Application Service Provider (ASP)

In ASP model, the cooperative banks are responsible for setting up the infrastructure facilities within the branch, HO and other service outlets (PCs, printers, branch servers, UPS, LAN, switch, etc.) and its regular maintenance. The CBS vendor is responsible for developing and customising the CBS and other application software, setting up and maintaining the Data Centre/Disaster Recovery centers and the network connection from banks to the data Centre/Disaster Recovery Centres including user training, regular maintenance and support of related hardware and software and data migration support. The final payment structure is a monthly fee, to be paid by the bank directly to the vendor on per month per service outlet (branch, training establishment, **administrative** unit, etc.) basis. In this model the bank doesn't have to go in for heavy initial investment as in the case with ownership model thus making it a more viable option for small banks like the DCCBs. The banks are thus using the computing facility as a service on a monthly payment basis.

Cloud computing

Cloud computing is the delivery of computing and storage capacity as a service to a community of end-recipients. The name comes from the use of a cloud-shaped symbol as an abstraction for the complex infrastructure it contains in system diagrams. Cloud computing entrusts services with a user's data, software and computation over a network.

There are three types of cloud computing:

Infrastructure as a Service (IaaS),

Platform as a Service (PaaS), and

Software as a Service (SaaS).

Using Software as a Service, users also rent application software and databases. The cloud providers manage the infrastructure and platforms on which the applications run.

End users access cloud-based applications through a web browser or a light-weight desktop or mobile app while the business software and user's data are stored on servers at a remote location. Proponents claim that cloud computing allows enterprises to get their applications up and running faster, with improved manageability and less maintenance, and enables IT to more rapidly adjust resources to meet fluctuating and unpredictable business demand.

Cloud computing relies on sharing of resources to achieve coherence and economies of scale similar to a utility (like the electricity grid) over a network (typically the internet). At the foundation of cloud computing is the broader concept of converged infrastructure and shared services.

Typical cloud computing architecture.