

Financial Inclusion includes Accessibility, Affordability & Availability of financial services such as banking & insurance upto last mile. Payment Banks are best suited to achieve this.

After Nachiket Joshi committee of RBI, Payment Banks achieved a significant benchmark. There are six payment banks such as - Airtel, paytm etc are functioning in India, and with JAM Trinity model of Jan Dhan, Aadhaar & mobile, they capitalise it into financial inclusion.

(i) Ease of finance → easy to use with UPI, pins & biometric verification & kyc norms they are easy to laymen for all ages and secured.

(ii) low cost - shift competition between

them & with traditional banks has made the transaction cost negligible.

(ii) RBI oversight is very efficient & easy due to digital mode service.

However, concerns like ciber security and recent call centre frauds in Delhi & Andhra Pradesh can hinder the process of trust.

way forward

(i) Reliability - RBI can raise the limit of deposit from 1 lakh to 5 lakh for greater fund transfers.

(ii) complementing trust of traditional banks with the reach of payment banks.

(iii) financial literacy - specially among women and tribal section via giving

task and training to Banking correspondents
& community service centres.

(iv) Better R&D in security to outburst
financial frauds & racketeers with RBI's
strict involvement.

(v) Allowing lending - To brake unorganised
high cost lending system, RBI should allow
payment banks to lend upto certain limits.

(vi) Proper grievance redressal similar
to consumer forums for customers satisfaction
as Indian customer still believe in
physical appearance.