"THE IDRBT AWARDS WILL ALWAYS REMAIN RELEVANT"

Dr A S Ramasastri, Director, IDRBT, talks about the institute and the recent banking technology awards.

CAN YOU ELABORATE ON THE UNIQUENESS OF IDRBT?
> IDRBT is an institute established by the Reserve Bank of India for development and research in banking technology. It is very unusual for a central bank of a country to set up such an institute and to the best of my knowledge, there is no other similar institute across the globe. In that sense, it is unique.

It is no surprise that Reserve Bank has taken the initiative to establish an institute exclusively for banking technology in the mid-nineties. The central bank of the country has been guiding the banks in India in adoption of information technology since early eighties.

WHAT ARE THE MAIN ACTIVITIES OF IDRBT?
> Basically, the institute works in three distinct but complementary areas – services, academics and bank executive development programmes. The institute manages the financial network and messaging system for the country as a whole. Important payment systems like RTGS and NEFT run on them. On academic front, the institute offers M.Tech and Ph.D programmes in collaboration with University of Hyderabad. As part of executive development programmes, the institute conducts short duration programmes for bank officials. In addition to the EDPs, the institute works closely with banks on several initiates like Chief Information Security Officers Forum (CISO Forum), Indian Banking Technology Consortium ((IBTC) and Indian Banks-Center for Analysis of Threats and Risks (IB-CART).

WHAT IS THE REASONING FOR INTRODUCING TECHNOLOGY EXCELLENCE

AWARDS?
> In the late nineties and early decade of this century, banks started implementing core banking solutions. They also started adopting electronic payment systems. In order to encourage the banks in adoption of technology, IDRBT introduced technology excellence awards. The awards were meant to encourage fast adoption of technology and recognize banks for the work done by them in this regard. The main objective was to usher in healthy competition among banks in IT adoption.

NOW THAT ALL BANKS HAVE ADOPTED CORE BANKING SOLUTION (CBS) AND ARE PARTICIPATING IN IMPORTANT ELECTRONIC PAYMENT SYSTEMS, ARE THE AWARDS STILL RELEVANT?
> CBS has given banks powerful online

" IT IS VERY UNUSUAL FOR A CENTRAL BANK OF A COUNTRY TO SET UP AN INSTITUTE LIKE IDRBT. TO THE BEST OF MY KNOWLEDGE, THERE IS NO OTHER SIMILAR INSTITUTE ACROSS THE GLOBE. IN THAT SENSE, IT IS UNIQUE.

transaction processing capability. The need was online analytical processing capability. Banks started building data warehouses and data marts and started implementing business intelligence and data mining. The need for encouraging banks to use these features and move beyond core banking continues to exist. So the need for awards still exists. But the award categories undergo change depending on the need and context. I feel the awards remain relevant.

HOW DO YOU ENSURE THAT THE PROCESS OF SELECTING THE BANKS IS UNBIASED?
> Let me make it clear that we play no role in selection. Selection is done by an independent Jury with eminent people as members. Further, there is a knowledge partner who does the collation and analysis of data received from banks and presents to the Jury. We only facilitate the process. A small group of officials from IDRBT coordinate the activity – to ensure receipt of relevant data from banks, to make it available to the knowledge partner

and to meet the information requirements of the Jury as and when required. We also take adequate care to have evaluation matrices in places to make the process objective.

THE 2014 AWARDS WERE TENTH IN THE SERIES. HOW DO YOU SEE THE EVOLUTION?
> We started with just two categories in 2001 and as I said focus was on implementing basic IT systems. We now have eight categories and cover areas like Technology for Financial Inclusion, Technology in Social Media and Mobile Banking, Electronic Payment Systems, Business Intelligence Initiatives, Managing IT Risk, Use of IT for Business Innovation, and Best IT Team.

Initially, we were not having groups. Now we group banks into large, medium and small to ensure that similar banks compete. In order to encourage cooperative banks, we have introduced awards for the Best IT-enabled Cooperative Bank.

WHAT DO YOU FORESEE FOR NEXT FEW YEARS?
> We may change categories and groups depending on the changing Banking Technology scenario in consultation with our knowledge partner and as per the advice of the Jury. But what I am foreseeing is a major change in the report we are bringing out along with our knowledge partner. We will work on the contents and the format of the report to include specific chapters on status of adoption of technology solutions by banks as on date and on future trends of banking technology. We expect this report to become a reference book on banking technology in India useful to regulators, bankers, financial analysts and academicians.

Check Point Software Technologies Products for the BFSI Space

Today's banks provide a comprehensive and integrated range of financial products and services, including retail, business, and corporate banking. Also, banks want to ensure that they proactively prevent data loss and instill best practices by adding an additional layer of security to Bank's communications policy. They look at maintaining customer confidence and the reputation of the bank besides increasing visibility into the flow of external email traffic to further protect sensitive data and ensure best practices.

With a bank's network traffic rapidly growing and more services being brought online, financial services organization have recognized the need for a more robust network security solution. IT managers have determined that the bank's perimeter security is insufficient, and that a bank requires multiple tiers of security to properly protect the internal core network and server infrastructure behind its firewalls. Some of the key products that Check Point Software Technologies offers in BFSI space that tackle the above mentioned issues have been outlined below.

To address a bank's critical network and traffic concerns to address today's ever changing threat landscape, there is a wide proliferation of point security products; however these products tend to be reactive and tactical in nature rather than architecturally oriented. Corporations these days need a single architecture that combines high performance network security devices with real-time proactive protections.

A new paradigm is needed to protect Banks proactively. Software-defined Protection is a new, pragmatic security architecture and methodology. It offers an infrastructure that is modular, agile and most importantly, SECURE. Such architecture must protect Banks of all sizes at any location: data center, branch offices, roaming through smartphones or mobile devices, or when using cloud environments.

Protections should automatically adapt to the threat landscape without the need for security administrators to follow up manually on thousands of advisories and recommendations. These protections must integrate seamlessly into the larger IT environment, and the architecture must provide a defensive posture that collaboratively leverages both internal and external intelligent sources.

The Software Defined Protection (SDP) architecture partitions the security infrastructure into three interconnected layers:

- An Enforcement Layer that is based on physical, virtual and host-based security enforcement points and that segments the network as well as executes the protection logic in high-demand environments.
- A Control Layer that analyzes different sources of threat information and generates protections and policies to be executed by the Enforcement Layer.
- A Management Layer that orchestrates the infrastructure and brings the highest degree of agility to the entire architecture.

Another product that Check Point offers is Threat Emulation that prevents infections from undiscovered exploits, zero-day and targeted attacks. This innovative solution quickly inspects files and run them in a virtual sandbox to discover malicious behaviour. Discovered malware is prevented from entering the network. Traditional solutions have focused on

detection, providing notifications after a threat has breached the network. With Check Point ThreatCloud Emulation, new threats are blocked and infection does not occur.

The Check Point Smart-1 appliance enables the bank to centrally manage and enforce policies across its entire Check Point security infrastructure while eliminating the complexity and cost of working with multiple management interfaces. Additionally, the SmartEvent Software Blade simplifies reporting by enabling the bank to see all events and logs in a single GUI for easy correlation and identification. Smart-1 and SmartEvent enables a bank or a financial institution to identify trends, understand risks, and craft policies to eliminate our exposure, all using a single interface that saves time and resources.

Also, Check Point unique Compliance Software Blade leverages decades of security expertise and an extensive knowledge of Check Point products and security settings. The Compliance Blade continuously scans the policy and configuration settings defined within the Check Point Software Blades, Security Gateways and Security Management, thereby highlighting all of the configuration weaknesses and errors, and making them available for remediation. Embedded within the Compliance Blade is a library of security best practices that allow Banks to monitor and compare the Check Point environment against vendor and security recommendations. Banks can also create their own personalized Firewall Policy best practices as part of the ongoing monitoring and analysis. The Compliance Blade validates all policy and configuration changes against best practices prior to the changes being installed, thereby enabling Security Managers to identify issues and problems in real time and before the policy is actually implemented.

Banks can be continuously assured that their environment is secure and operating in line with vendor best practices. Audit and compliance reporting has never been easier, with simple reports enabling Banks to reduce the time and costs associated with proving that each specific con-

figuration setting is defined correctly. This in turn frees up resources to focus on security management. The Compliance Software Blade is fully integrated into the Check Point Software Blade Architecture, providing a complete view of security status across Check Point Gateways and Software Blades. On-screen security alerts and pre-defined compliance reports enable Banks to reduce the time and costs associated with maintaining optimized security and audit preparation.

With increased connectivity comes increased risk. In 2014, over 11.6 million mobile devices have been infected with malware. Increasingly people have been using their mobile devices to make financial transactions and even save personal bank details on these devices. With this rapidly growing rate of infection and the risk of lost devices leading to data theft, Check Point Capsule is the answer.

This latest product offers the following features:

- Segregate business data from personal data and applications
- Enable secure remote access from any device
- Extend corporate security policy to mobile devices
- Block suspicious files, access to malicious websites, and damage by bots
- Easily manage policy, access, and document use
- Seamless integration

Check Point Capsule delivers a complete solution that addresses the security challenges facing an organization as employees, devices and data become increasingly mobile. With this integrated solution, one can provide seamless security to protect business data from threats, establish a secure business environment on mobile devices, and secure business documents, devices and networks.

All these products have specific functions that will help prevent the loss and distribution of confidential customer data and thwart unauthorized and potentially harmful communication practices.

A CATALYTIC ROLE IN DEVELOPMENT OF BANKING TECHNOLOGY

Realising the importance of technology in the Indian Banking Sector early on, the Reserve Bank of India (RBI) set up, the Institute for Development & Research in Banking Technology (IDRBT). It is a premier and preferred Research & Development Institution on Financial Sector Technology and its Management, doing pioneering work, at the intersection of Banking and Technology for the Indian Banking.

IDRBT HAS SEVERAL FUNCTIONS AND ROLES IN ACCORDANCE WITH ITS MISSION. THEY PERTAIN TO

- Envision and foresee technology requirements of the Indian Banking and Financial Sector and Research & Develop the required technologies.
- Incubate and develop state-of-the-art banking technology products and services to facilitate better and easy banking.
- Understand the emerging global technology trends, its implication, and guide the Indian

Banking and Financial Sector accordingly.

- Provide Training, Advisory and Consultancy Services on Technology, Technology Infrastructure, and Technology Management matters for Banking and Financial Sector.
- Play a catalytic role in development of Banking Technology as a recognized discipline of study.
- Create a pool of Banking Technology professionals through innovative and quality educational initiatives.
- Participate directly and indirectly in development of standards and best practices.