

SKILL ACTIVITY NO: 4

(To be filled by the Student)

Date: 15/04/2022

Title:

Role of Tech Upgradation & its impact on Banks

1. What is the purpose of this activity? (Explain in 3 - 4 lines)

The purpose of this activity is to :-

- ① Understand the Role of Tech Upgradation in terms of :-
 - (i) Introduction of ECS { Electronic Clearing Services }
 - (ii) ————— EFT { Electronic Fund Transfer }
- ② Designing a Roadmap for Banking Systems in Industry 4.0. for making Banks 4.0.
- ③ How Developed Economies use Tech Upgradation Vs Tech Upgradation in Indian Banks:
{ Comparison Tables }

2. Step performed in this activity (Explain in 5 - 6 lines)

Steps performed in this activity only demonstrates one of the Tech Stack Implementation in various Banking Activities across the Globe.

- ① TECH UPGRADATION OF BANKING ACTIVITIES USING BLOCKCHAIN TECHNOLOGY
- Step 1: In Payments → Blockchain technology offers a high-security, low-cost way to send payments which reduces the need for 3rd party verification & beats processing times for traditional Bank transfers.
- Step 2: In clearance & settlement systems → Distributed ledgers will reduce operating costs & get banks closer to transactions between financial institutions in Real-Time.
- Step 3: In Securities → Blockchain Removes the intermediary in transfer of asset rights lowers asset trading rates, provide access to broader global markets & reduces the volatility of the conventional securities market.
- Step 4: In loans & credit : Blockchain enabled loans provide a more reliable way to deliver personal loans to a broader borrower pool which will make the lending process easier, more effective & safer.

KEY AUTOMATION TECHNOLOGIES USED IN BANKING SECTOR

i) BLOCKCHAIN: → It refers to the transactions "(the Blocks)" stored in a "public database" "(the chain)".

- It enables comprehensive transparency of transaction tracking due to its "track-n-trace" Nature.

Eg: Bitcoin
→ Ethereum
→ Solana Networks
→ Solidity Framework.

→ It ensures & helps in:

- Faster Payments
- Clearance & Settlement Systems
- Fundraising
- Securities & Loans

(ii) ARTIFICIAL INTELLIGENCE: → AI revolution are machine learning algorithms, software that self-improves as it fed more & more data, a trend which is increasingly benefitting financial institutions.

Eg: Chatbots using NLP
Loan & credit Decisions
Tracking Market Trends
Customer Experience

(iii) ROBOTIC PROCESS AUTOMATION: - It is fast emerging as a highly efficient way to help financial institutions support their digital transformation, enabling various processes to become a lot simpler & efficient.

Eg: Robot ~~responsiveness~~ Framework
UiPath → Company Based Product

- Contact Center Optimization
- Anti-Money Laundering (AML)
- Bank Guarantee Closure.
- Bank Reconciliation Process

3. What resources / materials / equipments / tools did you use for this activity ?

1. Resources: (<https://www.tbi.org.in/>)
2. (<https://research.aimultiple.com/>)
3. (<https://www.comtedinfo.com/>)
4. (<https://www.neelal.com/>)

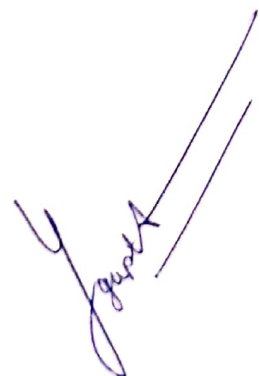
5. Tools:
 - Laptop/ Desktop-PC
 - Chrome Web Browser
 - Windows 10
- 6.
- 7.
- 8.

4. What skills did you acquire ?

1. Is India Ready for the Challenges of Banks 4.0? {Answer to this question}
- 2.
3. Comparison Table between Indian Situation Vs Developed Economies
- 4.
- 7.
- 8.

5. Role of 5G Networks in Banking Industry
6. Different Technology stacks used for upgradation in Banking sector.

5. Time taken to complete the activity ? 02:00 (hours)

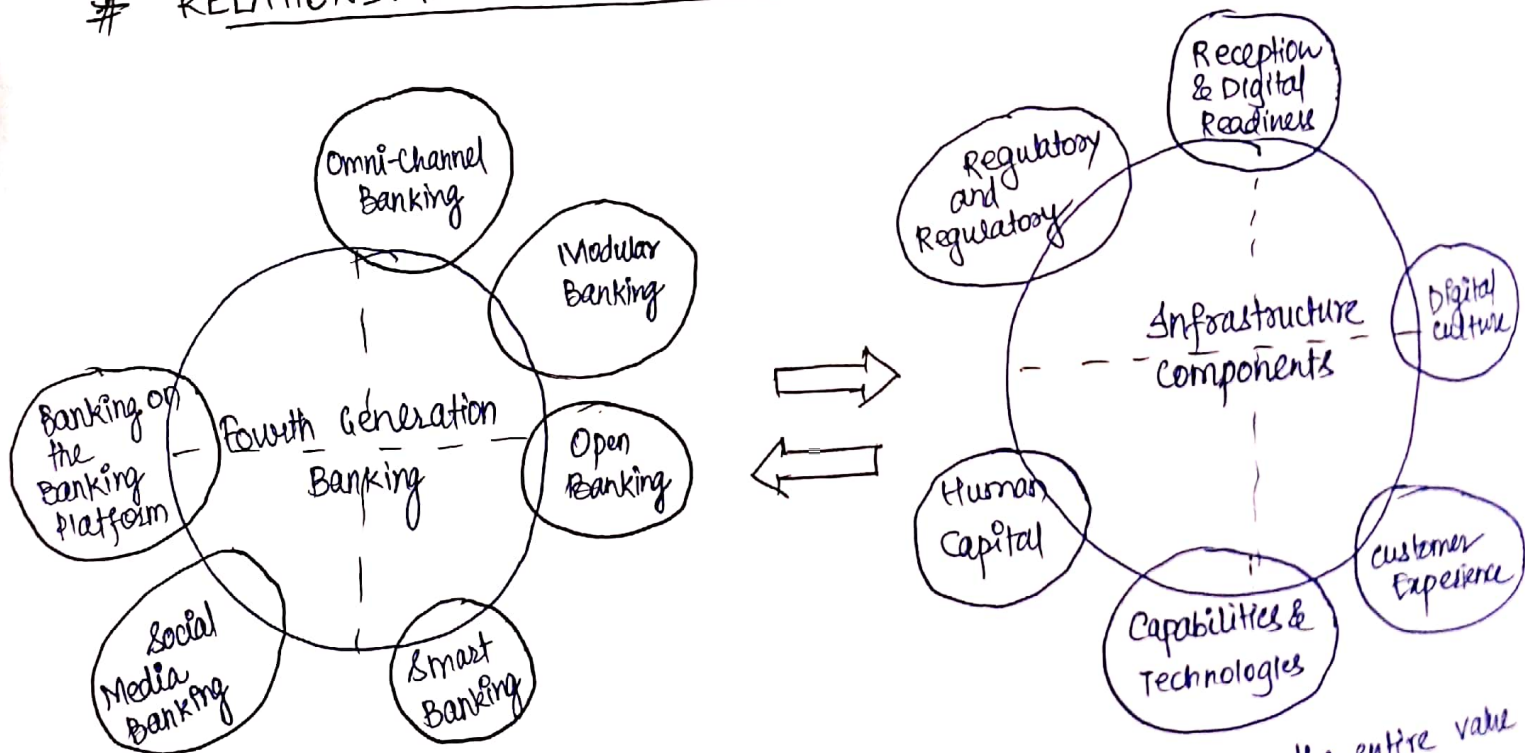


Signature of Student

THOUGHT PROCESS DIFFERENCE BETWEEN INDIAN ECONOMY & DEVELOPED ECONOMIES

INDIAN SITUATION	DEVELOPED ECONOMIES
<ul style="list-style-type: none"> • By Technology Rather than considering other than alternatives • All Banks to all People • Branch Network • Distributed processing • Distributed Appraisal • Rules/ Regulation Driven • Paper Based, wire remittances only Intra-Bank • Delayed, Reactive Approvals 	<ul style="list-style-type: none"> • By Technologies or outsource it. • Specialised Banks Targeting specific segments of the Market. • PC's, Internet, Phone • Centralised Processing • Centralised appraisals by specialised Teams • Bank with most friendly Bank • Interbank EFT Objective, Data Based Assessment. • Regulations to prevent Discrimination.

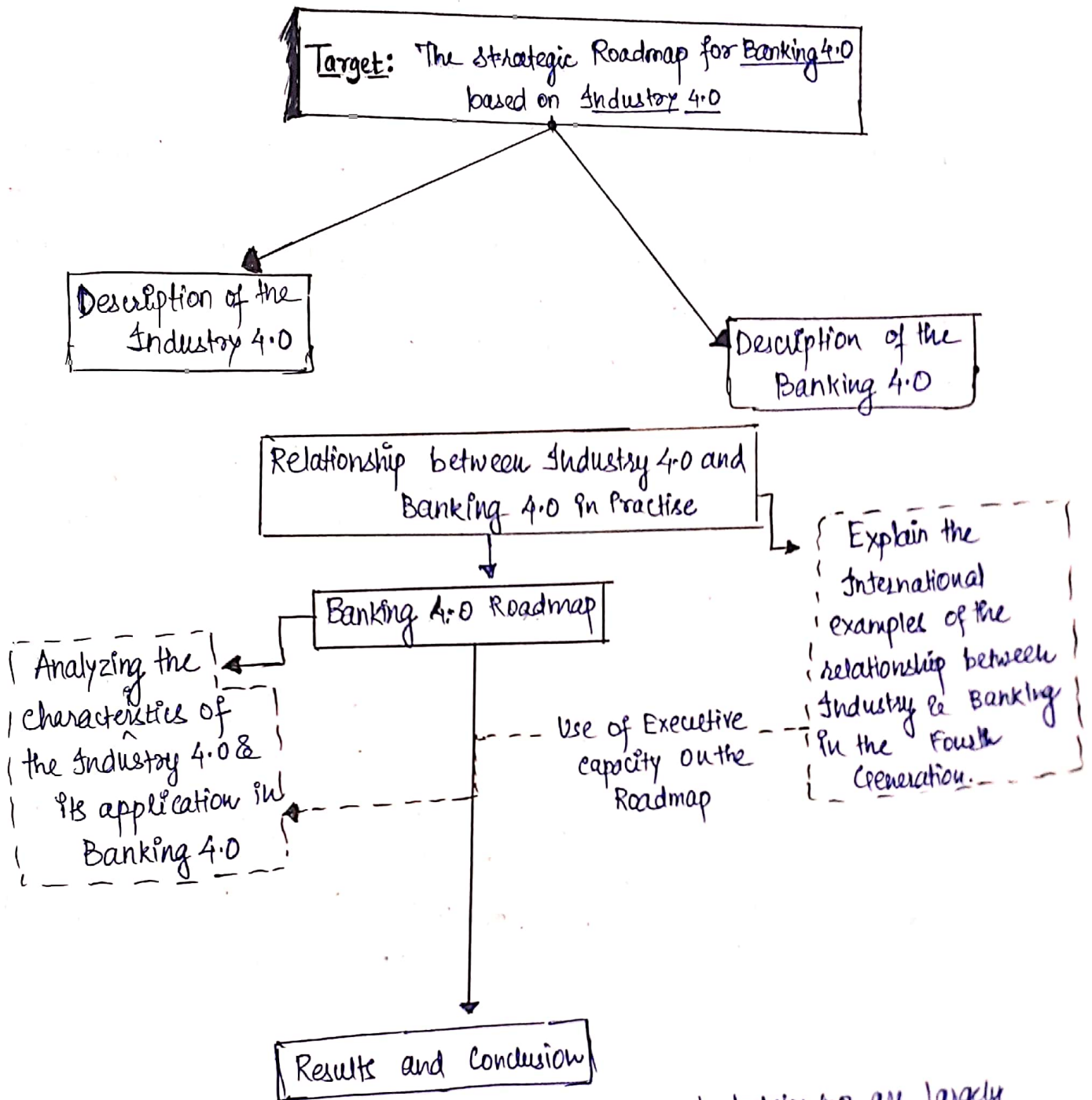
RELATIONSHIP BETWEEN BANKING 4.0 & INFRASTRUCTURE



Concept of Industry 4.0

- Horizontal Integration across the entire value creation Network
- Vertical Integration & Network Manufacturing systems
- End to End engineering across the product life cycle.

STRATEGIC ROADMAP FOR BANKING 4.0 BASED ON INDUSTRY 4.0



Industry 4.0 → needs its own banking structure. Industries 4.0 are largely international in scope, & customers from all over the world choose them.