



INSTITUTE FOR DEVELOPMENT AND RESEARCH IN BANKING TECHNOLOGY *(Established by the Reserve Bank of India)*

It's happy days for the Indian Banking Industry. Sporting a swanky new look, the Sector is leveraging technology to make it banking a pleasure for the common man. Spearheading this technology transformation is the Institute for Development and Research in Banking Technology (IDRBT), established by the Reserve Bank of India. The Institute provides the key thrust to the development and implementation of technology for improving the functioning of the Indian Banking and Financial Sector through a series of techno-initiatives.

Technology Services

INFINET: In a major step towards making the Indian Banking and Financial Sector Technology enabled, the Institute set up the INdian FINancial NETwork [INFINET], the nationwide Closed User Group Communication Backbone for the Indian Banking and Financial Sector on June 19, 1999. Presently, the network consists of over 1800 VSATs located in 300 cities of the country and a seamlessly integrated Leased Line Network (LLN) connecting 22 major cities.

Various inter-bank and intra-bank applications ranging from Simple Messaging to Real Time Gross Settlement System are being implemented using the INFINET. The Network has maintained 99.9% uptime right since its inception. The INFINET is now being upgraded to IP-VPN Technology.

Certifying Authority: IDRBT provided a major boost to electronic communications in the Indian Banking and Financial Sector by PKI-enabling various applications and through its Certifying Authority Services, licensed by the Controller of Certifying Authorities (CCA), Government of India under IT Act 2000.

With the Digital Certificates issued by IDRBT, Banks and Financial Institutions are building-in full-fledged security in their electronic communications, intra-bank and inter-bank applications and messaging, thereby facilitating speedy, secure and cost-effective financial transactions and improving customer service and satisfaction.

The Institute has issued over 90,000 Digital Certificates, which is the largest number of Digital Certificates issued by any Certifying Authority in the country.

SFMS: IDRBT addressed the demand of the Banking Sector for a secure and common intra-bank and inter-bank financial messaging solution through the Structured Financial Messaging Solution (SFMS) on December 14, 2001.

The SFMS is built on the lines of SWIFT but has many more utilities to offer. Today, SFMS is being used for Real Time Gross Settlement System, Treasury Reporting, National Electronic Funds Transfer (NEFT), Integrated Accounting System, and for exchanging of messages in the Banking Sector. 72 Public and Private Sector Banks are currently using SFMS. Further, the retail payment solution – NEFT, developed and provided by IDRBT, is operational in over 60 banks covering 25,000 branches.

IFSC: In order to uniquely identify a bank branch and also to bring about compatibility and interoperability with SWIFT, the Institute has evolved the Indian Financial Services Code (IFSC). As of now, IFSC covers 86 banks and over 47,000 bank branches and the remaining bank branches will soon be allotted IFSC codes.

SWIFT Bureau: IDRBT is planning to launch a Service Bureau for SWIFT Users in India shortly. Once this Service Bureau is operational, inward/ outward remittance transactions from any branch of a bank in India can be carried by SFMS and interchanged with the SWIFT Network at the Service Bureau. This will result in considerable cost reduction for Banks in handling inward/outward remittances in a seamless manner.

National Financial Switch: The Institute ushered in convenience-banking for the citizens of the country by setting up the National Financial Switch (NFS) in 2004. The NFS comprises of a National Switch to facilitate inter-connectivity between the Banks' Switches and their ATMs. The NFS enables the customer of a connected bank to transact through the ATM of another connected bank, thereby forming a National Network of ATMs.

Presently, NFS connects 13051 ATMs of 25 Banks, viz Allahabad Bank, Andhra Bank, Bank of Baroda, Canara Bank, City Union Bank, Corporation Bank, Dena Bank, Development Credit Bank, HDFC Bank, ICICI Bank, IDBI Bank, Indian Bank, Indian Overseas Bank Limited, IndusInd Bank Limited, Oriental Bank of Commerce, Punjab National Bank, Tamilnad Mercantile Bank Ltd., The Catholic Syrian Bank Ltd, The Cosmos Cooperative Bank Ltd., The Dhanalakshmi Bank Ltd., The Jammu and Kashmir Bank Ltd., The Karnataka Bank Ltd., The Karur Vysya Bank Ltd., The South Indian Bank Ltd., YES Bank Ltd.

An e-Payment Gateway for authentication & routing the payment details of various e-commerce transactions would be ready shortly. This initiative would broaden the scope of ATM sharing, help in optimum utilisation of resources and play a key role in the digital economy.

R&D Initiatives

IDRBT is engaged in a number of Research Projects to improve the standard of Banking Technology in India. The focal areas of research in the Institute are Financial Networks and

Applications; Electronic Payments and Settlement Systems; Security Technologies for the Financial Sector; Technology Based Education, Training and Development; and Financial Information Systems and Business Intelligence.

Recognizing the quality research pursued at the Institute, the Ministry of Communication and Information Technology, Govt. of India, is collaborating with the Institute on Projects of national importance, including Protocols and Standards for Mobile Payment Systems.

The Institute is also actively involved in the development of various standards and systems for Banking Technology at the industry and national levels and also provides guidance and Consultancy to Banks and Financial Institutions on Technology related issues. EnDeSign the Encryption, Decryption, Signature Software developed by the Institute is being used by a number of banks to ensure security of their digital transactions.

Academic Activities

IDRBT has emerged as the apex-level education service provider for Banks and Financial Institutions in technology related areas. The Institute offers educational programmes leading to M.Tech. in Information Technology (with specialisation in Banking Technology and Information Security) in collaboration with University of Hyderabad, and Ph.D in Computer Science, Information Technology and Management Studies in collaboration with the University of Hyderabad and Indian Institute of Technology, Bombay. The Institute is currently working towards offering a MS by Research Programme.

The students of IDRBT are placed in reputed Institutions such as Reserve Bank of India, Indian Bank, Bank of India, Bank of Baroda, ICICI Infotech, Clearing Corporation of India Limited, Infosys Technologies Limited, Tata Consultancy Services, Export Import Bank of India, etc.

Programmes & Conferences: The Institute regularly conducts Executive Development Programmes, Seminars and Workshops for the top and middle management of Banks and Financial Institutions. Customised Programmes are conducted to meet the specific needs of the Industry. Till date, the Institute has conducted over 300 Executive Development Programmes and trained over 7500 Banking Professionals.

A Conference of Chiefs of Banks and their IT Chiefs, HR Chiefs and Risk Management Heads is held at the Institute every year to provide a strategic direction to the technology initiatives of the Indian Banking Sector.

IDRBT also regularly conducts International Conferences and Seminars to promote exchange of knowledge, experiences, research findings and technical know-how so as to attain and sustain international standards of excellence in Banking Technology.

IDRBT BANKING TECHNOLOGY AWARDS

In order to infuse a spirit of healthy competition and speed up the process of Technology Absorption among the banks of the country, IDRBT instituted the Annual Banking Technology Awards in the year 2001. These awards are the true indicators of technology implementation and absorption in banks and are meant to recognise the efforts of banks aimed at improving customer service, customer convenience and Bank's productivity by leveraging technology.

The awards, meant to recognise and honour the best and innovative use of information technology to enhance the levels of customer service and satisfaction, are given away in five categories, namely, Use of IT for Customer Service in Semi-Urban and Rural Areas, Information Security Policies and Practices, Internet Banking for Corporate Customers, Delivery Channels and IT Team of the Year. The Awards are open to both Public and Private Sector Banks.
