Pull Money
Using FSS eFinclusiv
Assuring Digital Liquidity

Digital payment schemes such as Aadhaar Enabled Payment Systems (AEPS) allow banks to leverage agent networks for offering over-the-counter banking and payment services. For participant banks, revenues are closely interlinked with funds being available in customer accounts and fee earned from the subsequent movement of e-value within the ecosystem.

Pull Money enabling robust account-to-account transfers improves depository volumes and catalyses transactions on the bank network. Current AEPS-based account to account transfers are primarily ‘push’ based, wherein monies are debited from the customer’s account. Pull Money available over FSS eFinclusiv is based on the customer initiating a credit request from any account held at a participant bank on the AEPS network. Access to additional fund sources for immediately crediting accounts bridges time lag between customer registration and account usage and encourages higher digital transactions.
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How Pull Money Works?

The service is simple to use and entails zero disruption to the customer’s existing service experience. The Micro-ATM app displays a ‘pull’ option on the service menu for initiating a credit request from customers' account at a participant bank on the AEPS network. Customers need to select the remitter bank and provide their Aadhaar number and the amount that needs to be credited. All transactions are authenticated using the customer’s biometric. At the back-end the transactions are routed via FSS eFinclusiv to the AEPS network, which directs the request to the host bank. On successful authorisation, funds are credited to the customer account and agent as well as customer receive a notification on the same.

Pull Money Transaction

1. Micro ATM
2. Aadhaar
3. FSS eFinclusiv
4. Acquiring Bank (To deposit amount in Aadhaar-linked bank account)
5. NPCI
6. Pull Money Transaction
7. Issuer Bank (Debit customer account on successful authorization)

Source: FSS
Welcome to the World of Digital Liquidity

Radha is a domestic worker in rural India, empowered with a bank account by Government’s PMDJY (Pradhan Mantri Jan Dhan Yojna), to which all the Government benefits are direct transferred. She also operates her loan accounts with the same bank. Now with the Payment Banks on the disruption to reach out to the rural masses, FSS eFinclusiv enables the new age payment banks with ‘Pull Money’ capability to both enroll and migrate millions of folks like Radha.

Bharat is an employee in a garment factory and has a salary account with Bank A that does not have a wide ATM and merchant network. Bharat uses Micro-ATM of Bank B to withdraw cash from his salary account. Now with ‘Pull Money’ instead of instantly encashing funds, the agent can park part of the monies in Bank B’s account, that can used for initiating digital payments. This gives Bharat access to wide merchant network as well as an opportunity to earn rewards in the form of cashback.
Value Delivered

Boosts Revenues
An ability to link accounts to additional fund sources increases inflow of monies into the system, improves revenues from float income as well as transaction fee generated per customer.

Improves Customer Acquisition
Cash withdrawal can be converted into an acquisition opportunity by enabling customers to open new accounts to park a part of encashed monies.

Prevents Account Dormancy
Pull Money encourages active use of accounts by linking accounts to additional fund sources.

Rationalises Cost of Commissions
The ability to pull money from any account and use monies to perform a range of transactions within the ecosystem lowers commissions payable to agents for CICO transactions.

Optimises Customer Value
Pull Money equips service providers with insights into users’ other accounts enabling them to craft strategies to encourage frequent use of their products.

Interoperable and Easy to Implement
Through a single connection, the digital financial services provider can reach all participants on the AEPS network. This saves implementation costs and time, eliminating the need to enter into bilateral arrangements with each bank.
Generates Additional Monetization Opportunities

Banks can layer on additional services, creating new monetization opportunities. For instance, by tapping into new segments such as merchants and small businesses to “pull money”, the solution catalyses digitisation of value chains through supplier and salary payments.

Lowers Cash-handling Risk

By minimizing cash volumes, there is a concomitant reduction in cash handling costs and associate risks.

Assures Security of Transaction

Built-in fraud protection measures, configurable controls and secure encryption technology makes Pull Money a less stressful transaction.

Robust Services Platform

Pull Money is an added value feature available at FSS eFinclusiv AEPS and FSS AadhaarPay. The underlying platform leverages the India Stack to bring consumers, merchants and suppliers of financial services, onto a single platform, generating network effects and fuelling transaction growth. For customers, eFinclusiv supports account opening, cash deposits, withdrawals, money transfers and payments. The system supports card-based and cardless transactions using the customer’s biometric (Aadhaar – India’s national id) throughout the process. FSS eFinclusiv exposes APIs to third parties to develop a wide services ecosystem required to reach scale. Third-party applications and Fintech providers, example micro-lending and micro-insurance firms, can securely access APIs available for banking transactions. The available APIs include Cash Deposit, Cash Withdrawal, Balance Enquiry, Fund Transfer and Mini-Statement.
About FSS

FSS (Financial Software and Systems) is a leader in payments technology and transaction processing. FSS offers an integrated portfolio of software products, hosted payment services and software solutions built over 28+ years of experience. FSS, end-to-end payments products suite, powers retail delivery channels including ATM, POS, Internet and Mobile as well as critical back-end functions including cards management, reconciliation, settlement, merchant management and device monitoring. Headquartered in India, FSS services leading global banks, financial institutions, processors, central regulators and governments across North America, UK/Europe, Middle East, Africa and APAC. For more information visit www.fsstech.com