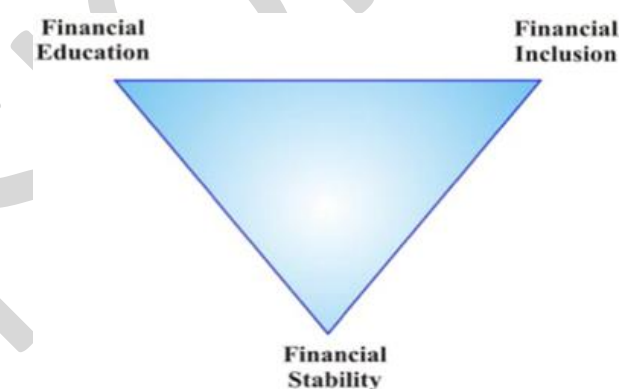


- The bank provides the framework, accounting services and support to the group to manage their deposits and lending. Thus the model has an approach of savings first, lending later.
- **Regulatory Approach:**
 - It includes simplified KYC norms, bank saving accounts opening and bank branch authorization.
- **Technology Based Approach:**
 - **Mobile Banking:** The banks have tied up with mobile operators to provide financial services like bill and utility payment, fund transfer, ticket booking, shopping etc. Some examples of this model are *m-Pesa* by Vodafone and Airtel Money
 - **Kiosk/ATM based banking:** Banks have used the technology to enable their ATMs to virtually act like a 24x7 branches.
 - **Branchless banking:** Some of the leading banks have come up with this concept where there would be an online system with chat facility assisting the person to make use of various electronic machines for depositing and withdrawing cash and cheques
 - **Aadhar Enabled Payment Systems (AEPS):** All accounts having aadhaar number updated are to be reported to RBI, which in turn reports it to various government departments. While making payments to people for working under initiatives like MGNREGA or various subsidy schemes, the departments use this information for directly crediting the money to the beneficiary's account.
- **Knowledge Based Approach:**
 - Financial education, financial inclusion and financial stability are three elements for effective use of the financial services network.
 - While financial inclusion works from supply side, financial education feeds the demand side by promoting awareness among the people regarding the needs and benefits of financial services offered by banks and other institutions.
 - These two strategies together promote greater financial stability.



Financial Tripod

- **Government Initiatives:** The government has come up with many schemes related to financial inclusion:
 - Pradhan Mantri Jan Dhan Yojana (PMJDY)
 - Atal Pension Yojana (APY)
 - Pradhan Mantri Vaya Vandana Yojana
 - Stand Up India Scheme
 - Pradhan Mantri Mudra Yojana
 - Pradhan Mantri Suraksha Bima Yojana (PMSBY)
 - Sukanya Samriddhi Yojana
 - Jeevan Suraksha Bandhan Yojana