, application etc. The term cloud banking not stick with banking technologies like e-banking like Google pay, pay pal and the like. It all about how the data been stored in the centralized server and retrieval of data been takes place. All the cloud services are provided based on "pay as you go", the term cloud has derived from the group of interconnected systems getting service from centralized servers called cloud platforms.

2. TECHNOLOGICAL ADVANCEMENT

FLEXIBILITY

The cloud banking activities are highly sophisticated, since the flexibility is easier. The data of customers can be updated conveniently; day to day transaction can be made easily. Plenty of applications are available to access information from cloud. These applications were built to be user-friendly. It can be easily used by the end-users.

RELIABILITY

Reliability of service increases when we outsource services. An organization cannot handle both financial and technology simultaneously. Since outsourcing these services from a third party, it increases the reliability upon the banks among the clients.

THIRD PARTY

In this context, these cloud platforms cannot be maintained by banks on their own. They prefer outsourcing of technology from a third party. Recently, from the emergence of technology, apart from Google, Amazon, and IBM, cloud computing service providers Automated Financial Systems Inc., Avoka, Breezy, Earnix, and HID Global Corporation are providing cloud banking services. Cloud banking solutions are provided by a third party, since in-house servers need not be maintained separately. It reduces the work burden of employees, especially technical work.

CLIENT SERVICE

Computerization makes activities easier. Through this cloud banking service, customer approach becomes smooth with banks. Application provides fastest access to the transaction, keeps client delight. CRM- Customer Relationship Management is effective for long term.

CHALLENGES

As technologies grow, frauds also increase. Basically, in banking sectors, NPAs are increasing every year, apart from all these economic offences, data theft and hacking of bank accounts take place. Cloud banking is also not an exception because unauthorized accounts and access led to hijacking of accounts of cloud accounts take place. According to the survey of [Fintech Weekly 80% of the financial organization named unauthorized.]

Malware, recent days, the virus files cause more problems to the system in terms of hijacking, data theft, and system crash. It is one of the biggest issues in the contemporary scenario. It mainly focuses on system crash. Because all other threats are easily recoverable from the storage, in case of system crash, it may lead to a huge trouble.

Employment, due to the emergence of cloud technology, the jobs are tending to reduce in banking sectors and there is a considerable increase in the tech sector's by forthcoming years. A study states that there is a significant 30% of job reduction in banking sectors by 2021.

Sensitivity, financial sectors are backbone of the economy. The data which is been collected from clients are highly sensitive. It contains all details of clients including debit card, credit card numbers, apart from all these the personal details of the clients were recorded. Since it's a huge responsibility of the service provider, to protect the data and keep them secure.

3. CLOUD BANKING IN INDIA

India also emerging its cloud computing technologies recent years. India has a cloud platform called Indian Banking Community Cloud. This IBCC was established by Reserve Bank of India at Institute for Development and Research in Banking Technology. The ultimate intention of addressing the efficient financial sectors seeking secure cloud banking service. Community clouds offer services to support organizations with shared objectives and common security and privacy requirements.

Though cloud banking viable, the financial institution has a fear of lock of data and abusive of data. It is an important aspect of the where agreements and policies places role. In order to get continuous, reliable support from the service provider the SLA called Service Level Agreements are made.

According to RBI report there are 150 commercial banks in India having operating with total monetary asset of one trillion with strong balance sheet.

The IBCC acts like central bank, for the financial institution seeking cloud banking application. It monitors the various aspects of institutions including the size of business, worthiness of the business and risk taking capabilities. In this context the IBCC helps financial institution to check their capable service providers and suggest the adopted application according to their needs.

Once after the implementation of the system precautions to be taken to consideration. A well-defined disaster recovery management helps to recover the lost data in an effective manner. IBCC, all VMs are backed-up daily; each day's snapshots are kept for seven days before the space is recycled. The IBCC supports a second availability zone (far site) that will host applications if a bank wants high availability for its applications. This zone runs asynchronous site-to-site replication between the storage devices.

4. TRENDS IN CB

These are the modern technologies of cloud computing widely used around the world.

ERP

Enterprise resource planning is a composite of various domain of business in a unified platform is known as ERP. ERP is a centralized platform to coordinate all the enterprise activities.

IN-HOUSE APPLICATION

The term in-house refer as developing own system according to the requirement of the organization themselves. These in-house systems are specially made and fit to requirement of the organization.

5. CRM

Customer Relationship Management is another important application broadly used now days. Since the CRM domain inbuilt in the ERP, due to the significance of customer satisfaction and retaining existing customers this becomes an important application.

The following are widely used CRM applications:

- FreshSales.io
- Cratio CRM
- Apptivo Online CRM
- Zoho CRM Tools

Insurance Data Exchange Cloud Service

Financial Services Revenue Management and Billing Cloud Service

Insurance Revenue Management and Billing Cloud Service

Financial Services Lending and Leasing Cloud Service

Banking Cloud Service

Health Insurance Value-Based Payment Cloud Service

6. REFERENCE

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