

AUTOMATING XBRL

REPORTING
FOR THE
RBI BY
LEVERAGING

IRIS *iDEAL Tool*



Introduction

XBRL (eXtensible Business Reporting Language) is a revolutionary concept in the world of business and financial information and will have a far reaching impact across the entire financial reporting chain. Worldwide adoption of XBRL as the information standard for business and financial reporting has gathered substantial pace in past two years with regulators in US, Japan, European Union and now in India successfully implementing XBRL based reporting systems.

In India, the Reserve Bank of India (RBI) has been a pioneer in the adoption of XBRL for reporting to the regulator by banks. A road map has been created by the RBI to convert all reports into XBRL formats. Starting with Basel II Return (more commonly known as RCA2), Form 'A' & financial reports, all returns submitted to the RBI will be progressively be migrated into the XBRL reporting structure. The XBRL based electronic filing platform will help both the RBI and the reporting banks to ensure high quality of data and in building a host of MIS reports.

What banks need to do?

Banks first need to login to the RBI portal and download an application. This application will help them prepare data for filing with the RBI. A user in the bank needs to fill in data in an excel sheet and then can create an XBRL instance document using the program embedded in the excel sheet. While this process seems simple, collating data from multiple sources & aggregating it manually to fill the hundreds of cells in the reporting Excel template could be an enormous task. There is hence a need for the banks to gear up to enable smooth reporting into the XBRL reporting formats as specified by the RBI. Building on its over 200 man year experience in XBRL reporting systems, IRIS has conceptualized the IRIS iDEAL Tool to enable the bank's systems to not only report to the RBI in an XBRL format, but also provide the scope for creating an XBRL data repository to meet internal reporting, monitoring, MIS and auditing requirements.

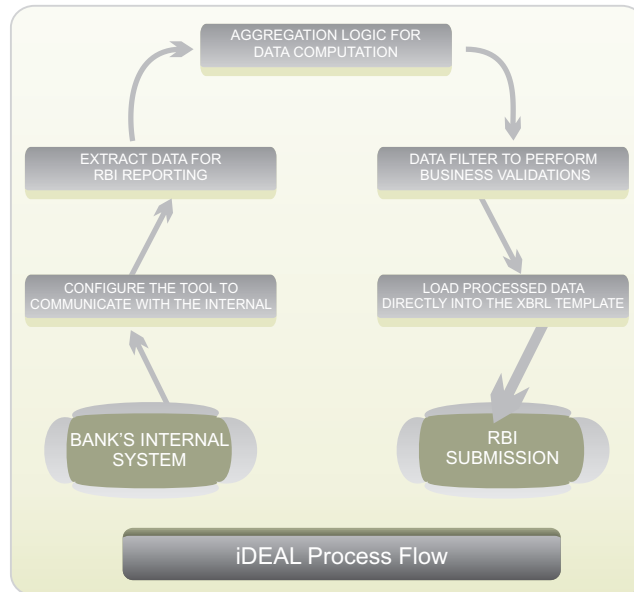


IRIS iDEAL Tool: High Level Overview

IRIS iDEAL Tool acts as a bridge between the banks' internal data systems and RBI's regulatory reports. It has a staging database which acts as an intermediate repository of data. Broadly, the tool consists of two components:

- ✍ One-time configuration and mapping
- ✍ Internal Data Extraction, Aggregation & Loading engine

The process flow diagram below explains the steps visually:



Key Features

Login based access: Only users authenticated as per SOX compliance would be allowed access to the system, making it secure.

Multiple input data formats: The tool can consume data directly from the source systems in various formats such as text, csv, database etc.

Integration tool: An XTract wizard can be provided which can help to set up the data extraction logic.

User-friendly environment to map tags: It provides a variety of features with in-built validations to make the initial configuration and mapping very user friendly.

Mirror mappings: It is a unique user friendly mapping feature.

Validations: All the business validations, technical validations as well as XBRL validations are performed at every step of the processing.

Aggregation: The tool is intelligent enough to handle and perform all the required categorical aggregation for the related data items.

Business rules validation: Business rule specified by the RBI or the bank can be incorporated in the data extraction process by a simple process.

Data loading on RBI templates (say, RCA2): Once the data to be reported is in place, the compliance officer needs to run the loader which will use all the previously defined configurations and mappings, extract the data from the sources, run the aggregation logic, filter out irrelevant data based on the business rules defined and then load the data directly into the RBI-defined template.

Banks can get rid of manual extraction, computation and filing of the data in these template. They can also rely completely on the quality and accuracy of the data generated by the Tool. This is a clear time-saver. It will help banks in meeting the strict RBI deadlines for filing data.

The IRIS iDEAL Tool will be enhanced with support for any new XBRL returns mandated by RBI in the successive time periods.

How will banks benefit from the IRIS iDEAL Tool

- ✍ It is estimated that the bank would save over 14 man days of high resource cost every quarter using IRIS iDEAL Tool. This will only go up as and when more reports get added in the XBRL reporting framework.
- ✍ Once the IRIS iDEAL Tool is integrated with the bank's internal data sources, the data can be directly generated using the defined mappings. The same mappings, if applicable, can be reused for all the successive filings.
- ✍ Any future changes in the template by the RBI will also be incorporated in this tool through updates. This gives a direct savings to the banks in time and cost, as the bank systems need not be customized for the RBI reporting.
- ✍ The IRIS iDEAL Tool eliminates all the worries of customizing the internal bank applications, specifically for XBRL reporting.
- ✍ Banks can get rid of manual extraction, computation and filing of the data in these template. They can also rely completely on the quality and accuracy of the data generated by the Tool. This is a clear time-saver.
- ✍ It will help banks in meeting the strict RBI deadlines for filing data.
- ✍ The IRIS iDEAL Tool will be enhanced with support for any new XBRL returns mandated by RBI in the successive time periods.

Technical Requirements

The IRIS iDEAL Tool is developed using .Net 3.5 framework and can run on a windows machine with XP or later OS, RAM 256 MB (min). The staging database is an SQL Express server. All the required supporting files / setup will be provided along with the installation of the tool. The bank need not procure any additional software or licenses for this tool.

About IRIS

IRIS Business Services (IRIS) is a financial information and technology company having over fourteen years of expertise in the area broadly described as financial information and its management. In recent times, the firm has emerged as a significant player in the XBRL space globally. IRIS brings more than five years of experience in building XBRL solutions and services and has on its role more than 80 XBRL professionals spanning both domain and technology. Right from the outset, IRIS has been associated with the RBI for its move to XBRL based reporting and has in fact built both the taxonomy and the software solution for the RBI.

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