Circular No. 184 / DFIBT- 29 / 2018

The Chairman and Managing Director / Chairman / Chief Executive Officer
Scheduled Commercial Banks (including Scheduled Small Finance Banks)
Regional Rural Banks
State Co-operative Banks and
District Central Co-operative Banks

Dear Sir

Master Circular on various schemes on Financial Inclusion and Banking Technology

NABARD has, from time to time, issued a number of guidelines/instructions to banks on various schemes that are supported out of Financial Inclusion Fund (FIF). In order to enable the banks to have instructions at one place, a Master Circular incorporating the existing guidelines/instructions on various schemes (as indicated in Appendix) have been updated till the date of this circular and are enclosed for ready reference.

2. As per the revised policy regarding Memorandum of Agreement (MoA), henceforth only one-time agreement, viz., General Agreement for Grant Assistance, may be executed by banks, which will be valid for all the projects sanctioned to the respective bank. The bank need not sign General Agreement (GA) each time a new project is sanctioned to the bank.

3. All claims for grant assistance from FIF should be submitted in accordance with the Circular No. 87/DFIBT-11/2018 dated 25 April 2018 issued on the subject “Applicability of GST and Treatment of Input Tax Credit (ITC) while settling the claims”.

Yours faithfully

(L. R. Ramachandran)
Chief General Manager

Encl.: As above
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1. Rating of NGOs (for Commercial Banks, RRBs & RCBs)

**Funding support to NGOs/CBOs under Financial Inclusion Fund (FIF) - Guidelines for General Rating of NGOs as Channel Partners**

In terms of revised guidelines for FIF issued by RBI/GoI, the eligible institutions for funding support under FIF are Commercial Banks, RRBs, Cooperative Banks and NABARD. NGOs/CBOs are also amongst the list of eligible institutions with whom these banks can work for seeking support under FIF.

In the XVII\textsuperscript{th} meeting of Advisory Board for FIF, held on 26 February 2016, the rating norms of NGOs were firmed up, the details of which are given in *Annexure I & II*.

Banks are requested to ensure proper due diligence by following the rating norms while evaluating proposals for support under FIF.

It may be stated that the guidelines given here in no way supersedes the internal mechanism/guidelines which a bank may be having but is in addition to the same.
Annexure I

Objective:
Under Financial Inclusion Fund (FIF), various projects are implemented through the NGOs as the channel partners. Projects to the NGOs are sanctioned for various activities in the pursuit of Financial Inclusion. In the wake of changes taking place in the NGOs sector and as quality of implementation and project deliverables are very important, it is felt necessary to bring in uniformity in general assessment of the capacity of the NGO to implement projects supported under FIF. Accordingly, a standardized general rating tool has been developed for rating of NGOs.

1.1 The objective of general rating of NGOs is to ensure that banks identify the deserving and capable NGO for implementation of various projects. The NGO general rating module seeks to eliminate the “subjectivity” and ensure that marks allotted are transparent and measurable in terms of available documents, facts and operations being carried out by the NGOs during the last three years. The general rating of NGOs includes assessment of parameters viz., Vision, Management, Operations, Compliance, Governance and Financial Discipline.

1.2 General Rating Tool for NGOs
The total marks of 100 is divided into six segments as under –

<table>
<thead>
<tr>
<th>Segment</th>
<th>Marks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vision</td>
<td>05</td>
</tr>
<tr>
<td>Management</td>
<td>25</td>
</tr>
<tr>
<td>Operations</td>
<td>20</td>
</tr>
<tr>
<td>Compliance</td>
<td>10</td>
</tr>
<tr>
<td>Governance</td>
<td>20</td>
</tr>
<tr>
<td>Financial Discipline</td>
<td>20</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
</tr>
</tbody>
</table>

The purpose for inclusion of the rating parameters, the sources/records through which the same could be verified and measured are enumerated as under:

2. Registration of NGOs
This helps in knowing the NGO’s legal status and enables in identifying the laws/rules/regulation as applicable to the NGO. The registration aspect is verified through scrutiny of the Registration certificate / Trust Deed / Memorandum and articles of association, etc. These documents will also indicate as to how long the NGO has been in existence and functioning.
3. Verifying names of NGOs/Chief Promoters/Board Members in various blacklists, CIBIL report, RBI’s defaulters list, etc.

These aspects are verified through CIBIL report, searching in RBI’s Defaulters list, websites of Govt. departments and reputed international donors/domestic corporate donors to the NGO, etc.

4. Political affiliation

This fact is verified by carefully scrutinizing the profile and biodata of the chief promoter/founder members/Board of directors, etc.

5. Vision/Goal/Activity orientation/ Beneficiary orientation

Any NGO must have a stated vision and all its efforts and operations should focus on furtherance of its goal. The aims and objectives should be clearly defined. The information on vision, mission, strategy, etc., is shared by the NGO in its web site. Besides pursuance of the vision/goal is also verifiable through project reports, annual reports, photographs, videos, pamphlets, etc. Sometimes, the follow-up reports submitted to the donors will also reflect this.

6. Management

The management of NGO is responsible to ensure that:

(i) the operations of the NGO are carried out in tune with the NGO’s stated goal / vision / mission

(ii) the affairs and operations of the NGO comply with the governing law/rules/regulations;

(iii) transparency is maintained in conduct of its affairs;

(iv) the funds received from the donors and loans are deployed for specific purpose and utilized diligently and judiciously.

The management is responsible for the reputation, growth and acceptance of the NGO by the major donors. These facts can be verified through scrutinizing the profile of the management team and members of the board. Also, operations of the NGOs may be verified by visiting one or two projects. Discreet inquiries amongst the members of the target group, donors, bankers, etc., also throw light on the management aspects. The education and experience of the staff
members may be sought to gauge the technical, professional and financial competence to carry out the stated activities. The staff and infrastructure availability may be verified through visit to the office as also project sites of the NGO. The ownership of the infrastructure may be verified through title deeds to property, receipt for latest property tax paid, etc. Wherever the premises is rented, the lease / rental agreement should be verified to ensure that the lease/rental terms are complied with. The quality of relationship with local bodies, banks, etc., should be gauged by discreet enquiries. The quality of MIS may be verified by going through the periodical reports/returns submitted to the banks/donors/Board of the NGO, etc.

7. Operations
The operations/activities of the NGO reflect whether they are in tune with the stated vision/mission or not. The operations should also be carried out in a smooth, efficient and transparent way. The NGO should follow a system of periodic planning, monitoring and review of the projects which are under way. The principal office bearers/ members of the Board should also be involved in the affairs of the NGO. In case, the NGO has earlier relationship with Bank/NABARD, most of the aspects can be scrutinized by the past experience/ records. In case of other NGOs, the Detailed Project Reports (DPRs) of projects implemented earlier along with the sanction letter of the agency may be studied. The quality of subsequent monitoring reports submitted to the donor agency or Board may also be analyzed. Byelaws of the NGO is an important document which provides guidelines for conducting its operations/affairs, including financial matters. The byelaw and the operation should be compared to see that the operations (especially borrowings, expenditure approval and delegation exercised) are as per the stipulated norms in the byelaws. Use of technology in the operations may be verified during visit to the office of the NGO/project site.

8. Compliance
The NGO is required to comply with the law/ rules of the Act under which it is registered and also with the guidelines of various statutory bodies like Registrar of Cooperative Societies, Income Tax Department, etc. Noncompliance on these matters may lead to reputational risk. Also the NGO will be required to comply with the stipulated conditions of the donor agencies/lenders. The NGO also has a duty towards its employees by payment of salary in time and also by fulfilling its commitment to them under the employment contract. These
aspects can be verified through checking the income tax returns and those documents filed with Registrar of Coop. Society, property tax receipts and other receipts pertaining to other statutory dues, the stamped receipts obtained towards salary and other payments to staff, the periodic reports submitted to the banks/donors, maintenance of records for donations received, the list of beneficiaries, the quantum of benefit passed on to the beneficiaries, studying the statutory auditors report and notes to accounts in the annual accounts, going through the reports of the internal audit/concurrent audit, etc.

9. Governance

NGOs are normally engaged in socio-economic activities. Their affairs are conducted mostly out of grant received. Such being the case, transparency becomes the hallmark of their operation. Therefore governance issues assume importance in ensuring transparency. Transparency needs to flow down from the Board level to the employees’ level. Therefore, verification of the governance-related issues includes the Board proceedings, the periodicity of the Board meetings and the attendance register to see proper quorum was present or not. The minutes of previous meetings should be perused to measure the quality of the proceedings and the decisions taken. It should also be seen whether minutes of the board meetings are circulated. It should be seen whether blood relatives are members of the Board and if so, whether other members who are not related also attended such meetings in which major/critical decisions were taken. Full profile of the members of the Board and also the CEO should be disclosed in all public materials/web site. The level of disclosures in the audited accounts and other public documents should be verified to ensure that they are adequate.

As the funds deployed are from grants/aids/loans, it should be seen whether there is a board approved policy for taking up projects and also for expenditure to be incurred. As the beneficiaries are poor, tribal, farmer societies, proper system should be in place for addressing their grievances. The NGO must follow a “zero tolerance” policy for unethical practices.

Internal control/delegation of powers help in ensuring robust governance practices. This can be ensured by putting in place internal concurrent audit system. The internal concurrent audit reports should be studied to assess the level of internal control. The level of delegation
of power to 2\textsuperscript{nd}/3\textsuperscript{rd} line staff should be seen from decision taken and also whether any policy is in place for the same. Major NGOs obtain governance rating from rating agencies like CRISIL, M-CRIL, etc., if the same is available, then the rationale behind the rating allotted should be studied to assess the governance level.

10. Financial position / discipline
Audited annual accounts are the main document for determining the allotment of marks under this segment. If the auditing of accounts is in arrears for more than one year, that reflects on the degree of the financial discipline maintained by the NGO. The auditors’ report should be studied to ensure that there are no remarks with qualifications. Notes to accounts should be studied to see whether there are any discrepancies in the accounting methods, etc. It should also be seen whether disclosures are adequate. Ratio of loans to total funds should be seen to assess whether the NGO is relying excessively on borrowed funds to conduct its affairs. The proportion of overheads to total expenditure should also be seen to know whether employees are paid either too much or too poorly. The payment details and mode of payment should be analyzed to see the proportion of cash payments and to ensure that majority of the payments are made by cheques or through e-payment mode.

The bank account statement should be verified and compared with the sanction letter of the bank to see that the repayments are regular. If necessary, status report from the concerned bank may also be called for.

11. Incentive marks for NGOs
In addition to the marks given for rating of NGOs under various parameters mentioned above, incentive marks may be given for NGOs which have received awards from State Government / GOI, rating of NGO has been done by external rating agencies like CARE, CRISIL, ICRA, M-CRIL, FITCH, etc., and the NGO has been a member of study teams of State Governments, as indicated in the rating module.

12. Other Guidelines
It should be noted that this general rating tool is a governance /management rating and not a risk rating tool. Wherever loan proposals are involved, the credit risks associated with the
project should be analyzed separately and the risk rating should be carried out based on the existing risk rating module in vogue for different direct credit products. *(While this may not be applicable with the present set of products under FIF, it may become applicable for any new loan-based product)*

12.1 The NGO should have completed at least three years to be eligible for support.

12.2 The NGOs exhibiting the following features may not be considered for any promotional support:

(a) NGOs black listed / banned by Central/State Government Department/ NABARD/ reputed international/ domestic donor.

(b) Where the names of NGOs / founder members / office bearers / Chief Promoters / Board members of NGO appear in defaulters list of RBI or any of the Credit Information Companies.

(c) Criminal proceedings having been initiated against any member who is on Board of NGO.

12.3 The Bank should be more careful, exercise caution, and be circumspect while entertaining requests from NGOs having political affiliations, discrimination based on caste, religion, language, etc. and those NGOs embroiled in controversies.

12.4 NGO should score minimum of 60 marks to become eligible for support by way of grant/loan. For the North East Region, the same may be 50 marks.

12.5 The ultimate responsibility for due diligence of NGOs would rest with banks for availing of support from FIF.
## Annexure II

### General Rating Module for NGOs

<table>
<thead>
<tr>
<th>Module</th>
<th>Marks</th>
</tr>
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<tbody>
<tr>
<td>Vision</td>
<td>05</td>
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<tr>
<td>Management</td>
<td>25</td>
</tr>
<tr>
<td>Operations</td>
<td>20</td>
</tr>
<tr>
<td>Compliance</td>
<td>10</td>
</tr>
<tr>
<td>Governance</td>
<td>20</td>
</tr>
<tr>
<td>Financial discipline</td>
<td>20</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sr. No</th>
<th>Parameter</th>
<th>Max. Marks</th>
<th>Marks Awarded by AM/Mgr/DD M</th>
<th>Marks Awarded By AGM/DGM</th>
</tr>
</thead>
<tbody>
<tr>
<td>V I S I O N</td>
<td><strong>Max: 05 marks</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I</td>
<td>Vision/Goal</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>The NGO has a definite vision and goal as reflected in the documents</td>
<td>2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Though vision and goal are mentioned sporadically the same is not definite</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>No vision or goal</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>II</td>
<td>Activity Orientation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>All activities are in line with the Vision document</td>
<td>2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Only some of the activities are in line with the Vision document</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Activities not in line with the Vision document</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>III</td>
<td>Infusing Credit Orientation among target groups</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Satisfactory</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Unsatisfactory</td>
<td>0</td>
<td></td>
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### MANAGEMENT **Max: 25**

| Marks | | |
|-------| | |

**2 marks**

<table>
<thead>
<tr>
<th>I</th>
<th>Period of functioning of the NGO</th>
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<tbody>
<tr>
<td>1</td>
<td>Over 10 years</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>More than 5 years and less than 10 years</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>More than 3 years but less than 5 years</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Less than 3 years</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>II</th>
<th>Organizational capacity</th>
<th></th>
<th></th>
</tr>
</thead>
</table>
1. Agency has adequate technical and experienced community-based manpower in their roles for implementing the projects

2. Agency has the core manpower but can arrange for other technical/professional staff members through hiring

3. The agency does not have core manpower but depends only on the expertise of the Board Members

### III Infrastructure

1. Agency has adequate infrastructure of its own like land, building, vehicle, office, etc. with computerized operations for carrying out their activities

2. The agency has no owned premises, but operates from a rented premises with adequate infrastructure

3. Infrastructure is inadequate

### IV Quality of documentation of work done (photographs, videos, articles, annual reports, success stories, socio-economic surveys, etc.)

1. Very Good

2. Good

3. Satisfactory

4. Unsatisfactory

### V Relationship with local administrator/Govt. agencies/Banks

1. Very Good

2. Good

3. Satisfactory

4. Unsatisfactory

### VI Involvement of the Board Members in the affairs of the NGO

1. Actively involved

2. No involvement of Board Members

### VII Availability of Professionals in the Board

1. Some of the members of the Board have professional qualification

2. Board does not have members with professional qualification

### VIII Availability of a full time CEO to run the day to day affairs

1. Yes

2. No

### IX Availability of experienced/professional staff to handle finance

1. Available
<p>| | | | |</p>
<table>
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<th></th>
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<tbody>
<tr>
<td></td>
<td>Not available</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>X</td>
<td>Quality of MIS/Systems/Procedures</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Satisfactory</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Not Satisfactory</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>OPERATIONS</td>
<td>Max: 20</td>
<td></td>
</tr>
<tr>
<td>I</td>
<td>Implementing Agency</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>The NGO is the implementing agency</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>The NGO is the intermediary/funding agency and not the implementing agency</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>II</td>
<td>Location</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>The projects are implemented in the area where the agency is located</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>The projects are carried out in different locations but agency has the infrastructure to monitor the implementation</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>The projects are carried out in different locations with no infrastructure to monitor the implementation</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>III</td>
<td>Arrangements for monitoring and controlling the projects under implementation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Good</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Satisfactory</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Unsatisfactory</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>IV</td>
<td>Quality of work done before undertaking the project</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>The agency carries out detailed work to assess the project before undertaking</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>The Agency does not carry out detailed work to assess the project before undertaking</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>V</td>
<td>No. of villages with 100% financial inclusion</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Above 30 villages (about 1500 households)</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>16 to 30 villages (800 to 1500 households)</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>5 to 15 villages (250 to 750 households)</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Less than 5 villages</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>VI</td>
<td>Record of satisfactory/timely completion of earlier projects</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>On time completion without delay</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Completion with delay of 6 months</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Completion with delay from 6 to 9 months</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Completion with delay from 9 to 12 months</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Delay beyond 12 months</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>VII</td>
<td>Successful implementation of NABARD assisted projects</td>
<td></td>
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<tr>
<td></td>
<td>Use of technology for operation (like use of GPS system for mapping, IT for MIS, use of Tally Software, weather forecasting, etc.)</td>
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<tr>
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<td>-----------------------------------------------------------------------------------------------------------------------------</td>
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<td></td>
</tr>
<tr>
<td>1</td>
<td>Extensive usage</td>
<td></td>
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</tr>
<tr>
<td>2</td>
<td>Sparingly used</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Not used</td>
<td>0</td>
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</tbody>
</table>

**VIII** **Compliance**  
*Max: 10 marks*

1. **Filing of Statutory returns with appropriate Authorities**
   - Promptly filed returns within statutory time limits | 2 |
   - File, but with delay                                | 1 |
   - Not filed                                          | 0 |

2. **Maintenance of records for donations/grants received**
   - Proper and up-to-date                              | 3 |
   - Proper but not up-to-date                          | 1 |
   - Not maintained                                     | 0 |

3. **Maintenance of proper records for beneficiaries**
   - Proper and up-to-date                              | 3 |
   - Proper but not up-to-date                          | 1 |
   - Not maintained                                     | 0 |

4. **Payment of salary**
   - Paid in time                                      | 2 |
   - Not paid in time                                  | 0 |

5. **Governance**  
*Max: 20 marks*

1. **Periodicity of Board Meeting as observed during the last 3 years**
   - As per byelaws and 3 times a year                  | 4 |
   - Not as per byelaws but 3 times a year              | 3 |
   - Not as per byelaws but 2 times a year              | 1 |
   - Less than 2 times                                  | 0 |

2. **Existence of internal audit/ control/ concurrent audit**
   - In place                                          | 3 |
   - Not in place                                      | 0 |

3. **Level of sharing of information through website, annual reports, publications, etc.**
   - Satisfactory                                      | 2 |
   - Not satisfactory                                  | 0 |

4. **Zero tolerance for unethical practices**
<table>
<thead>
<tr>
<th></th>
<th>Followed</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Not followed</td>
<td>0</td>
</tr>
</tbody>
</table>

V  Disclosure of full details of Board Members like name, age, gender, position, etc., in important documents

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>2</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>No</td>
<td>0</td>
</tr>
</tbody>
</table>

VI  Relationship of Board Members by birth/marriage

<table>
<thead>
<tr>
<th></th>
<th>2/3rds of the members are unrelated</th>
<th>2</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Otherwise</td>
<td>0</td>
</tr>
</tbody>
</table>

VII  Rotation of members on the Board

<table>
<thead>
<tr>
<th></th>
<th>Members rotated periodically from time to time</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Members not rotated periodically from time to time</td>
<td>0</td>
</tr>
</tbody>
</table>

VIII  Budgets/programmes/major expenses are approved/ratified by the Board

<table>
<thead>
<tr>
<th></th>
<th>Always</th>
<th>2</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Most of the times</td>
<td>1</td>
</tr>
<tr>
<td>3</td>
<td>Some time</td>
<td>0</td>
</tr>
</tbody>
</table>

IX  Board-approved policy is in place for approving projects

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>No</td>
<td>0</td>
</tr>
</tbody>
</table>

X  Level of delegation of powers to lower cadres

<table>
<thead>
<tr>
<th></th>
<th>Well-defined policy is in place to delegate powers to lower levels</th>
<th>2</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Though policy is not in place, the lower level functionaries take decisions which are not objected to by the Management</td>
<td>1</td>
</tr>
<tr>
<td>3</td>
<td>No power is delegated to lower level</td>
<td>0</td>
</tr>
</tbody>
</table>

6  FINANCIAL POSITION/DISCIPLINE  \(\text{Max:20 marks}\)

I  The accounts are audited annually and the audited accounts with notes to accounts/schedules/auditors are available in public domain

<table>
<thead>
<tr>
<th></th>
<th>Last 3 years</th>
<th>2</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Not for last year but preceding 2 years</td>
<td>1</td>
</tr>
<tr>
<td>3</td>
<td>Accounts are not audited for last 2 years</td>
<td>0</td>
</tr>
</tbody>
</table>

II  Qualification in Auditors report contains no adverse observation continuously

<table>
<thead>
<tr>
<th></th>
<th>For last 3 years</th>
<th>2</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>For last 2 years</td>
<td>1</td>
</tr>
<tr>
<td>3</td>
<td>Otherwise</td>
<td>0</td>
</tr>
</tbody>
</table>

III  Income and expenditure account show excess of income over expenditure continuously
<table>
<thead>
<tr>
<th></th>
<th>For last 3 years</th>
<th>2</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>For last 2 years</td>
<td>1</td>
</tr>
<tr>
<td>2</td>
<td>For last year only</td>
<td>0</td>
</tr>
</tbody>
</table>

**IV Total amount of resources raised in the last 3 years**

<table>
<thead>
<tr>
<th></th>
<th>Rs.1 crore and above</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Rs.50 lakhs to Rs.1 crore</td>
<td>2</td>
</tr>
<tr>
<td>2</td>
<td>Rs.25 lakh to Rs.50 lakh</td>
<td>1</td>
</tr>
<tr>
<td>3</td>
<td>Less than Rs.25 lakh</td>
<td>0</td>
</tr>
</tbody>
</table>

**V Proportion of loan funds to total funds**

<table>
<thead>
<tr>
<th></th>
<th>50% &amp; above</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Above 25% but below 50%</td>
<td>1</td>
</tr>
<tr>
<td>2</td>
<td>Below 25%</td>
<td>0</td>
</tr>
</tbody>
</table>

**VI Credit history – Repayment of dues to NABARD and other banks/institutions**

<table>
<thead>
<tr>
<th></th>
<th>Payment in time</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Payment with delay up to 30 days</td>
<td>1</td>
</tr>
<tr>
<td>2</td>
<td>Payment with delay of more than 30 days</td>
<td>0</td>
</tr>
</tbody>
</table>

**VII Proportion of overheads to total expenditure**

<table>
<thead>
<tr>
<th></th>
<th>Upto 40%</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>41% upto 60%</td>
<td>2</td>
</tr>
<tr>
<td>2</td>
<td>60% upto 75%</td>
<td>1</td>
</tr>
<tr>
<td>3</td>
<td>Above 75%</td>
<td>0</td>
</tr>
</tbody>
</table>

**VIII Payments are normally made through cheques/e-payments**

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>2</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>No/Not verifiable</td>
<td>0</td>
</tr>
</tbody>
</table>

Additional incentive marks may be allotted as under (over and above the marks scored as per rating chart):

a. NGO /CEO of NGO in receipt of any award from Central/State Govt./International agency/reputed corporate body for its work in the last 3 years .... 3 marks

b. The NGO is rated by outside agency like CRISIL/M-CRIL, etc. .... 3 marks

c. NGO/CEO/Member of Board being on the Govt. Committees /Study Teams empanelled by donor agencies .... 3 marks
<table>
<thead>
<tr>
<th>Total marks awarded:</th>
<th>Total marks awarded upon review by the second level Officer:</th>
</tr>
</thead>
<tbody>
<tr>
<td>________</td>
<td>________</td>
</tr>
</tbody>
</table>

First level Designated officer of bank
Name:
Designation & Dept.
UIN/Employee No.

Second level Designated officer of bank
Name:
Designation/Deptt.
UIN/Employee No.

**Note** - First level officer giving rating may be the officer manning the Desk.

Second level officer, reviewing the rating marks, can be next higher-up or a committee as decided by the individual Bank
2. Financial Literacy Centres (for RRBs & Rural Cooperative Banks)

Support under FIF for setting up of Financial Literacy Centres (FLCs)

The broad guidelines for setting up of Financial Literacy Centres is as under:

1. It was decided to keep on hold the support for setting up of new FLCs with effect from 01 October 2015. Accordingly no new FLCs shall be sanctioned.
2. The support under FIF for FLCs sanctioned before 01 October 2015 would, however, continue.
3. As per requests received from various banks, it was decided that the operational expenditure (OPEX) incurred by banks on FLCs will be supported for an additional period of two years, total support period of three years. The quantum of assistance is indicated below:

<table>
<thead>
<tr>
<th>S. N.</th>
<th>Particulars</th>
<th>Maximum Support</th>
<th>% of outlay</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Support for the First year for Capital and operational cost</td>
<td>5.00</td>
<td>80</td>
</tr>
<tr>
<td>2</td>
<td>Commitment for the Second year*</td>
<td>1.60</td>
<td>80</td>
</tr>
<tr>
<td>3</td>
<td>Commitment for the Third year*</td>
<td>1.20</td>
<td>60</td>
</tr>
<tr>
<td></td>
<td><strong>Total Commitment for 03 Years</strong></td>
<td><strong>7.80</strong></td>
<td></td>
</tr>
</tbody>
</table>

*OPEX cost has been taken at Rs. 2.00 lakh per annum

Concerned banks who were sanctioned FLCs before 01.10.2015 were advised to approach our respective Regional Office for the additional sanction (of two years).

As has been the practice in the past, for North East and Sikkim, Jammu & Kashmir, Uttarakhnad, Jharkhand, Himachal Pradesh, Chhattisgarh and Andaman & Nicobar Islands, the reimbursement of expenditure for second and third year would continue to be 100% of expenditure incurred subject to a maximum of Rs. 1.60 lakh and Rs. 1.20 lakh respectively. The support for additional period would be released provided the quarterly progress report with reference to activities undertaken is submitted to our Regional Offices. (Format enclosed)

It was to be ensured that all FLCs sanctioned to the banks on or before 30 September 2015 were launched by 31 March 2016 failing which the sanction was to be withdrawn and advance released, if any, was to be called back.
4. The support period of three years shall be reckoned from the date of launch of the FLC. The FLCs should have been launched only after necessary and required infrastructure and manpower had been put in place and mere inauguration of the FLC without these will not be considered as launch.

5. The benefit of support for additional period of two years were also available to all such FLCs which had already availed the grant assistance towards operational cost of one year.

6. FLC was to be opened in a dedicated room and preferably in separate premises easily approachable by the public.

7. In order to provide undivided attention to FLCs, the Banks were advised to refrain from appointing serving employees, having other responsibilities, as FLC counsellors and there must be some supporting staff also.

8. Wider publicity of existence of FLC should be given.

9. FLCs should give priority to remote villages while conducting financial literacy awareness programmes.

10. Ratio of CAPEX and OPEX in total grant assistance for first year (Rs. 5.00 Lakh) was to be maintained at 3:2 to ensure judicious use of resources and basic minimum infrastructure for FLC.

The above revisions were with effect from 01 October 2015. All other terms and conditions governing the scheme remained unchanged.

**Monitoring of FLCS:**

As you are aware that Financial Literacy Centres (FLCs) play an important role in spreading financial literacy and awareness which caters to the demand side of Financial Inclusion. With the launch of Social Security Schemes, the role of FLCs in catering to the demand of newly included people has increased manifold.

2. Keeping in view the importance given by GoI to Financial Inclusion and the role of FLCs envisaged under Social Security Schemes, the performance of FLCs is being watched by all the stakeholders, including RBI/GoI. The various concerns in respect of functioning of FLCs are the absence of information on the various initiatives taken by them, the impact of these initiatives in shape of deliverables and the dormancy of several FLCs.

3. To assess the performance and effectiveness of the FLCs, a revised monitoring format was put in place in accordance with RBI circular FIDD.FLC.BC.No.12/12.01.018/2016-17.
dated 25 August 2016. While the details regarding FLCs had to be submitted to RBI, as per the prescribed format, a copy of the same was also to be submitted to respective Regional Offices of NABARD within 20 days from the end of the quarter, beginning quarter ended September 2016.

4. Further, the role of Head Offices/Controlling Offices of banks in the monitoring of FLCs is also very crucial. For this, the banks were to issue operational guidelines to review the functioning of FLCs. A mechanism to review the performance of FLCs during the Board meetings may be introduced.
PART A
QUARTERLY REPORT ON CONDUCT OF SPECIAL CAMPS BY FLCs (FOR PEOPLE NEWLY INDUCTED INTO THE FINANCIAL SYSTEM)

<table>
<thead>
<tr>
<th>State</th>
<th>Quarter ended</th>
<th>Year</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>FLC Code</th>
<th>S.N o of camp</th>
<th>Date of camp</th>
<th>Distric t</th>
<th>Block</th>
<th>Village</th>
<th>No of participants</th>
<th>Stakeholders present (Indicate Y/N)</th>
</tr>
</thead>
<tbody>
<tr>
<td>748C01</td>
<td>1</td>
<td>01.01.2017</td>
<td>Sidhi</td>
<td>Majhaul i Thonga</td>
<td>70</td>
<td>Y Y Y Y N Y Y</td>
<td>N</td>
</tr>
<tr>
<td>2</td>
<td>03.01.2017</td>
<td>2</td>
<td>Sidhi</td>
<td>Rampur Naikin Khaira</td>
<td>100</td>
<td>Y Y Y Y N Y Y</td>
<td>N</td>
</tr>
<tr>
<td>216C01</td>
<td>1</td>
<td>01.01.2017</td>
<td>Hamirpur</td>
<td>Maudaha</td>
<td>Parchha</td>
<td>50</td>
<td>Y N Y N Y N</td>
</tr>
<tr>
<td>217C01</td>
<td>NIL</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Note**
- Reporting of camps should be done for all FLCs
- If any FLC has not conducted a camp, Nil may be reported for that part
- The date of each camp may be separately reported and not clubbed together in one cell
- Indicate only Y or N for the stakeholders columns - Do not write names, numbers etc. Only for others, you may give the institution/organization name
- Sample entries have been filled for guidance
## PART B
### QUARTERLY REPORT ON CONDUCT OF TARGET GROUP SPECIFIC CAMPS BY FLCs

<table>
<thead>
<tr>
<th>State</th>
<th>Quarter ended</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FLC Code</th>
<th>S.N</th>
<th>Date of camp</th>
<th>District</th>
<th>Block</th>
<th>Village</th>
<th>No of participants</th>
<th>Stakeholders present (Indicate Y/N)</th>
<th>Target Group Addressed</th>
</tr>
</thead>
<tbody>
<tr>
<td>748Co1</td>
<td>1</td>
<td>01.01.2017</td>
<td>Sidhi</td>
<td>Majhali</td>
<td>Thonga</td>
<td>70</td>
<td>Y Y Y Y N Y N</td>
<td>Farmers</td>
</tr>
<tr>
<td>748Co2</td>
<td>2</td>
<td>03.01.2017</td>
<td>Sidhi</td>
<td>Rampur Naikin</td>
<td>Khaira</td>
<td>100</td>
<td>Y Y Y Y N Y N</td>
<td>Farmers</td>
</tr>
<tr>
<td>216Co1</td>
<td>1</td>
<td>01.01.2017</td>
<td>Hamirpur</td>
<td>Mauda</td>
<td>Parchha</td>
<td>50</td>
<td>Y N Y N Y N</td>
<td>Farmers Clubs</td>
</tr>
<tr>
<td>217Co1</td>
<td></td>
<td>Nil</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Notes
Reporting of camps should be done for all
1 FLCs
   If any FLC has not conducted a camp, Nil may be reported for that
2 particular FLC
   The date of each camp may be separately reported and not clubbed together
3 in one cell
   Indicate only Y or N for the stakeholders columns - Do not write names, numbers etc. Only for others, you may give the
4 institution/organization name
5 Sample entries have been filled for guidance
   To fill in the target groups, please use the number coding of 1 to 6 as given for example 1-Farmers, 2-Small
   Entrepreneurs etc.
## PART C
QUARTERLY REPORT ON CONDUCT OF CAMPS BY RURAL BRANCHES OF BANKS

<table>
<thead>
<tr>
<th>State</th>
<th>Quarter ended</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>West Tripura</td>
<td>53</td>
<td>30</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>District</th>
<th>No of rural branches in district</th>
<th>No of special camps conducted during the quarter</th>
<th>No of target specific camps conducted during the quarter</th>
</tr>
</thead>
<tbody>
<tr>
<td>West Tripura</td>
<td>53</td>
<td>30</td>
<td>98</td>
</tr>
</tbody>
</table>
**PART D**  
Database on FLCs

<table>
<thead>
<tr>
<th>FLC Code*</th>
<th>District</th>
<th>Date of Sanction</th>
<th>Date of opening</th>
<th>Location (District, Block)</th>
<th>Premises (Bank branch, Independent)</th>
<th>Address of FLC</th>
<th>Name(s) of FLC Counsellor(s)</th>
<th>Educational Qualification &amp; Experience of the FLC Counsellor/s</th>
<th>Contact No(s)</th>
<th>Email</th>
<th>FLC Helpline</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

*Note: FLC Code to be obtained from SLBC will be a unique six digit code. The first three digits will be the district code (As per the master sheet of RBI), the fourth digit will be the alphabet “C” and the fifth and sixth digits will be the sequential running code in each district starting from 01. For example, if in a district with code 111, there are 3 FLCs of Cooperative Banks, the codes will be allotted as under: FLC 1 will have the code 111C01, FLC 2 will have the code 111C02 and FLC 3 will have the code 111C03*
3. PACS as DMA  (for Rural Cooperative Banks only)

Pilot project for supporting StCBs/DCCBs in Financial Inclusion through use of technology in PACS / other multipurpose cooperative societies (FSS, LAMPs, Milk Cooperatives, etc.)

Cooperative banks with their deep rural penetration (i.e., with its network of 400 rural cooperative banks and more than 14,000 Branches & 90,000 PACS) are in geographically advantageous position to provide financial inclusion services and products to rural customers. With most of the cooperative banks in Short Term Cooperative Credit Structure (STCCS) on CBS platform, they are now geared for adopting the latest banking technology in order to provide such services in a seamless manner.

With the idea of providing a holistic technology development for the entire STCCS, a comprehensive proposal for the same was prepared and placed before the Advisory Board of FIF & FITF. The Board had given approval for the implementation of the proposal on pilot basis covering 5000 societies (PACS, LAMPs, Milk societies, etc.). Based on the success of this pilot, the project will be scaled up.

In order to encourage the StCBs in two tier structure and DCCBs to utilize societies as deposit mobilizing agents (DMA), they will be provided support for installation of one ATM for implementing the pilot in every 5 societies. However, support for ATMs will also be linked to setting up of FLCs.

The linking of FLC and PACS with ATM support is explained below:

<table>
<thead>
<tr>
<th>Number of PACS</th>
<th>Number of FLCs</th>
<th>Number of ATMs</th>
</tr>
</thead>
<tbody>
<tr>
<td>5-9</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>10-14</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>15-19</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>20-24</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>25-29</td>
<td>2</td>
<td>5</td>
</tr>
</tbody>
</table>
DCCBs participating in the project are expected to setup FLCs in the blocks covered by them.

1. Eligibility Criteria
The StCB/DCCB and societies were considered for the project based on the following eligibility criteria:
i. The StCB /DCCB should be a licensed and profit making bank.
ii. StCB/ DCCB who were already issuing RuPay Debit / KCC cards to their customers or those in the advance stage of on-boarding to National Financial Switch (NFS).
iii. Societies were to be affiliated with the selected StCB /DCCB. These societies could be PACS/Other Multipurpose Cooperative Societies i.e. FSS, LAMPS, Milk Cooperative, etc.
iv. The society should not be mobilizing deposit of its own.
v. The society should be ready to function as DMA for the StCB / DCCB to which it is affiliated along with providing basic banking services.

2. Major activities to be undertaken in this project
The following major activity should be taken up by the identified societies on behalf of their StCB/DCCB:
i) Open at least 500 Savings Bank Deposit Accounts.
ii) Mobilize thrift.
iii) Facilitate small cash transaction at village level.
iv) Function as delivery point for benefits like DBT.
3. Components supported under the pilot

i) The following components will be supported under FITF:

<table>
<thead>
<tr>
<th>Sr No</th>
<th>Component</th>
<th>Maximum Support/ unit (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Printing and issuance of RuPay Debit / KCC Cards</td>
<td>25</td>
</tr>
<tr>
<td>2</td>
<td>Purchase of MicroATM / POS</td>
<td>25,000</td>
</tr>
<tr>
<td>3</td>
<td>On-Site ATM installation</td>
<td>5,00,000</td>
</tr>
</tbody>
</table>

ii) An amount of Rs. 5.00 lakh support for setting up of FLC @ 1 FLC per block will be provided for those StCB / DCCB selected for the pilot, under FlF.

4. Targets for the pilot project

i) DCCBs had to provide the data on the Societies where the pilot could be launched in prescribed format to NABARD Regional Office.

ii) ATMs were allotted to the DCCBs based on the technical readiness to adopt card technology and the number of Societies where the pilot could be implemented. The final allocation was fixed by NABARD Head Office.

5. Scope of support

i) If the Society selected for the pilot project had already been allotted a MicroATM under any previous sanction accorded to the DCCB, the same sanction could be used for the procurement of MicroATM.

ii) Support is available for RuPay Debit and RuPay Kisan Card.

iii) For the installation of on-site ATM at DCCB branches, one-time Capital support will be extended covering the procurement of ATM machine, UPS, Network components (VSAT, Routers etc.) and furniture & fixtures.

iv) Support for opening of FLCs will be extended for blocks which have not yet been covered by the bank.

v) Though ATMs are linked with FLCs and PACS to function as DMAs, there is no locational condition between the three components.
6. Implementation Period
The Banks who have been sanctioned projects under this scheme, may complete deployment by 15th July 2018 and submit claim for reimbursement of expenditure by 31st July 2018. In case of non-utilization, the sanction will be treated as withdrawn and the same will be reallocated to other interested banks.
The banks who are interested to take fresh sanction, including the banks who have completed deployment under the earlier sanction, may approach NABARD Regional Office latest by 31st July 2018. In case of new sanction the last date for submission of claim is 31 March 2019.

7. Extent of support
The extent of support for various components under the pilot project will be as given under:

<table>
<thead>
<tr>
<th>Sr No</th>
<th>Component</th>
<th>Eligibility</th>
<th>Extent of support</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Cost of RuPay Debit / Kisan card</td>
<td>Rs. 25 or actual, whichever is lower</td>
<td>100% of the eligible amount for NER, Sikkim, A &amp; N Islands, J &amp; K, Uttarakhand, Jharkhand, Himachal Pradesh, Chhattisgarh and 90% in the rest of the country.</td>
</tr>
<tr>
<td>2</td>
<td>Cost of MicroATM</td>
<td>Rs. 25,000 or actual cost, whichever is lower</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>FLC</td>
<td>Rs. 5 lakh or actual cost, whichever is lower</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>CAPEX support for ATM installation</td>
<td>Rs. 5 lakh or actual cost, whichever is lower</td>
<td>90% in the entire country</td>
</tr>
</tbody>
</table>

8. Pattern of Assistance:
i) Support will be provided on reimbursement basis.
ii) Banks can claim reimbursement once every quarter on the basis of the actual progress made. Claim format is given in *Annexure I*.
iii) Release of assistance for ATMs will be made only after the societies have successfully implemented deposit mobilization and DCCB has set up the desired number of FLCs. The time lag between setting up of ATMs by the bank and the claim for reimbursement to NABARD should not be more than 06 months.
iv) The claim made for setting up of ATMs without fulfilling the criterion at (iii) would be summarily rejected.

9. **Other Terms and Conditions:**

1. Banks to follow due diligence while procuring hardware under the scheme.
2. Each identified society is expected to undertake following activities:
   a) Open at least 500 savings bank deposit account.
   b) Mobilize thrift
   c) Facilitate small cash transaction at village level.
   d) Function as delivery point for benefits like DBT.
3. microATMs procured would conform to the UIDAI 1.5.1 standard.
4. Banks to ensure interoperability in microATMs to be installed at the PACS locations.
5. Banks may use the ATM switch to route the transactions from the microATMs.
6. For uninterrupted functioning of the microATMs, hands-on training may be provided to the identified PACS representatives by the bank as indicated in DFIBT HO letter No.NB.HO.DFIBT.6129-6530/DFIBT-09/2015-16 dated 16 July 2015. Separate proposal may be submitted for the same.
7. The new FLCs should be set up in the blocks where FLCs have not been established so far by the bank.
8. Bank shall inform NABARD about the date of establishment of each FLC.
9. Financial literacy efforts of FLCs will encompass basic issues of savings, banking services, loaning, insurance, pension, etc.
10. The coverage should also include PMJDY, PMJJBY, PMSBY, APY and any other social security schemes launched from time to time.
11. FLCs will also conduct outdoor financial literacy camps with focus on financially excluded people.
12. The bank will also prepare material in vernacular languages using stories & pictorial representations to disseminate information on the banking products.
13. FLCs should maintain record in the form of a register containing details such as name, gender, age, profession, contact details, whether banked or unbanked, details of services availed, etc. of the visitors.
14. The Head/ Controlling Offices of the bank will monitor the financial literacy efforts undertaken by their FLCs through periodic reporting and by resorting to random on-site visits. The bank will also undertake periodical impact evaluation of their literacy efforts for continuous improvement.
15. RuPay cards issued should conform to the standards specified by NPCI.
16. Installation of ATM will cover ATM machine, UPS, Network components (VSAT, Router etc.), Furniture & Fixture, site preparation, etc.
17. The bank is free to install the ATMs in any of its branches.
18. NABARD, in order to speed up the implementation process, had floated RFP for ATMs to be procured by Banks for better price discovery. Vendor details were shared with the banks in terms of letter No.NB.HO.DFIBT/BT/15406-15807/CBS-70/2015-16 dated 08 December 2015. Bank may procure the ATMs under the scheme from the selected vendor. The ATMs outside the project can also be procured from the same vendor if the bank so desires.
19. Bank is required to ensure that the societies selected for PACS as DMA do not work as BC of other banks.
20. The Bank is required to preserve the bills related to the project for verification by NABARD or any other recognized body at any point of time. In case it is found that the grant is being utilized for purposes other than the intended purpose. NABARD reserves the right to recall the grant released.
21. A Project Monitoring & Implementation Committee (PMIC) with DDM NABARD may be constituted for monitoring the progress of the project.
22. If asked for, bank shall provide copies of agreements signed by the bank with various vendors/ sponsor banks in the implementation of the project.
23. The bank is required to return duplicate copy of the sanction letter duly signed by an authorized signatory to NABARD Regional Office as acceptance of terms and conditions.
24. Bank to enter into an agreement with NABARD, Regional Office, if not already done.
**Annexure I**

(On Bank’s letterhead)

**Claim for Assistance – Pilot project for supporting StCBs/DCCBs through technology usage in PACS/ other multi-purpose societies.**

Please refer to the sanction letter No.------------------- dated ---------------- communicating sanction of Rs. ------ covering -------- societies under the captioned scheme. We have incurred expenditure as under:

<p>| | | |</p>
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<thead>
<tr>
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<tbody>
<tr>
<td>1.</td>
<td>Name of the Bank</td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Sanctioned Proposal</td>
<td>Pilot Project of PACS as DMA through..........( number) of PACS/other Societies in ---------------District of------------------(Name of the State). Total eligible PACS/ Societies ..........(List enclosed) No. of FLCs to be set up------------- No. of ATMs to be placed by the Bank------------- No. of RuPay cards-------------</td>
</tr>
<tr>
<td>3.</td>
<td>Financial Assistance sought for</td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>Breakup of expenditure incurred</td>
<td></td>
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<p>| | | |</p>
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<thead>
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<th></th>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td></td>
<td><strong>Particulars</strong></td>
<td>Cost (Rs. Lakh)/Details</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A) Installation of ATMs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Total no. of ATMs</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Total eligible cost maximum @ Rs. 5.00 lakh</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Total cost (1X 2)</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td><strong>Eligible cost (90% of 3 above)</strong></td>
<td></td>
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<tr>
<td>B) Set up of FLCs</td>
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<td></td>
</tr>
<tr>
<td>1</td>
<td>Total no. of FLCs</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Total eligible cost maximum @ Rs.5.00 lakh</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Total cost (1 X 2)</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td><strong>Eligible cost (90% of 3 above)</strong></td>
<td></td>
</tr>
<tr>
<td>C) RuPay cards</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Total number of RuPay cards</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Total eligible cost maximum @ Rs. 25.00</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Total cost (1 X 2)</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td><strong>Eligible cost (90% of 3 above)</strong></td>
<td></td>
</tr>
</tbody>
</table>
D) microATMs

<table>
<thead>
<tr>
<th>S</th>
<th>Particulars</th>
<th>Cost (Rs. Lakh)/Details</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Total number of microATMs</td>
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<td>2</td>
<td>Total eligible cost maximum @ Rs.25000/-</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Total cost (1 X 2)</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td><strong>Eligible cost (90% of 3 above)</strong></td>
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</table>

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Particulars</th>
<th>Nos.</th>
<th>Total Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Support for installation of ATMs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Setting up of FLCs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Purchase of microATMs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Issue of RuPay Debit Cards</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Issue of RuPay Kisan Cards</td>
<td></td>
<td></td>
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<tr>
<td><strong>Total</strong></td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>

We request you to kindly reimburse the amount of Rs.................. incurred by us.

Yours faithfully

Name of the authorized officer:
Designation:
Name of the Bank:
Date:
4. Support to RSETIs/RUDSETIs (for Commercial Banks)

Support for Capital Expenditure of RSETIs/RUDSETIs - Purchase of Training Equipment and Maintenance thereof

Please refer to para 3.3 of the revised guidelines of Financial Inclusion Fund (FIF) issued by RBI, vide circular No. FIDD.CO.FID.No.858/12.01.016/2015-16 dated 31 July 2015, as per which support is available to Banks for running of Business & Skill Development Centres, including RSETIs, to the extent not provided by State Governments. The Advisory Board of FIF in its XVIII meeting held on 07 September 2016 had approved a one-time support up to a maximum of Rs.3.00 lakh (all inclusive) per RSETI from FIF for purchase of training equipment and maintenance thereof.

The release of funds would be subject to the following modalities:

1. Grant assistance is available on a reimbursement basis for purchase of training equipment and maintenance thereof. Expenditure incurred after the date of sanction of grant assistance by NABARD shall only be entertained.

2. The purchase of training equipment may be recommended by a committee comprising of the following members:
   a) Director/Head of the concerned RSETI / RUDSETI
   b) Representative from the Sponsor Bank/ Promoting Bank
   c) DDM/ Representative of NABARD
   d) Lead District Manager or his representative
   e) GM - DIC
   f) Representative from District Employment Exchange

3. All-inclusive support of Rs. 3.00 lakh is on one time basis. Towards this, bank may seek for financial support to the extent of cost of training equipment only or cost of training equipment and maintenance (reimbursement towards maintenance will be restricted to 10% of the cost of equipment purchased).
4. An undertaking by the bank that the purchase and maintenance of the equipment claimed from FIF has not been supported by any other funding agency including government.

5. Support of NABARD may be acknowledged with the words “Supported under FIF managed by NABARD” (with NABARD logo) at appropriate places.

6. While purchasing the equipment, due diligence as per the internal guidelines of the Bank may be adhered to.

7. A quarterly progress report may be submitted to respective Regional Office of NABARD in the prescribed format as per Annexure – III latest by 5\textsuperscript{th} of the succeeding month to the end of the quarter.

The Banks may submit the proposal in the prescribed format (as per Annexure – I) for sanction of grant assistance to our respective Regional Offices. In those cases where proposals for support goes across more than one State, the same may please be bifurcated on a State-wise basis and submitted to our regional offices at the State level. Subsequent to sanction of grant assistance by NABARD from FIF and after purchase of the equipment, the claim for release of funds may be submitted as per Annexure – II.
Annexure – I

(On the Letter Head of the Bank)

Proposal Format for Support for Capital Expenditure of RSETIs/RUDSETIs-
Purchase of Training Equipment and Maintenance thereof

Date:
Letter Ref. No.

The Chief General Manager
National Bank for Agriculture and Rural Development
____________________ Regional Office

Dear Sir / Madam,

Support for Capital Expenditure of RSETIs/RUDSETIs- Purchase
of Training Equipment and Maintenance thereof

In reference to the Master Circular No. 263 / DFIBT - 47/2017 dated 20 November 2017
on the above mentioned scheme, we seek grant assistance under FIF for purchase of
training equipment and maintenance thereof for RSETIs/RUDESTIs. The following
training equipment have been recommended by the committee comprising of the following
members:
a) Director/Head of the concerned RSETIs / RUDSETIs
b) Representative from the Sponsor Bank/ Promoting Bank
c) DDM/ Representative of NABARD
d) Lead District Manager or his representative
e) GM - DIC
f) Representative from District Employment Exchange

Training equipment proposed to be purchased:

<table>
<thead>
<tr>
<th>Sr.N.</th>
<th>Name &amp; Address of RSETI/RUDSETI</th>
<th>Description of Item proposed to be purchased</th>
<th>Cost of the Item</th>
<th>Projected maintenance</th>
<th>Total Cost (Col. 4+5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td>1.</td>
<td></td>
<td></td>
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<tr>
<td></td>
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<td>2.</td>
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<td></td>
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</tr>
<tr>
<td></td>
<td></td>
<td>3.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

We request you to kindly sanction support of Rs. ......................... (Rupees ......................... only) under FIF.

Yours faithfully

(Authorised Signatory)
Claim Format for Reimbursement of capital expenditure of RSETIs/RUDSETIs- Purchase of Training Equipment and Maintenance thereof

Date:
Letter Ref. No.

The Chief General Manager
National Bank for Agriculture and Rural Development
____________________________ Regional Office

Dear Sir / Madam,

Claim for reimbursement of capital expenditure of RSETIs/RUDSETIs - purchase of Training Equipment and Maintenance thereof

Please refer to your sanction letter No. ___ dated _______ extending a sanction of an amount of Rs. ........ (Rupees ................. only) for purchase of training equipment and maintenance thereof. In this connection, you are requested to release the grant assistance for the purchase of the following items:

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Name &amp; Address of RSETI/RUDSETI</th>
<th>Item purchased</th>
<th>Cost of equipment purchased</th>
<th>Projected Maintenance Cost</th>
<th>Total Cost (Col. 4+5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
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<tr>
<td>3</td>
<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

2. It is certified that the purchase was based on the recommendation of the purchase committee and due diligence as per bank’s guidelines was followed while effecting the purchases.

3. This is to certify that an amount of Rs.____ (Rupees __________________ only) has been incurred towards the expenditure on purchase of training equipment and maintenance thereof as per the details given above. The original bills/receipts will be preserved for verification by the officers of NABARD for a period of three years from the date of purchase.

4. It is certified that the terms and conditions of the sanction letter (letter No.... dated ............) has been complied with.

Yours faithfully

(Authorised Signatory)
Annexure – III
(On the Letter Head of the Bank )

Quarterly Progress Report - Support for Capital Expenditure of
RSETIs/RUDSETIs -
Purchase of Training Equipment and Maintenance thereof

For the quarter ended : ........................................

Name and Address of the RSETI/RUDSETI: ........................................

Name of the Promoting Bank: ............................................................

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Name of the Business/Skill training organized</th>
<th>Duration</th>
<th>No. of Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>From</td>
<td>To</td>
</tr>
<tr>
<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(Authorised Signatory)

Date :

Place:


5. Monthly Commission of BCAs of RRBs in NER

Financial support from Financial Inclusion Fund (FIF) to RRBs in NE States towards reimbursement of Monthly Commission paid to BCAs

Note: RRBs in Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland and Tripura

In view of the problems faced by RRBs in the North Eastern (NE) States in providing banking services through BCAs, the Advisory Board on FIF in its 18th meeting held on 07 September 2016 approved the proposal of providing financial assistance from FIF to RRBs in NE States towards reimbursement of monthly commission paid to BCAs appointed by them or by Corporate BCs. The quantum of assistance would be 60% of monthly commission paid to the BCAs or Rs.3000/- (Rupees three thousand only), whichever is less. The support would be available for a period of two years, starting from 01 October 2016 to 30 September 2018.

3. The RRBs may obtain prior approval of the NABARD Regional Office concerned for the number of BCAs for whom the claim will be submitted by them. The format of letter to be submitted by the RRBs is enclosed as Annexure-I.

4. The RRBs may submit quarterly claim as per Annexure - II to the concerned RO, giving month-wise details of (i) BCA-wise payment made in Annexure-A and (ii) BCA-wise information on number of accounts opened, number of micro-insurance as also pension sold to clients, loans issued and number of transactions undertaken for deposits, withdrawals, remittance and the amount of transactions in Annexure-B.
ANNEXURE-I
(To be submitted on the letterhead of the RRB)

The Chief General Manager/Officer-in-Charge
NABARD
____________________ Regional Office
____________________

Dear Sir,

Assistance from FIF to RRBs in NE States towards reimbursement of monthly commission paid to Business Correspondent Agents (BCAs)

Please refer to your Master Circular No. 263 / DFIBT - 47/2017 dated 20 November 2017 on the above subject. In this connection, we have to inform that our bank has been providing banking services through ____ BCAs in ___ SSAs allotted to us. You are requested to accord approval for claiming the assistance from FIF towards reimbursement of monthly commission in respect of ____ BCAs, as per the norms advised in your circular under reference. The details of monthly commission paid by us to each BCA as also the month-wise/BCA-wise details of number of accounts opened, number of products sold, loans issued and number of transactions and amount of transactions will be submitted by us along with claim.

Yours faithfully,

CHAIRMAN
To
The Chief General Manager/General Manager
NABARD
_______________Regional Office
_______________.

Dear Sir,

Claim for reimbursement of Monthly Commission paid to
BCAs of RRBs in NE States - Claim for the quarter ended ____________

Please refer to your letter No. ___________ dated ___________, conveying approval
for _____ BCAs/CSPs for claiming assistance from FIF towards reimbursement of
monthly commission paid to them. We furnish below the information relating to payment
of monthly commission paid by us during __________ to __________ (quarter to be
indicated) to BCAs appointed by us and request you reimburse us an amount of Rs._____  
(Rupees _______________ only) as per the details furnished below :

<table>
<thead>
<tr>
<th>Sr.No.</th>
<th>Particulars</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Number of BCAs appointed by bank</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Amount of monthly commission (Month-wise/BCA-wise list to be attached)</td>
<td>Rs.____________</td>
</tr>
<tr>
<td></td>
<td>Month-wise/BCA-wise list attached. (Annexure-A)</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Number of accounts opened, number of micro-insurance, pension products sold, loans issued and number of transactions undertaken for deposits, withdrawals and remittance and amount of transactions.</td>
<td>Month-wise/BCA-wise list attached. (Annexure-B)</td>
</tr>
<tr>
<td>4</td>
<td>Amount of reimbursement sought (60% of monthly commission or Rs.3,000/- per BCA, whichever is less)</td>
<td>Rs.____________</td>
</tr>
</tbody>
</table>

Certified that the services of BCAs are fully utilized for providing banking facilities to the
people in areas/villages allocated to them.
Certified that the amount of Rs._______ (Rupees__________________________ only) at Sr. No. 2 above has been actually paid towards monthly commission of BCAs.

Certified that no claim for assistance under the present claim has been made to any other agency/ organization.

Yours faithfully,

CHAIRMAN/GENERAL MANAGER
ANNEXURE - A

Name of RRB: ________________________________

Details of monthly commission to BCAs during the quarter _______ to _______.

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Name of BCA</th>
<th>Monthly Commission Paid during the quarter</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Month 1* (Rs.)</td>
<td>Month 2* (Rs.)</td>
</tr>
<tr>
<td></td>
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<td>Month 1* (Rs.)</td>
<td>Month 2* (Rs.)</td>
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<td>Month 1* (Rs.)</td>
<td>Month 2* (Rs.)</td>
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<td>Month 1* (Rs.)</td>
<td>Month 2* (Rs.)</td>
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<td>Month 1* (Rs.)</td>
<td>Month 2* (Rs.)</td>
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<td>Month 1* (Rs.)</td>
<td>Month 2* (Rs.)</td>
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<td>Month 1* (Rs.)</td>
<td>Month 2* (Rs.)</td>
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<td></td>
<td>Month 1* (Rs.)</td>
<td>Month 2* (Rs.)</td>
</tr>
</tbody>
</table>

Signature and Stamp

* Names of months to be indicated
Data should be submitted in MS Excel format also
Name of RRB:
________________________________________

Details of accounts opened, products sold and transactions undertaken by BC Agents during the month ________________________*

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Name of BC Agent</th>
<th>No. of A/cs opened</th>
<th>Products sold (No.)</th>
<th>Loans Issued</th>
<th>Transactions undertaken for</th>
<th>Amount of</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Savings</td>
<td>R D TD  R</td>
<td>No. of cases</td>
<td>Amou  nt (Rs.)</td>
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Signature and Stamp

* Monthly statement should be submitted in separate sheets. Thus, with each quarterly claim, there will be three parts for ANNEXURE-B.

Data should be submitted in MS Excel format also.
6. Bank Sakhi (for Commercial Banks & RRBs)

Engagement of SHG Leaders / Members as BC Agents for Financial Inclusion – Bank Sakhi Approach

The introduction of Business Correspondent (BC) model is considered an important milestone in our country's financial inclusion strategy. Significant progress has been made since then in terms of increasing penetration in rural areas and improving access for the unbanked and under-banked households across the country. As of March 2015, 39.8 crore Basic Savings Bank Deposit Accounts were opened covering 3.90 lakh villages. Issues, such as visibility of agents and activity levels in accounts, are being addressed by banks.

The SHG Bank Linkage Programme has, by 31 March 2015, supported the formation of SHG networks with extensive geographical coverage and client outreach through more than 76.97 lakh SHGS, covering about 10 crore households across the country. The programme focuses on developing the capacity of group members and member-based institutions to manage money and financial services and to connect the community to formal financial institutions.

Convergence of BC-based financial inclusion initiatives with SHG networks may hold some answers to the current challenges in financial inclusion.

In 2012, it was decided to connect these two approaches with an objective to improve the integration of bank agents into the community by appointing SHG members as agents and calling them Bank Sakhis in a pilot mode. The underlying assumption was that by having agents who are part of, and selected by the community, the uptake and usage of financial services by other community members would increase and that Bank Sakhis would become an integral part of the financial inclusion drive.

This approach has been tested with two pilots conducted in the states of Uttar Pradesh and Madhya Pradesh. While in Uttar Pradesh the pilot was being implemented through Gramin Bank of Aryavart, it was being implemented through Narmada Jhabua Gramin Bank in Madhya Pradesh. The experience from both the pilots had demonstrated better performance for Bank Sakhis vis-a-vis the conventional BCs in terms of lower dormancy, fewer inactive accounts and lower agent attrition.

In the 16th Meeting of the Advisory Board of Financial Inclusion Fund (FIF), being managed by NABARD for the purpose of financial inclusion, the agenda for replication of the model in other parts of the country was discussed. The Advisory Board decided that the Bank Sakhi model may be scaled up through Commercial Banks and Regional Rural Banks.

Accordingly, we enclose a guide for adoption of the model by the banks and other stakeholders depending upon the eco-system that may be prevailing in different States / Districts / areas, for your information and necessary action. In order to give a boost to this approach, some activities will be eligible for financial support from the Financial Inclusion Fund. The support would be mainly for capacity building, orientation of stakeholders, etc. Details of support available are given in the guidelines enclosed.
The model agreements between the Corporate BC / TSP and the Federation as also between the Corporate BC and the BC Agent are enclosed to the guidelines. These, however, may be finalized at your end keeping in view your policy and requirement but without losing focus of the basic spirit of the project.

As you may observe from the guidelines enclosed, the success of the model is dependent on coordination between the stakeholders i.e. the banks, SHGs, Self-help Promoting Institutions (SHPIs) and Corporate BCs. You may consider preparing projects based on the guidelines and submission of the same either to our Regional Offices or to our Head Office (if it is a multi-state project).
1. INTRODUCTION

The introduction of Business Correspondent (BC) model is considered an important milestone in our country’s financial inclusion strategy. Significant progress has been made since then in terms of increasing penetration in rural areas and improving access for the unbanked and under-banked households across the country. Substantial progress in opening of BSBD Accounts and coverage of villages has been made thus far. However, dormant agents and inactive accounts pose critical challenges. Replicable and sustainable business models of BCs are yet to evolve.

NABARD’s SHG Bank Linkage Programme has supported the formation of SHG networks with extensive geographical coverage and client outreach through more than 76.97 lakh SHGs, covering about 10 crore households across the country. The programme focuses on developing the capacity of group members and member-based institutions to manage money and financial services and to connect the community to formal financial institutions.

Convergence of BC based financial inclusion initiatives with SHG networks may hold some answers to the current challenges in financial inclusion.

In 2012, under a joint NABARD-GIZ programme, it was decided to connect these two approaches with an objective to improve the integration of bank agents into the community by appointing SHG members as agents and calling them Bank Sakhis. The underlying assumption was that by having agents who are part of, and selected by the community, the uptake and usage of financial services by other community members would increase and that Bank Sakhis would become an integral part of the financial inclusion drive.

This approach has been tested with two pilots conducted in geographically diverse locations of Uttar Pradesh and Madhya Pradesh. While in Uttar Pradesh the pilot was being implemented through Gramin Bank of Aryavart, it was being implemented through Narmada Jhabua Gramin Bank in Madhya Pradesh. The experience from both the pilots had demonstrated better performance for Bank Sakhis vis-à-vis the conventional BCs in terms of lower dormancy, fewer inactive accounts and lower agent attrition.

2. OBJECTIVE

Integrating the SHG movement into the financial inclusion drive and utilizing the existing infrastructure of groups, federations and supporting agencies and improving the quality of financial inclusion efforts by establishing sustainable business models for the agents.

ADVANTAGES OF SHG MEMBERS AS BANK AGENTS

- The SHG members are integrated into the community (through their own group-level and village-level organisations) and the other community members know and trust them. They are also more likely to stay within the community and not migrate for other job opportunities.
The SHG members possess **fundamental financial literacy** and are used to dealing with money (their own and group members). They also have experience working with banks and other financial institutions.

The SHG members are mostly **women** and are generally perceived as **more responsible and trustworthy** with money. These women are also able to tap women - a part of the population which is mostly financially excluded, but provides the highest potential.

Credit delivered under SHG Bank Linkage Programme and its repayment can be channeled through Bank Sakhis. Therewith, banks not only keep track of credit flows but also ensure the **migration of SHG-based transactions to the BC channel**. This also ensures that the funds remain with the bank for a longer time post-disbursement (in savings accounts of the group or its members).

3. **DECIDING ON THE PARTNERSHIP MODEL**

There could be different options available to set up and implement the best partnership model. A list of such models is given below. This list, however, is not exhaustive.

1. Bank directly appoints and manages SHG members as Bank Sakhis based on selection
2. Bank appoints SHG federations or Self Help Promoting Institutions (SHPIs) as Corporate BCs. The SHG federation/SHPI appoints and manages the selected members as Bank Sakhis.
3. Bank appoints Corporate BCs. On behalf of the bank, the Corporate BC appoints and manages SHG members as Bank Sakhis.
4. Bank appoints Corporate BC, who then appoints and manages SHG federation or SHPI as sub-BC. The SHG federation/SHPI appoints and manages SHG members as Bank Sakhis.

In order to implement the model, a partnership between different stakeholders is required and is the key to its success. NABARD will conduct the initial meeting of the stakeholders (i.e. Bank, Corporate BC & Technical Service Provider) that will be held at the state/regional-level in case of RRBs and at national level in the case of Commercial Banks. The subsequent meeting will be held by the Bank with its Corporate BC, TSP as well as SHPIs/SHG Federations that are working in likely project area. In case of need, NABARD can be approached for extending its support in the form of expertise in the area.

Essential partners are the **BANK**, who would like to engage SHG members as their agents and the **SHG members** who get appointed as Bank Sakhis in the form of Customer Service Points (CSPs) for the bank. In many cases, the bank works with a **Corporate BC** who acts as aggregator of CSPs and manages them. Depending upon the model selected, **SHG federations and/or Self-Help Group Promoting Institutions (SHPIs)** could also support the Bank Sakhis and play a crucial role.

Another critical stakeholder is the **Technology Service Provider (TSP)** which is present in all the four options. Its main role is to provide technology integration support to the bank. TSP’s key responsibilities is to ensure seamless transactions, manage the FI server and gateway, generate MIS reports as per the bank’s needs, upgrade technology and
troubleshoot technology issues (hard/software as the case may be). In some cases, the TSP and Corporate BC could be a single entity.

It is up to the partners and their context to decide on the best partnership model. This decision will influence the respective roles and responsibilities of stakeholders as well as the processes to be implemented. The partners need to carefully weigh the pros and cons of the different options and select the one which is most suited for their overall strategy and the local context. In all the models, the stakeholders and the partners are closely interlinked with each other and therefore, irrespective of the formal partnership model, all stakeholders interact with each other while performing their functions.

The different models are discussed in detail in *Annexure I to IV*. It may be noted that these models are indicative in nature and that other models may evolve as per need.

**4. CHOOSING FRONT END TECHNOLOGY**

There are different front-end technology options available to deliver financial services through the BC channel. The most common solutions include the use of laptops/desktops under the kiosk model and handheld devices (microATMs, mobile phones and tablets) for doorstep service delivery. While choosing the front-end technology, several factors have to be taken into consideration:

- Cost of technology (initial investment costs plus operational and maintenance costs)
- Portability (fixed station vis-à-vis delivery at the door)
- Service delivery complexity (which determines the training needs for the Bank Sakhis and the products/services that can be delivered)
- Maintenance (including battery life, troubleshooting and support facilities)

**5. SETTING UP BANK-SAKHI NETWORK**

The different phases and related processes needed to deliver ICT-based financial services through the Bank Sakhi model can be divided into two phases, i.e. **inception** and **execution**.

**5.1 Inception**

The processes involved in this are: (a) Selection of Stakeholders, (b) Stakeholder consultations and agreement and (c) Development of operational processes.

(a) **Selection of Stakeholders**

This will involve selection of institutions to partner with, i.e. Corporate BC, SHPI and/or SHG Federation.

(b) **Stakeholder consultations and agreement**

During the conceptualization of the project, all stakeholders (bank, BC, TSP, etc.) are consulted about the **rationale, objective and proposed outcome** under this approach.
A formal joint meeting is held to decide upon the terms of agreement and roles and responsibilities. In order to formally agree on various points such as

- Objectives, targets and timelines for the project
- Roles and responsibilities of each stakeholder
- Standard operating procedure
- Revenue sharing between the partners
- Taxes and duties to be paid as well as respective clauses for indemnity, audit and jurisdiction of each stakeholder.

(c) Development of Operational Processes

Stakeholders draw up the project implementation plan with documentation of step-by-step process for the delivery and management.

5.2 Execution

This would involve:

(a) Finalize the area villages from which the Bank Sakhis need to be selected.

(b) Selection of Bank Sakhis - shortlisting of potential SHG members who can become Bank Sakhis. The steps involved in the selection process could be:

1. Identification of SHG members based on members’ details in SHG data/recommendations from the field staff
2. Interview of potential members,
3. Reference checks with other SHG members/community members
4. Assessment of shortlisted candidates and
5. Final selection of the SHG member to be appointed as Bank Sakhl.

(c) On-boarding of Bank Sakhi - complying with the terms and conditions set by the bank and Corporate BC/TSP. Depending upon bank’s process/policy, this would include:

1. Opening of a fixed deposit and current account with OD facility
2. Security deposit, if any
(3) Agreement by the Bank Sakhi with the BC that will be covering roles, responsibilities, commercials, etc.
(4) Delivery of enrolment kit and other business tools with required software on the device to the Bank Sakhi,
(5) Providing branding material to the Bank Sakhi, and
(6) Training of Bank Sakhis, etc.
   (d) Training of Bank Sakhis/field staff of SHPI/Corporate BC. The training would cover different aspects, viz.,
(1) Roles and responsibilities of Bank Sakhis and those of other stakeholders,
(2) Technical training on how to use the device and deliver services
(3) Different services the Bank Sakhi could offer as Business Facilitator,
(4) Financial literacy, etc.
(e) Transaction Management - maintenance of registers
(f) Monitoring - The monitoring areas can be
(1) Performance
(2) Processes
(3) Customer service
(4) Outreach
(5) Record keeping and
(6) Liquidity/cash management

The training needs and financial support related to different models are discussed in detail in **Annexure V and VI**.

6. ENSURING THAT THERE IS A BUSINESS CASE

To achieve the objective of ensuring greater financial inclusion and increasing the outreach of the banking sector, the BC model is being promoted by the Government and RBI. In order to make this model viable in the long run, it is very important that the model is financially sustainable. To achieve this, it is crucial to ensure that all the stakeholders in the ecosystem make enough money to sustain their operations. The two critical aspect of the business case for stakeholders especially the Bank Sakhis and the Federation/SHPI are (i) commission structures and (ii) products and services offered.
Annexure I

Model 1: Bank manages individual SHG members as Bank Sakhis

In Model 1, there are only **two stakeholders:**
- The **bank** which directly appoints and manages the SHG members as Bank Sakhis
- The **Bank Sakhis** who will work as CSPs for the bank and are directly dependent on their link branch for all kinds of operational support. Table below elaborates Model 1.

**An overview of Model 1**

<table>
<thead>
<tr>
<th>Tasks</th>
<th>Bank</th>
<th>Bank Sakhis</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Selection of unbanked/under-banked villages</td>
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<tr>
<td>2. Selection and recruitment of Bank Sakhis</td>
<td></td>
<td></td>
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<tr>
<td>a. Identification of SHG members as Bank Sakhis</td>
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<td></td>
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<tr>
<td>b. Induction and on-boarding of Bank Sakhis</td>
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<tr>
<td>c. Training of Bank Sakhis</td>
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<tr>
<td>3. Support Bank Sakhis in order to increase financial awareness</td>
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<tr>
<td>a. Introduction of Bank Sakhis to the village</td>
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<tr>
<td>b. Organise financial awareness and literacy camps</td>
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<td></td>
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<tr>
<td>c. Organise enrolment camps</td>
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<tr>
<td>4. Provide cash management support to the Bank Sakhis</td>
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<tr>
<td>5. Monitoring of Bank Sakhis</td>
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<tr>
<td>a. Monitor the performance of the Bank Sakhis</td>
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<tr>
<td>b. Monitor registers and cash books maintained by the Bank Sakhis</td>
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<tr>
<td>c. Monitor the customer service delivered by the Bank Sakhis</td>
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<tr>
<td>6. Technology deployment and technical support</td>
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<tr>
<td>a. Deployment of ICT-based enrolment and transaction kits</td>
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<tr>
<td>b. Training of Bank Sakhis on usage and maintenance of the kits</td>
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<td>c. Technical support for troubleshooting</td>
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<tr>
<td>7. Risk Management</td>
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<tr>
<td>a. Insurance of enrolment and transaction kits</td>
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<tr>
<td>b. Insurance of cash-in-transit</td>
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<tr>
<td>c. Audit of Bank Sakhis’s location and transactions</td>
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<tr>
<td>8. Redressing grievances and customer support</td>
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<tr>
<td>a. Resolution of customer complaints and grievances</td>
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<tr>
<td>b. Take feedback from customers on a regular basis</td>
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</table>
Responsibility Matrix

All roles related to appointment, management and monitoring of Bank Sakhis are performed by Bank. The TSP is not included here since it is common across all models. The key role of TSP is to provide back-end technology support as well as capacity building with respect to how to handle technology.

Pros and Cons

<table>
<thead>
<tr>
<th>Pros</th>
<th>Cons</th>
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<tbody>
<tr>
<td>Direct control and monitoring of the Bank Sakhis’ performance and customer service levels leading to better control over quality for the bank.</td>
<td>‡ Difficult to scale up as it requires higher investment (human and financial) from the bank’s side to identify, train and manage the Bank Sakhis.</td>
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<td>Higher commissions for the Bank Sakhis since there are no intermediaries.</td>
<td>‡ Possibility of poor management in case the bank branches are understaffed or not trained properly on various aspects of the BC model.</td>
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<td>Direct communication with Bank Sakhis and less likelihood of miscommunication.</td>
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<tr>
<td>Prompt escalation and resolution of issues raised by Bank Sakhis or customers as there is no dependence on third parties.</td>
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<tr>
<td>Better control over technology design, maintenance and improvement through Bank.</td>
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</table>

Notes

On-boarding refers to the process of setting up the necessary equipment and resources for the CSP to start operations. This includes setting up the hardware and software, providing CSP ID for accessing the banking software and providing banner/certificate authorizing the CSP to work on behalf of the bank.
Model 2: SHG federation or SHPI as corporate BC

In Model 2, **three stakeholders** are involved:

- **The bank**, which appoints **SHG federation or SHPI as the corporate BC**, who in turn appoints Bank Sakhis from their federation members and trains and supports them in a continuing manner.
- **The Bank Sakhis**, who will coordinate with the SHG federation/SHPI in addition to their linked bank branch for operational support.

At the federation level, the partner could be either an SHG federation or an SHPI or an SHG federation which is supported by an SHPI. The selection will depend on who is stronger and more suitable to become corporate BC in the local context. Table below gives an overview of Model 2.

**An overview of Model 2**

<table>
<thead>
<tr>
<th>Tasks</th>
<th>Bank</th>
<th>SHG Federation/SHPI</th>
<th>Bank Sakhi</th>
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<tbody>
<tr>
<td>Selection of unbanked/under-banked villages to be covered</td>
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<tr>
<td>Selection and recruitment of Bank Sakhis</td>
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<tr>
<td>a. Identification of SHG members as a Bank Sakhi</td>
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<tr>
<td>b. Induction and on-boarding of Bank Sakhis</td>
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<td>c. Training of Bank Sakhis</td>
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<tr>
<td>Support Bank Sakhis to increase financial awareness</td>
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<tr>
<td>a. Introduction of Bank Sakhis to the village</td>
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<td>b. Organise financial awareness and literacy camps</td>
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<td>c. Organise enrolment camps</td>
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<tr>
<td>Provide cash management support to the Bank Sakhis</td>
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<tr>
<td>Monitoring of Bank Sakhis</td>
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<tr>
<td>a. Monitor the performance of Bank Sakhis</td>
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<td>b. Monitor the registers/cash books maintained by Bank Sakhis</td>
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<tr>
<td>c. Monitor the customer service delivered by Bank Sakhis</td>
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<tr>
<td>Technology deployment and technical support</td>
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<tr>
<td>a. Deployment of Information and Communications Technology (ICT) based enrolment and transaction kits</td>
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<tr>
<td>b. Training of Bank Sakhis on usage and maintenance of the kits</td>
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<tr>
<td>c. Technical support for troubleshooting</td>
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</tbody>
</table>
7. Risk Management
a. Insurance of enrolment and transaction kits
b. Insurance of cash-in-transit
c. Audit of Bank Sakhi’s location and transactions

8. Redressing grievances and customer support
a. Resolution of customer complaints and grievances
b. Take feedback from customers on a regular basis

Responsibility Matrix

The roles related to appointment management and monitoring of Bank Sakhis are shared by the bank and SHG federation/SHPI. The SHG federation will be the first point of contact for Bank Sakhis. The TSP is not included here since it is common across all models. The key role of TSP is to provide back-end technology support as well as capacity building with respect to how to handle technology.

Pros and Cons

<table>
<thead>
<tr>
<th>Pros</th>
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</thead>
<tbody>
<tr>
<td>✅ SHG federation/SHPI has access to local socioeconomic knowledge and can build trust with the community.</td>
<td>✅ The bank is dependent on the SHG federation/SHPI to achieve Financial Inclusion goals.</td>
</tr>
<tr>
<td>✅ Banks can manage the Bank Sakhis effectively by leveraging the capacity of the SHG federation/SHPI.</td>
<td>✅ The commission for the Bank Sakhis reduces as the SHG federation/SHPI will charge for their services.</td>
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<tr>
<td>✅ The additional revenue stream could result in the financial sustainability of the federation.</td>
<td>✅ Investment (time and resources) is required to build the capacity of the federation if they do not have the BC management skills.</td>
</tr>
<tr>
<td>✅ SHG federation/SHPI can route the group transactions through the Bank Sakhis, thus reducing cash management cost and increasing transaction volumes for the Bank Sakhis.</td>
<td>✅ There is a need to partner with multiple federations/SHPIs as most of them have limited geographical presence, and hence have limited scope for upscaling with one federation in comparison to Models 3 and 4.</td>
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<tr>
<td>✅ The local SHG federation/SHPI can provide more intensive regular support to the Bank Sakhis.</td>
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Annexure III

**Model 3: Corporate BC directly manages SHG members as Bank Sakhis**

Model 3 comprises **three stakeholders**:
- **The bank**, which appoints a **corporate BC** who appoints and manages a network of Bank Sakhis
- **The Bank Sakhis**, who will coordinate with the corporate BC in addition to linking to the bank branch for operational support

### An overview of Model 3

<table>
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<tr>
<th>Tasks</th>
<th>Bank</th>
<th>Corporate BC</th>
<th>Bank Sakhi</th>
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<tbody>
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<td>3. Support Bank Sakhis to increase financial awareness</td>
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<tr>
<td>c. Audit of Bank Sakhi’s location and transactions</td>
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<td>8. Redressal of grievances and customer support</td>
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<tr>
<td>a. Resolution of customer complaints and grievances</td>
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<td>b. Take feedback from customers on a regular basis</td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>
Responsibility Matrix

The roles related to appointment, management and monitoring of Bank Sakhis are shared by the bank and Corporate BC. The TSP is not included here since it is common across all models. The key role of TSP is to provide back-end technology support as well as capacity building with respect to how to handle technology.

Pros and Cons

<table>
<thead>
<tr>
<th>Pros</th>
<th>Cons</th>
</tr>
</thead>
<tbody>
<tr>
<td>❗️ Corporate BCs generally have a state-wide presence and can easily scale-up.</td>
<td>❗️ Corporate BCs may not have had experience of working with SHGs.</td>
</tr>
<tr>
<td>❗️ Corporate BCs work with multiple banks, and have the resources and competence for BC agent management.</td>
<td>❗️ Corporate BCs might not have detailed information about individual SHG member performance; hence the selection will be difficult.</td>
</tr>
<tr>
<td>❗️ Monitoring and risk management functions are stronger in the case of corporate BCs, so there is no need for banks to oversee the operations directly.</td>
<td>❗️ Since the corporate BC does not have a relationship with the community, gaining customer trust might be difficult.</td>
</tr>
</tbody>
</table>
| ❗️ In comparison to SHG federation/SHPI, Corporate BCs, generally, do not provide intensive field support to BC agents. | }
Annexure IV

Model 4: Corporate BC appoints SHG Federation/SHPI as sub-BC

Model 4 has four stakeholders:
- The bank appoints a corporate BC who in turn appoints an SHG federation/SHPI as their sub-BC.
- The SHG federation/SHPI appoints and manages selected Bank Sakhis with support from the corporate BC and bank.

An overview of Model 4

<table>
<thead>
<tr>
<th>Tasks</th>
<th>Bank BC</th>
<th>Corporate BC</th>
<th>SHG Federation / SHPI</th>
<th>Bank Sakhi</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Selection of unbanked/under-banked villages to be covered</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Selection and recruitment of Bank Sakhis</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>a. Identification of SHG members as Bank Sakhis</td>
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</tr>
<tr>
<td>b. Induction and on-boarding of Bank Sakhis</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>c. Training of Bank Sakhis</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Support Bank Sakhis to increase financial awareness</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Introduction of Bank Sakhis to the village</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. Organise financial awareness and literacy camps</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>c. Organise enrolment camps</td>
<td></td>
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<tr>
<td>4. Provide cash management support to the Bank Sakhis</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>5. Monitoring of Bank Sakhis</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Monitor the performance of Bank Sakhis</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. Monitor the registers and cash books maintained by Bank Sakhis</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>c. Monitor the customer service delivered by Bank Sakhis</td>
<td></td>
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</tr>
<tr>
<td>6. Technology deployment and technical support</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Deployment of ICT-based enrolment and transaction kits</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. Training of Bank Sakhis on usage and maintenance of the kits</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>c. Technical support for troubleshooting</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
7. Risk Management
   a. Insurance of enrolment and transaction kits
   b. Insurance of cash-in-transit
   c. Audit of Bank Sakhis location and transactions

8. Redressal of grievances and customer support
   a. Resolution of customer complaints and grievances
   b. Take feedback from customers on a regular basis

Responsibility Matrix

The roles related to appointment, management and monitoring of Bank Sakhis are shared by the bank, Corporate BC and the SHG Federation/SHPI. The day to day operational support is provided by the SHG federation/SHPI. The TSP is not included here since it is common across all models. The key role of TSP is to provide back-end technology support as well as capacity building with respect to how to handle technology.

Pros and Cons

<table>
<thead>
<tr>
<th>Pros</th>
<th>Cons</th>
</tr>
</thead>
<tbody>
<tr>
<td>✅ Corporate BC can transfer the operational day-to-day support and monitoring responsibilities to the SHG federation/SHPI which has local resources. ✅ SHG federations/SHPIs have access to local socio-economic knowledge and can build trust with the community. ✅ The existing human resources for managing the SHG federation/SHPI work can be leveraged to manage the Bank Sakhis. ✅ SHG transactions can be routed through the Bank Sakhis; thus, increasing transparency for bank and reducing cash management costs for the SHG federation/SHPI.</td>
<td>✅ The bank is dependent on the SHG federation/SHPI and BC to achieve FI goals. ✅ The commission for Bank Sakhis is less as SHG federations/SHPIs and BCs will charge for their services. ✅ Investment (time and resources) is required to build the capacity of the SHG federation/SHPI if they do not have the agent management skills. ✅ There is a need to partner with multiple SHG federations/SHPIs as most of them have limited geographical presence (sometimes a few villages, blocks or districts in a state) and hence, have limited scope for upscaling with one federation (compared to Model 3).</td>
</tr>
</tbody>
</table>
Annexure V

Training Structure

1. Master Trainers

The master trainers are the most important link in the implementation of the Bank Sakhi model. The master trainer has to be a one stop point from where the whole training activity will be co-ordinated and monitored. For this, the master trainer has to be a know-all resource. The areas, with which the master trainer has to be conversant as far as this project is concerned, are as follows:

a. Bank Sakhi Model
b. Stakeholders involved keeping in view the prevailing ecosystem and their role and responsibility
c. Various areas covering Bank Sakhi training - technical as also non-technical. (these would, in general, include, understanding BC and BC environment, how to use and maintain microATM/POS machine, how to conduct transactions, maintenance of records and proper cash management, various financial products of bank, BF activities to be handled by Bank Sakhi, registers to be maintained and reports to be submitted, incentive structure for Bank Sakhi, etc.)
d. Various processes - client enrolment, back-end activities at branch/bank level, card distribution, etc.
e. Co-ordination with all stakeholders

2. Corporate BC and TSP

Corporate BC is appointed by the Bank to further Financial Inclusion. Banks also engage Technology Service Provider (TSPs) who provide technology solution. While in some cases, the Corporate BC and Technology Service Provider are the same entity, in the other cases, they are separate entities.

The Corporate BC engages BC Agents/CSPs and monitors their activities. It is expected that the Corporate BCs would engage Bank Sakhis as BCAs/CSPs.

The Technology Service Provider would provide hands on training to Bank Sakhis in the operation of micro ATM/POS/Other HHDs as also provide support in case of problems with machines/HHDs.

3. SHG Federation/SHPI

The SHGs form federations at various levels, i.e. at village level it is called Village Level Association; at Block level, it is called Block Level Association and at District level it is District Level Association/ Federation. The role of the Federation/SHPI is to

(i) Strengthen SHGs through providing a forum for regular interaction and networking,
(ii) Disseminate information to SHGs, and
(iii) Undertake such activities that benefit the SHGs and communities but cannot be taken up by individual SHGs on their own, etc.
Wherever federations are available, an “FI committee” at the block level may be there or can be set up for developing capacities to support Bank Sakhis and set up monitoring system. There could be 3 to 5 persons in the “FI committee” who also need to be trained as regards their role and responsibility.

4. Bank Sakhis

They are the main drivers of financial inclusion. For providing effective services in the villages, it is important that the Bank Sakhis are well equipped to offer the services. Their training and capacity building is crucial. The main areas of their training would cover the following:

a. Understanding BC and their environment
b. Activities and responsibilities
c. How to use and maintain microATM machine
d. How to conduct transactions - step by step
e. Maintaining records and proper cash management
f. Understanding various financial products of the bank
g. Responsibility of a Bank Sakhi as a Business Facilitator (BF)
h. Understanding incentive structure for Bank Sakhi
i. Providing advice and counselling to customers
j. Registers to be maintained, reports to be submitted.

It will be the responsibility of the Bank, Corporate BC/TSP, SHG Federation to provide support, guidance and handholding in the initial phase of their work.

5. Bank

Bank is the provider of basic banking services to the people in remote areas through the BC Agents. The role of bank in the overall strategy of financial inclusion is very important. The image of the bank is, to a large extent, dependent on the services provided by BC Agents. The bank has to take several steps, as follows:

a. Take a decision to own up and implement the Bank Sakhi model looking to its advantages
b. Identify the project area where a network of Self Help Groups is available
c. Initiate dialogue with the Corporate BC and Technology Service Provider for enrolling the Bank Sakhis and providing training
d. Wherever SHG federations are existing, rope them in for selection of suitable Bank Sakhis
e. Decide commercials for each of the stakeholders and formalize the arrangement through agreement/s.
f. Identify suitable BF activities to be entrusted to Bank Sakhis which will reduce work at branch level and will also augment the income of Bank Sakhis.
g. Develop suitable mechanism to address day-to-day problems, general or related to micro ATM/POS.
h. Develop a system for timely payment of commission/remuneration to banks
i. Sensitize branch managers/branch staff to give full support and co-operation to Bank Sakhis.
Annexure VI

Financial Support

Financial support for the following activities will be available from the Financial Inclusion Fund:

a. **Training of Master Trainers** - A pool of Master Trainers comprising officials from the Bank, and representatives of SHG Federation/SHPI would be created by imparting them training. It is proposed to conduct training to Master Trainers at Bankers’ Institute of Rural Development (BIRD), Lucknow. Duration of the training would be five days. The support will be directly provided to BIRD.

The number of Master Trainers is kept at 5 (five) trainers per bank in the case of RRBs. The number in the case of commercial banks could be more on account of larger area/States to be covered by them. The minimum batch size of Master Trainers to be trained should be 25-30. Any commercial Bank can even consider having a full batch of their own officials based on requirements. In case of SHG Federations/SHPI a group of representatives from each state based on requirement would be trained who in turn would take the responsibility of training project staff of Federations and SHPIs.

b. **Sensitization of Branch Managers/Staff and Corporate BC representatives** - The Bank Sakhi will be linked to a particular branch in whose area the services will be provided by her. The branch managers/staff should have conceptual clarity as to their role required to be played by them. The training of corporate BCs is also a necessity because they are an important stakeholder and would be ultimately dealing with the Bank Sakhis for day to day operations. Moreover, the role of corporate BCs would be more important where federations and SHPIs are not present. Programmes for them for two days is proposed. The training can be conducted by Master Trainers in the Bank’s head office/training centres.

c. **Training of Project Staff of Federation/SHPI** - Wherever the Block level Federation of SHGs or an SHPI at Block level is available, it would be better to involve them. These federations/SHPIs have to form an “FI committee” with 3 to 5 members. The role of the committee is to coordinate with the branch staff of the bank, Bank Sakhis for the planning and execution of financial awareness programmes, enrollment, deployment of ICT hardware, transaction etc. in the project villages and Corporate BC representatives. A two day training/sensitization programme for the members of the committee has been envisaged. This training will be given by the master trainer, locally. Maximum support @ Rs. 1000/- per person per day will be provided for such programmes.

d. **Training of Bank Sakhis** - Training of Bank Sakhis is the most important link in the Bank Sakhi model. A well-equipped Bank Sakhi can provide excellent service to the villagers. The training module of Bank Sakhi would be comprehensive covering all the aspect of banking services. Training of 5 days is proposed staggered into training of 3+1+1 days keeping in view the absorptive capacity of Bank Sakhis. Maximum support @ Rs. 1000/- per person per day will be provided for conducting the training programme. A batch of a minimum of
20 Bank Sakhis would be required to have the desired economy of scale. Training can be conducted in Bank’s training centre or in a centrally located village.

e. **Compensation for Project Staff** - Normally, the SHG Federation/SHPI is to be compensated for the services it renders to Bank Sakhis through “FI Committee” from the commission/remuneration paid to the Bank Sakhi. A formal arrangement is also to be made between the concerned parties, i.e. the Corporate BC, Bank Sakhi and the Federation deciding the rates/amounts which the Bank Sakhi would share with the Corporate BC and the SHG Federation/SHPI. It is presumed that the commission/remuneration of Bank Sakhi would take some time to stabilize as she stabilizes in her work, say 6 months or so. Therefore, a provision of compensating the Federation @ Rs. 500/- per Bank Sakhi per month for a period of 6 months has been made. It is felt that a maximum of 20 Bank Sakhis can be managed by a Project Staff, thus earning him/her around Rs. 10,000/- per month. Thereafter for the support provided by the Federation, a commission sharing mechanism has to be in place between Corporate BC, SHPI/Federation and Bank Sakhis.

f. **Support for micro ATMs** - Support as per the existing scheme for microATM will continue in the case of RRBs for procuring microATMs for Bank Sakhis. In case of commercial banks, support will be extended for procuring microATMs only in respect of Bank Sakhis to be appointed by the bank. The support to commercial banks will be 60% of the cost of microATM or Rs. 25,000/-, whichever is less.

**APPLICABILITY**

As indicated, there could be different models available/prevalent at ground level. Depending upon the stakeholders available, the training/orientation module would be used for imparting training to the concerned stakeholder.

Co-ordination is the key to the success of the model.
Annexure VII

Model Agreements

The three agreements/MoUs given in this annexure are illustrative in nature. Banks/Corporate BCs are free to make necessary changes based on their specific requirements without changing the basic spirit of the Project.

BIPARTITE AGREEMENT FOR

_________________________ Bank Kiosk Banking

This agreement is executed on this ______ day of _______ 20__ at ______ by and between ________, a company incorporated under the __________________ Act, 19___/_________ and having its office at __________________________ hereinafter referred to as __________________ or Corporate BC (which expression shall, unless repugnant to the context or meaning thereof, shall be deemed to mean and include its successors and assigns) of the first part.

AND

M/s. _________________, Federation of Women Self Help Groups (SHGs), comprising SHG institutions, having its office at ___________________________________, hereinafter referred to as “______” or Sub-BC (which expression shall, unless repugnant to the context or meaning thereof, shall be deemed to mean and include its successors and assigns) of second part

WHEREAS

__________ (Corporate BC) is engaged in the business of providing ICT_______, ________, and also working as Corporate Business Correspondent (BC) for _____________________________ Bank, a Regional Rural Bank (RRB) sponsored by _________________, having its office at __________________________. Presently ___________________________ Bank is operating in ____ districts with more than _______ branches. (Lines may be suitably amended for Commercial Banks.)

_______ (Sub-BC) will work as Sub-BC of ___________ (Corporate BC) for ___________ Bank’s Business Correspondent services for the beneficiary/customer in the said geographical location for which it is appointed. _______ (Sub-BC) will recommend ___________ (Corporate BC) for Customer Service Points (CSPs) or BC agents who are the members of existing Self-help groups and are selected through their respective SHG clusters.

In 2014, ________________________________ Bank decided to go with the pilot project, under the guidance of GIZ-NABARD Rural Financial Institutions Programme where SHG members work as Bank Agents (CSPs) or Bank Sakhis with the support of Federations. The first few Bank Sakhis were appointed in _____________ District in ________________ (month/year). _________________________________, a district level
federation of SHGs, supports the Bank Sakhis deployed in first phase in __________ in __________ (month/year). ____________ Bank extended the project to __________ district and few other locations where the Bank Sakhis are supported by the SHG Federation ____________________ (name of the Federation). The ____________ Bank applies the kiosk model and the Bank Sakhis are using laptops for their operations. Since __________ (month/year), Sakhis can choose between laptops and micro ATMs for their operations.

__________ (Sub-BC) has shown interest in becoming Sub Business Correspondent (Sub BC) of __________ (Corporate BC) for __________ Bank’s Business Correspondent services for the beneficiary/ customer in the said geographical location for which it is appointed. ________ (Sub BC) will recommend __________ (Corporate BC) for Sub BC Agents (Bank Sakhis) who are the members of existing Self Help groups and get selected through their respective SHG clusters. The BCAs would carry out banking services on behalf of __________ Bank as sub agents of __________ (Corporate BC) to the whole community around them.

BC Agents (Bank Sakhis) have approached ________ (Corporate BC) with absolute willingness to become its Bank Sakhi for providing services to the client beneficiary of __________ (Corporate BC) through establishment, operation and management of the services to public either by using Point of Sale (POS) machine to be provided by bank or using normal Biometric device.

Bank Sakhi knows that in case of Point of Sale (POS) machine the same is to be provided by the bank (i.e. ________) free of cost to it and in case of normal biometric device then ______ (Corporate BC) will charge appropriate fees for the same for providing/delivery BC/BF related services to the customers. In case any technical problem or issue arises in the POS machine then Technical Service Provider (TSP) of the bank (i.e. _________________ {name of TSP}) will solve all the said issues and ____________ (Corporate BC) has nothing to do about it and in case of normal biometric device we will provide the solutions.

__________ (Sub-BC) and Bank Sakhi will have to strictly adhere to and comply with all the guidelines, instructions, time frames, targets, commission structure etc. provided by ________ (Corporate BC) and/or the bank from time to time and their amendments, if any.

Roles and Responsibilities :

The ____________ (Corporate BC) and __________ (Sub-BC) will broadly perform the following roles and responsibilities towards achieving the financial inclusion goals.

Roles and Responsibilities of ____________ (Corporate BC) :

• Conduct quarterly, half yearly and annual business planning with the federations on meeting financial inclusion goals and upscaling (number of Bank Sakhis/CSPs)
• Conducting on-boarding training of the federation for 2-3 days to fulfil its function and thereafter on need basis as technology and new financial products evolved
• Define operational processes for federations and Bank Sakhis should adhere to
• Facilitate the process of recruitment and on-boarding of Bank Sakhis (prepare and execute the agreement, generate IDs, capture biometrics, and set up software/hardware, provide initial training)
• Support federations to organize training programs for the Bank Sakhis/CSPs on enrolment, transaction, BF activities, Apna CSC, cash management, technology upgradation, products as decided by bank and provided by its technical service provider
• Provide training to the Bank Sakhis regarding handling of technology kits and troubleshooting basic technical problems and enrolment transaction processes through their in-house training department
• Monitor the activities of the federation and Bank Sakhis from time to time and ensure quality control
• Provide helpdesk for Bank Sakhi queries, escalation matrix as per defined service level agreements with the Bank
• Provide technical troubleshooting in the field whenever required (either through personal visit or team viewer)
• Coordinate with the technology service provider for all technical issues and upgradations required
• Support (through district managers) Bank Sakhis to mobilise local resources/contacts and create awareness.
• Share MIS reports and related performance indicators of Bank Sakhis with _________ (Sub BC)
• Processing commission within pre-defined TAT (date) (by 7th of next month)

Roles and Responsibilities of ______________________ (Sub-BC)
• Develop operational and upscaling plan to fulfill the goals agreed upon with _________ (Bank) and _________ (Corporate BC)
• Set up Financial Inclusion Committee (FI Committee) to perform strategic and operational functions related to promotion of formal financial services through Bank Sakhis.
• Facilitate selection and recruitment of Bank Sakhis from amongst SHG members in consultation with the _________ (Corporate BC) and ______ Bank (head office, regional office and respective link branches) in accordance with agreed process and documentation provided by _________ (Corporate BC)/__________ Bank
• Coordinate with _________ Bank and _________ (Corporate BC) for onboarding of selected Bank Sakhis- opening of OD account of Bank Sakhis, installing laptop/POS devices for enrolment and transaction, branding of the kiosk and resolving issues related to hardware and processing of enrolment forms.
• Facilitate the training programs in coordination with the _________ (Corporate BC) for the Bank Sakhis on enrolment, transaction, cash management, available products, troubleshooting, financial education, book keeping, etc.
• Mobilise community and operationally manage introduction camps for all new Bank Sakhis and also financial literacy and enrolment camps to create awareness about available products/services.
• Provide first level of support to Bank Sakhis for timely service delivery and coordinate with _______ _________ (Corporate BC) to resolve any technical issues.
Monitor quality of customer service at Bank Sakhi level and their book keeping through monitoring visits and interactions with customers.

Conduct refresher training as and when required based on training needs assessment and sensitise Bank Sakhis on the safe keeping and maintenance of the laptop/micro ATM and other equipment.

Recommend to ______ (Corporate BC)/_______ Bank for change of Bank Sakhi as and when required and ensure smooth transition thereon

Coordinate with ________ (Cororate BC) and _________ Bank regarding commission payment of federation and Bank Sakhis.

Share progress reports with ________ (Corporate BC)/_______ Bank as required and according to template provided by ________ (Corporate BC)/_______ Bank

Ensure adherence to the generally accepted and prudent operational practices of book keeping of SHG accounts in the digital mode using dual authentication application (biometric signature, whenever introduced) and ensure seamless migration of the group based transaction to digital model using laptop/micro ATM.

The ________ (Sub-BC) will appoint a full time FI Assistant who will manage the day-to-day operational activities related to financial inclusion. The FI Assistant will be the point person from ____________ (SubBC) who will coordinate with _________ (Corporate BC)/_______ Bank to manage financial inclusion activities. This will be in addition to the role of ______ (Sub-BC) office in community mobilization and further financial inclusion through Bank Sakhis/CSPs and its selected FI committee members.

All branding related material and communication (banners, brochures, etc.) will be co-branded with the name and logo of _________ (Corporate BC), ________ (Sub-BC) and _______ Bank.

**Commercials and Targets**

Revenue generated by the Bank Sakhi will be shared between the Bank Sakhi, ____________ (Corporate BC) and ________ (Sub-BC) in the ratio of 80:10:10 and deducting taxes as applicable.

**Following is the minimum monthly target for ______ (Sub-BC)**

<table>
<thead>
<tr>
<th>S. N.</th>
<th>Service/Products nomenclature</th>
<th>Target in numbers and volume</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Account Opening</td>
<td>___ A/cs per Bank Sakhi</td>
</tr>
<tr>
<td>2</td>
<td>Deposit, UID Deposit and Fund Transfer</td>
<td>___ transactions per Bank Sakhi involving min. amount of Rs..___________</td>
</tr>
<tr>
<td>3</td>
<td>Withdrawal and UID withdrawal</td>
<td>___ per Bank Sakhi, involving min. amount of Rs..___________</td>
</tr>
<tr>
<td>4</td>
<td>Recurring Deposit</td>
<td>___ A/cs per Bank Sakhi</td>
</tr>
<tr>
<td>5</td>
<td>Fixed Deposit</td>
<td>___ FD per Bank Sakhi involving minimum amt. of Rs..___________</td>
</tr>
<tr>
<td>6</td>
<td>Loan Notice Distribution</td>
<td>___ applications per Bank Sakhi</td>
</tr>
</tbody>
</table>
For BC related commission, the __________ (Corporate BC) will raise the invoice to the Bank on behalf of Bank Sakhis and share a copy of the same with _____ (Sub-BC). The ________ (Sub-BC) will share this information with Bank Sakhis/CSPs based on the query received.

For BF (Business Facilitator) related commission, the Bank Sakhis will submit the invoice (containing details of BF related activities completed by them for a month in the format provided ____ Bank) to the FI Assistant of _____ (Sub-BC) on the last working day of each month. The FI Assistant will collect the invoice from all the Bank Sakhis and prepare a consolidated sheet containing Bank Sakhi wise details of BF activities. The FI Assistant will maintain the photocopy of scanned copy of the invoice at the ______ (Sub-BC) office and submit the original copy of the invoice to __________ (Corporate BC) for further processing with the Bank.

The __________ (Corporate BC) will deposit the commission of Bank Sakhis and ________ (Sub-BC) into their respective bank accounts directly. The __________ (Corporate BC) will share the commission calculation sheet with the ________ (Sub-BC) containing details on Bank Sakhi-wise commission paid by the __________ (Corporate BC). This process may undergo change from time to time in accordance with ___ Bank/ __________ (Corporate BC)’s extant guidelines and to suit operational convenience. This process will empower ________ (Sub-BC), offer better monitoring and control over the Bank Sakhis.

The present BC and BF activities commission would be as follows (subject to changes made in the activities and/or commission by the bank from time to time)

**BC Activities and Compensation**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Remuneration for CSP engaged by the Bank (before deduction)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Account Opening</td>
<td>Rs.. ____ per account</td>
</tr>
<tr>
<td>Cash Deposit</td>
<td>___% (Max. Rs.. ____ per transaction)</td>
</tr>
<tr>
<td>Cash Withdrawal</td>
<td>___% (Max. Rs.. ____ per transaction with additional covenant that customer will be charged for third withdrawal onwards)</td>
</tr>
<tr>
<td>Fund Transfer</td>
<td>___% (Max. Rs.. ____ per transaction)</td>
</tr>
</tbody>
</table>

**BF Activities and Compensation**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Remuneration for CSP engaged by the Bank (Before deductions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Offline account opening SB/BSBDA</td>
<td>Rs.. ____ per account</td>
</tr>
<tr>
<td>RD account opening</td>
<td>Rs.. ____ per account</td>
</tr>
</tbody>
</table>
| Term deposits (mobilization) | ___% (Max. Rs._____)  
| (Term deposit should remain with the Bank for minimum ____ months) |
| Loan Disbursement (New Loan) | ___% of the sanctioned and disbursed loan amount |
| NPA Notice Distribution | Rs.____ per notice |
| Recovery of Loans/advances (through regular follow up and term loan accounts only) | (i) written off accounts - ___% of the recovery amount  
(ii) Doubtful accounts - ___% of amount |
| UID seeding | Rs.____ per seeding |
| PMJJBY insurance | Rs.____ per consent form |
| PMSBY insurance | Rs.____ per consent form |

A tripartite Agreement will be signed with all Bank Sakhis between Bank Sakhis, ________ (Corporate BC) and ________ (Sub-BC) and all the working of the Bank Sakhis will be governed by that agreement’s terms and conditions also in addition to this agreement.

### Term and Termination of Agreement

The Agreement shall be valid for a period of _____ years and shall stand automatically renewed for further period of _____ years from the date of expiry on the existing terms and conditions as may be mutually agreed between the ________ (Sub-BC) and ________ (Corporate BC) unless specifically terminated by either of the parties as proposed in the agreement. ________ (Corporate BC) and _____ _____ (Sub-BC) shall have right to terminate the Agreement by giving one month’s notice in writing to the other party.

This bipartite agreement between ________ (Corporate BC) and _____ (Sub-BC) is being signed in order to agree upon mutually agreed roles and responsibilities, commercials and invoice settlement process and other matters.

For _______________ (Corporate BC)  
For _________________ (Sub-BC)

______________________________  
(Signature and stamp)  
Name :  
Designation :  
Place :  
Date :

______________________________  
(Signature and stamp)  
Name :  
Designation :  
Place :  
Date :
This Agreement is made on this _____ the day of _______ 20__ at __________

BETWEEN

________________________, a Company incorporated under the Companies Act, 1956 and having its Registered Office at __________________________________ through its Authorized Signatory, Mr. ____________________, aged ___ years, R/O.___________________, hereinafter referred to as the ___________ (Company) (which repugnant to context shall mean and include its Directors, Administrators, successors-in-interest and permitted assigns as the case may be) of ONE PART

AND

Mrs/Ms. __ D/O or W/O __ aged ___ years R/o Village:- __, Tehsil:- __, District:- __, hereinafter called Bank Sakhi (which expression, unless repugnant to the context and meaning thereof shall mean and include its legal heirs, executors, administrators, successors-in-interest and permitted assigns, as the case may be) of SECOND PART.

DEFINITIONS

A. "Applicable Law" shall mean all laws, rules, regulations, statutes, ordinances, directives/rulings by governmental whether semi/quasi-governmental or regulatory agencies, applicable to the Parties where they are located or doing business or which otherwise apply to the Services.

B. "Bank" shall mean the ________________ (name of the bank)

C. "Bank's Customer" shall mean any person in India who has opened the bank account by using the Kit (defined below).

D. "Bank Sakhi" shall mean and include all individuals contracted with _______ (Company) for providing the Services as mentioned in this Agreement.

E. "Competent Authority" shall mean the Reserve Bank of India and any other competent authority who has or may issue guidelines for industry, trade and NGOs etc for compliance towards execution of Financial Inclusion projects.

F. "Confidential Information" shall mean all documents, information including all financial, statistical, Customer, marketing and personnel data relating to the business and activities of _______ (Company) or Customers disclosed to the Bank Sakhi by _______ (Company) or Customers as well as any software provided by _______ (Company) /TSP to such Bank Sakhi, in connection with this Agreement.

G. "Customer" means an individual residing at the Location and who receives Services from Bank Sakhi.

H. “Parties” means “Bank Sakhi and ___________ (COMPANY)”

I. "Designated Territory" means a territory or area designated by the ___________ (COMPANY) within which an individual Bank Sakhi shall operate.

J. "Force Majeure Event" shall mean and include the following events: wars, hostilities, acts of sabotage, revolutions, insurrection, riots or other acts of public enemy, embargoes, government actions, Bank Actions, fire, earthquakes, storms, lightning, floods, epidemics, rains, strikes, lock-outs, labour disputes or other acts of God and beyond the reasonable control of _______ (COMPANY).

K. "Kit" shall mean the handheld terminal with Camera, Biometric finger printing devices coupled with a printer or any such equipment provided by _______ (COMPANY) to Bank Sakhi to perform the Services at the Location.
1. “Location” shall mean the villages; rural, semi-urban, urban areas; and other areas as specified in the agreement as FI Village.

M. “TSP” means Technology Service Provider, a company incorporated under the Indian Companies Act, 1956 and having its registered office in India (hereinafter referred to as “TSP” which expression shall, unless repugnant to the context or meaning thereof, include its successors and assignees) N. "Services" means the services given below.

1. Enrolment of Indian citizens in villages, rural, semi urban, urban areas and other areas identified by ____________ (COMPANY) by using the Kit as per the instructions given by the Bank.
2. Carrying transactions involving payment, receipt of cash and providing transaction receipts thereto.
3. Providing cash disbursements, cash receipts, carrying out any other banking activity on behalf of ____________ (COMPANY) by using its handheld terminals and related accessories;
4. Providing assistance and guidance to all the Bank’s Customer for carrying out Field Level Banking Activities in the areas defined by the Bank such as given below ; o Authentication of the applications brought in for enrolment; o Verification of primary information / data; o Processing and submission of applications to branches; o Collection of small value deposits, o Disbursal of funds / small withdrawals etc. Only after identification of the recipient.
   o Disbursal of small value credit,
   o Recovery of principal/collection of interest,
   o Sale of micro insurance/ mutual fund products/ pension products/other third party products,
   o Disbursement of All Type of Government Payments like Pension, wages under National Rural Employment Guarantee Scheme (NREGA), etc.
   o Assist in Fund Transfer
   o Assist in ____________ Bill / Utility Payments like payments towards pre-paid recharge, insurance premium, electricity ____________ Bill, water ____________ Bill, telephone ____________ Bill, etc. o Balance Enquiry o Issue of Mini statements
   o Creating awareness about savings and other products, education and advice or managing money and debt counselling, marketing of the financial products including savings/ providing product information, etc. ;
   o Settlement/Reconciliation of the Cash-in-hand balance of the Bank Sakhi with the designated branch within Bank’s cash-retention time limit for Bank Sakhi (default 24 hours) and in her account maintained at that designated branch.
   o Identification of borrowers and fitment of activities;
   o Collection and preliminary processing of loan applications including verification of primary information/data;
   o Processing and submission of loan applications to branches; o Promotion and nurturing Self Help Groups/ Joint Liability Groups; o Post-sanction monitoring;
   o Monitoring and handholding of Self Help Groups/ Joint Liability Groups/ Credit Groups/ others;
   o Follow-up for recovery.
   o Any other service on behalf of the Bank, duly authorized by the ____________ (COMPANY).
5. Other activities as maybe mutually decided between the Parties.
O. "Taxes" shall mean service tax, sales tax, value added tax, income tax or other taxes, applicable to this Agreement by Government time to time.

WHEREAS

A. The ‘___________ (COMPANY)’ is the Business Correspondent for BSFI Sector at the appropriate locations as per its business plans with Bank.

B. the ‘Bank Sakhi’ is in lawful possession of all that part and parcel of House/ location as BC Center situated at Village- __________ ,Tehsil- __________________,Dist- ___________ (State______) 

C. The Bank Sakhi has approached the ___________ (COMPANY) for appointing herself as Bank Sakhi for “Services” at “Location” on Professional Fees / Commission Base.

D. The ___________ (COMPANY) agreed to consider the request of the Bank Sakhi.

E. The ___________ (COMPANY) having considered this BC Center location as suitable location for setting up of Business Agent facility on the request of the Bank Sakhi.

AND WHEREAS, The both parties to this agreement have further jointly agreed to go ahead with the agreement on following terms and conditions:

1. Bank Sakhi hereby agrees that during the term of this agreement, the Bank Sakhi shall not have any option to withdraw from or terminate the Agreement, except as provided herein. This Agreement may be terminated immediately upon notice in writing:
   a) By either party if the other party is in material breach of any of its obligations under this Agreement and fails to remedy the breach for a period of - For ___________ (COMPANY) ____ Days and for Bank Sakhi ____ days - after a written notice by the other party which specifies the material breach.
   b) By either party, if the other party has a receiver appointed, or an assignee for the benefit of creditors, or in the event of any insolvency or inability to pay debts as they become due by the other party, except as may be prohibited by applicable bankruptcy laws.
   c) By TSP/Bank, in the event of a Force Majeure circumstance.
   d) By TSP/Bank upon breach of Confidentiality covenants by Bank Sakhi.

2. Bank Sakhi hereby agrees that the fee shall be payable by ___________ (COMPANY) only when the enrolment record is approved by TSP. Where certain records are rejected by TSP, Bank Sakhi shall ensure to re-enrol the Customer without any additional fee payable by ___________ (COMPANY).

3. Bank Sakhi hereby agrees that one-time processing fee of other activities as maybe mutually decided between the Parties.

4. Bank Sakhi hereby agrees to carry out Field Level Banking Activities in the areas / Location defined by the Bank and Maintain secrecy about "Confidential Information".

5. Bank Sakhi hereby agrees to obey "Applicable Law" and orders issued by “Competent Authority” and “___________ (COMPANY)/ ”Bank” time to time.

6. Bank Sakhi hereby agrees that she will be responsible for the safe keeping of the Kits, hardware and any other asset supplied by Bank/TSP/___________ (COMPANY) for enrolment, transaction or any other activity and will be liable to return in good working condition without any loss or damage to the same to Bank/TSP/___________ (COMPANY) at the time of completion of project or till such period Bank Sakhi is engaged with Bank/TSP/___________ (COMPANY).

7. Bank Sakhi hereby agrees that she will provide a Fix Deposit (lien in favour of Bank) of Amount Rs.. __________ (Rupees __________ only) with the term period of not less than __
year as a security deposit (Refundable) against the kit and overdraft cash facility decided as per orders issued by “Competent Authority” and “___________(COMPANY)”, ”Bank” time to time with Link Branch till this agreement’s duration. The above mentioned Rs._______ is bifurcated such as Rs. _______ will be security deposit for kit and Rs. _______ will be for cash management.

8. **Bank Sakhi** hereby agrees to pay non refundable processing fee of Rs._______, levied to process the agreement preparation activities. This is totally non-refundable one time processing charges for 3 years towards selection, training and agreement.

9. The **Bank Sakhi** hereby agrees that any vulnerability towards PoS device misuse and misconduct will be suo motto taken as threat to operational interest of project. Any action against the misconduct can be taken as per management decision.

10. The **Bank Sakhi** hereby agrees that she will not be a part of any political or non political union and will not indulge in formation of any type of union for forcefully implementing any unethical and undue burden on the company. Any violence in this regard will be treated as negligence to follow the agreement and company may take any strict action and in some case may terminate from the Bank Sakhi activities permanently.

11. The payment made to the CSP is purely on commission basis and should not be considered as monthly salary paid by the company. The Bank Sakhi hereby agrees to work on commission basis and will not claim any permanent job in company on this basis.

**GENERAL**

1. **Right To Inspect** – _____________ (COMPANY), Bank will have the right to inspect Bank Sakhi’s work under this Agreement, at any time during normal working hours. _____________ (COMPANY)’s inspection may be for any reason reasonably related to this Agreement, including assuring Bank Sakhi’s compliance with _____________ (COMPANY)’s requirements.

2. **Non-Restrictive Relationship** - Nothing in this Agreement will be construed so as to preclude _____________ (COMPANY) from appointing other Bank Sakhis to perform Services.

3. **No Publicity** - **Bank Sakhi** agrees not to publicize or disclose to any third party without the prior written consent of _____________ (COMPANY), either the terms of this Agreement or the fact of its existence and execution, or the participation of Customer, except as may be necessary to comply with other Obligations stated in this Agreement.

4. **No Joint Venture** - Nothing contained in this Agreement will be construed as creating a joint venture, partnership, or employment relationship between the parties hereto; nor will either party have the right, power or authority to create any obligation or duty, express or implied, on behalf of the other.

5. **No Assignment** - Unless otherwise agreed in writing by _____________ (COMPANY), Bank Sakhi will not assign or transfer its rights, including through change in control of ownership, or delegate its responsibilities under this Agreement. Any purported assignment or delegation by Bank Sakhi, including the attempted subcontracting of all or any portion of the work to be provided under this Agreement, will be null and void. _____________
(COMPANY) may assign or transfer its rights or delegate its responsibilities or obligations under this Agreement to the surviving entity in a merger or consolidation in which it participates or to a purchaser of all or substantially all of its assets, so long as such surviving entity or purchaser shall expressly assume in writing the performance of all of the terms of the Agreement.

6. **Force Majeure** - Non-performance of either party will be excused to the extent that performance is rendered impossible or delayed by strike, fire, flood, governmental acts or orders or restrictions or other similar reason where failure to perform is beyond the control of and not caused by the negligence of the non performing party (“Force Majeure”), provided that the nonperforming party gives prompt notice of such conditions to the other party and makes all reasonable efforts to perform. Should a circumstance of Force Majeure last more than _____ (   ) days, ____________ (COMPANY) may by written notice to Bank Sakhi terminate this Agreement.

7. **Compliance with Laws** - Bank Sakhi will perform its activities under this Agreement in compliance with all applicable federal, state, and local government requirements, including environmental, licensing and permit laws, rules, regulations, orders and ordinances.

8. **Notices** - All notices within Time Limits - for ______________ (COMPANY) ___ Days and for Bank Sakhi _____ days - required under this Agreement will be in writing and will be sent to the address of the recipient set out below, or such other address as the recipient may designate by notice given in accordance with this Section. Any such notice may be delivered by hand, by overnight courier, by first class pre-paid letter or by facsimile transmission, and will be deemed to have been received:
   • By hand delivery - at the time of delivery
   • By overnight courier - 24 hours after the date of delivery to courier with evidence of delivery from the courier.
   • By SMS Service on Registered Mobile No. of Bank Sakhi.

9. **Waiver** - Neither party's failure to exercise any of its rights under this Agreement will constitute or be deemed to constitute a waiver or forfeiture of such rights. Waiver of a breach of this Agreement will not be deemed a waiver of any future breach. Any waiver must be in writing and signed by each party's representative.

10. **Severability** - If any term or provision of this Agreement is held to be illegal or unenforceable, the validity or enforceability of the remainder of this Agreement will not be affected.

11. **Exhibits** - The following documents are attached hereto as exhibits, the terms of which are incorporated by reference in their entirety:

   **Exhibit A**: **Price and Payment Terms and F.I. Villages Details**
12. Precedence In the event of conflict between the provisions of this Agreement and any attached Exhibit, the provisions of this Agreement will to the extent of such conflict take precedence.

13. Entire Agreement - This Agreement and its exhibits constitute the entire agreement between ___________ (COMPANY) and Bank Sakhi and supersede all prior or contemporaneous communications, representations, and agreements, whether oral or written, regarding the subject matter of this Agreement. No modifications of, or amendments to, the terms of this Agreement will be valid unless in writing and signed by an authorized representative of each party.

14. Governing Law – This Agreement Shall be governed by and construed in accordance with the laws of the Republic of India and both parties agree to submit to the exclusive jurisdiction of the Courts at _______________.

15. The Parties will use their best efforts to resolve any dispute arising out of or relating to this Agreement through good faith negotiations, in accordance with the following escalation procedure and time limits, unless otherwise agreed by the Parties: The Parties shall escalate any disputes referred to above which have not been resolved within _______ ( ___ ) days of the dispute first arising, to their respective Project Directors or equivalent position. If the Project Directors are unable to resolve the dispute within an additional period of _______ ( ___ ) days, either Party may file a suit against the other Party.

16. Headings - Headings in this Agreement are for reference purposes only and in no way define, limit, construe or describe the scope or extent of any section in any way affect this Agreement.'

SIGNED ON _____ the DAY OF _____ 20__ at ________.

For and on behalf of (Company) ______________________________

Bank Sakhi Signature ______________________________

For Signature ______________________________

Date : __________
Place : __________
Witness:-
1. ______________________________
2. ______________________________
EXHIBIT – A

(Price and Payment For _________________Bank) Working Area for FI
work BC Center____________________________.

1. Village- ________________, Tehsil- __________, District- ________________
2. Village- ________________, Tehsil- __________, District- ________________
3. Village- ________________, Tehsil- __________, District- ________________
4. Village- ________________, Tehsil- __________, District- ________________
5. Village- ________________, Tehsil- __________, District- ________________

1. Professional Service Fee/Charges

1.1. Bank Sakhi shall receive a one-time professional fees of Rs._____ /- (Rupees ______ Only) per person for account opening activity as approved by the Bank and on successful transaction for the account by the Customer through the Bank Sakhi upon enrolment of a Customer to the satisfaction and in accordance with the procedures laid down by ___________ (COMPANY). Turnaround time for enrolment process till disbursement of card/Passbook and transaction.

1.2. Bank Sakhi shall be paid Rs._____ (Rupees ______ & ______ Paisa only) per cash transaction done by Bank customer either using the Smart Card, card less, Aadhar card or debit cards.

1.3. Bank Sakhi shall receive amount Rs._____/- per month from Bank as maintenance charges comprising SIM card, paper roll, stationery, sitting arrangement at some fixed location in the allotted sub service area/village.

1.4. Bank Sakhi shall be assigned work under BC/BF every month by Bank/___________ (COMPANY). The assigned work after completion with the bill in a prescribe format has to be submitted in the concerned branch every month. The bill authorized by the linked branch and verified by ___________ (COMPANY) executive should reach to the concerned regional office for payment. The payment will be made as per the rate decided by Bank/___________ (COMPANY) time to time.

1.5. The statutory deductions like TDS and PT will be deducted from the CSP based on the deductions from the bank and payments to the departments.

2. Scope of work and responsibility

• The Total Period for enrolment for which Bank Sakhi is required throughout the validity of this Agreement is _____ ( ___ ) years or up to bank agreement.
• As per project plan at least _______ No. of enrolments need to be done in stipulated time (Within ___ Months) in village as per the Banks guideline.
• Standard Time frame is ___ month in which further ________ enrolments need to be completed.
• The Time frame for transactions is during the validity of this Agreement.
• Bank Sakhi must perform at least minimum _____ transactions (Acquiring at least _____ enrollments at FI Location) in the month by using one transaction per smart card.

For and on behalf of

(Company)  Bank Sakhi
Name & Signature_______  Name & Signature_______
Date : _____________________  Date : _____________________
Place : _____________________  Place : _____________________

---------------------------------------------------------------------------------------------------

**Memorandum of Understanding**

This Memorandum of Understanding is made and entered into this _____ day of ______________

BY AND BETWEEN

M/s. _______________, a company incorporated under the _________________Act______ and having its Registered Office at ________________________________, hereinafter referred to as ______________(Company) (which expressions shall unless repugnant to context or meaning thereof shall be deemed to mean and include its successors and permitted assigns) of the First Part.

AND

______________________, a civil society organization registered under _________________ Act ____ and having its Registered Office at _____________________________, hereinafter referred to as Block Level Association(BLA)/Federation (which expressions shall, unless repugnant to the context or meaning thereof, shall be deemed to mean and include its successors and permitted assigns) of the Second Part.

The BLA is a federation of Self Help Groups at _________________ block, ____________ district, __________ State. The BLA is promoted and managed by the SHG members. The BLA normally represents the strength of ____ SHGs comprising ____________ women, spread over ____________ gram panchayats. The BLA works for poverty reduction, women empowerment and rural development in the rural areas.

Whereas
(Company) is working as a Corporate Field Business Correspondent (BC) for __________ Bank, a Regional Rural Bank (RRB) based in ____________, __________ State. *(Line may be suitably amended for Commercial Banks.)*

BLA will work as a sub-BC of ________ (Company) and fulfil the role similar to that of a Sub Cluster Coordinator appointed by ________ (Company) in normal course of business.

### Roles and Responsibilities

The ____________ (Company) and BLA will broadly perform the following roles and responsibilities towards achieving the financial inclusion goals.

___________ (Company)
- Conduct quarterly, half-yearly and annual business planning with BLA on meeting financial inclusion goals.
- Conduct on-boarding training of BLA for 2-3 days to fulfil its function and thereafter on need basis as technology and new financial products evolve.
- Define operational processes for BLA and CSPs to adhere to
- Support BLA in the process of recruitment and on-boarding of Bank Sakhis as a CSP
- Organise training programs in coordination with the BLA for the Bank Sakhis on enrolment, transaction, cash management, technology upgradation as decided by Bank and provided by its Technical Service Provider/__________ (Company)
- Provide training to the Bank Sakhis appointed in the block regarding handling of technology kits and troubleshooting basic technical problems.
- Monitor the BLA and Bank Sakhis’ activities from time to time and ensure quality control
- Provide Helpdesk for customer queries, escalation matrix as per defined service level agreements with the Bank
- Share monthly MIS and related performance indicators of Bank Sakhis with BLA

#### Block Level Association

- Facilitate selection and recruitment of Bank Sakhis amongst SHG members in consultation with the __________ Company and __________ Bank in accordance with agreed process and documentation provided by __________ (Company)/__________ Bank.
- Mobilise community and operationally manage financial awareness and literacy camps in its block.
- Set up Financial Inclusion Committee (FI Committee) to perform strategic and operational functions related to promotion of formal financial services through Bank Sakhis.
- Facilitate the training programs in coordination with the ____________ (Company) for the Bank Sakhis on enrolment, transaction, cash management, etc.
- Depute Community Resource Person (CRP) to train Bank Sakhis on operational processes, etc.
• Coordinate with ___________ Bank and ___________ (Company) for opening of OD account of Bank Sakhis, installing PoS devices/micro ATM for enrolment and transaction, issues related to hardware and processing of enrolment forms.
• Recommend to ___________ (Company) for change of Bank Sakhi as and when required and ensure smooth transition thereon
• Coordinate with ___________ (Company) and __________ Bank regarding payment of BLA and Bank Sakhis' commission.
• Monitor quality of banking services at Bank Sakhi level and their book keeping
• Provide first level of support to Bank Sakhis for timely service delivery
• Share progress reports with the ___________ (Company) as required and according to template provided by ___________ (Company)
• Ensure adherence to the generally accepted and prudent operational practices of book keeping of SHG accounts in the digital mode using dual authentication application (biometric signature) and ensure seamless migration of the group based transaction to digital mode using micro ATM
• Sensitise Bank Sakhi on the safe keeping and maintenance of the micro ATM and allied equipment, cards, etc.

The BLA will appoint a full time FI assistant who will manage the day-to-day operational activities related to financial inclusion. The FI assistant will be the point person from BLA who will coordinate with the ___________ (Company) related to financial inclusion activities. This will be in addition to the role of BLA office in community mobilization and furthering financial inclusion through Bank Sakhis/CSPs and its selected FI committee members.

Commercials

___________ (Company) will provide compensation to the BLA in combination of fixed and variable pay

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Unit</th>
<th>Amount (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed Pay</td>
<td>Monthly</td>
<td>Rs..________________</td>
</tr>
<tr>
<td>Variable Pay</td>
<td>Monthly</td>
<td>BC Transactions : ___% of the BC variable commission paid to Bank Sakhis/CSPs of the block</td>
</tr>
<tr>
<td></td>
<td></td>
<td>BF Commission : ___% on the commission received by M/s __________ (Company) (as its share) pertaining to the Block will be paid</td>
</tr>
</tbody>
</table>

The fixed pay will help the BLA in managing the operational and administrative expenses such as salary cost of FI Assistant and Community Resource Person, their travel and communication expense, etc. The variable pay will help BLA in improvement of monitoring and supervision, deployment of MIS, improvement in training modules, recruitment of more Bank Sakhis as a CSP in future, etc.
Invoice Raising and Settlement

For Bank Sakhi related commission, the ___________ (Company) will raise the invoice of Bank Sakhis and share a copy of the same with BLA. The BLA will share this information with Bank Sakhi-CSPs based on the query received.

For BF-related commission, the Bank Sakhis will submit the invoice (containing details of BF-related activities completed by them for a month in the format provided by ___________ Bank) to the FI Assistant at the BLA on the last working day of each month. The FI Assistant will collect the invoice from all the Bank Sakhis and prepare a consolidated sheet containing Bank Sakhi-wise details of BF activities. The FI Assistant will maintain the photocopy of the invoice at the BLA office and submit the original copy of the invoice to the concerned bank branch for approval. The BLA will courier the copy of consolidated sheet of BF activities to the local office of ___________ (Company) for the reference.

The ___________ (Company)/_________ Bank will deposit the commission of Bank Sakhis and BLA into their respective bank accounts directly. The ___________ (Company) will share the commission calculation sheet with the BLA containing details of Bank Sakhi-wise commission paid by the ___________ (Company). This process may undergo change from time to time in accordance with _______ Bank/___________ (Company)’s extant guidelines and to suit operational convenience.

This process will empower the BLA, offer better monitoring and control over the Bank Sakhis.

Term and Termination of MoU

The MoU shall be valid for a period of ____ year/s and shall stand automatically renewed for further period of _____ year/s from the date of expiry on the existing terms and conditions as may be mutually agreed between the BLA and ___________ (Company) unless specifically terminated by either of the parties as proposed in the agreement. ___________ (Company) and BLA shall have right to terminate the MoU by giving _____ month’s/months’ notice in writing to the other party.

A bi-partite MoU between ___________ (Company) and BLA is being signed in order to agree upon mutually on roles and responsibilities, commercials and invoice settlement process.

For ___________ (Company) For _________________ (BLA)

_________________________________ ________________________________
(Signature) (Signature)

Name ___________________________ Name ___________________________
Designation ______________________ Designation ______________________
Place ___________________________ Place ___________________________
Date ___________________________ Date ___________________________
7. Hand held Projector (for Commercial Banks, RRBs & RCBs)

Support under FIF for purchase of hand held projector and portable speaker to facilitate Financial Literacy efforts by FLCs and rural branches

As you are aware, financial literacy efforts are directed through Financial Literacy Centres (FLCs) and rural branches of banks. Traditionally, the approach by FLCs and rural branches has been to conduct outdoor camps in public places wherein the FLC Counsellors/Directors verbally explain the various financial literacy concepts by delivering speeches and lectures. The use of audio-visuals and presentations through hand-held projectors and portable speakers are more effective in engaging the people and creating a larger impact.

2. Accordingly, it has been decided to extend grant assistance under FIF for purchase of hand held projector and portable speakers for the rural branches and FLCs of Commercial Banks, Regional Rural Banks and Cooperative Banks to be used for financial literacy activities. The modalities of the support are as under:

a) Items for which support is available on a reimbursement basis under FIF are:
   i) purchase of hand held projector
   ii) purchase of portable speaker

b) Extent of support under FIF is restricted to 50% of the cost incurred on purchase of hand held projector and portable speaker (both put together) subject to a maximum of Rs.5,000 per rural branch / FLC on a reimbursement basis.

c) Eligible Institutions – Commercial Banks, Regional Rural Banks and Rural Cooperative Banks are eligible to avail support under the scheme on behalf of their rural branches and FLCs.

3. Features of the Scheme:

Grant Support available

a. To ensure effectiveness of the hand held projector in bigger crowds / gatherings, it has been decided that the banks may acquire the hand held projector along with portable speakers.
b. Grant assistance under the scheme will be available on a reimbursement basis for purchase of hand held projector and portable speakers, in combination, for the rural branches and FLCs. Purchase of speakers is optional, if the branch is already having the same. However, purchase of hand held projector is necessary for obtaining grant assistance under the scheme.

c. Banks would be required to obtain prior sanction from NABARD for availing assistance under the scheme. Expenditure incurred only after the date of sanction of grant assistance by NABARD shall be entertained.

d. All-inclusive support of 50% of the cost incurred subject to a maximum of Rs.5,000/- per rural branch/FLC is available on one time basis.

**Period of Scheme**

e. The scheme is valid for a fixed period of time.

Banks to aggregate demand and submit proposals to Regional Offices/Head Office of NABARD before 31 March 2018 for sanction. Proposals submitted after 31 March 2018 will not be considered for support.

Claims may be submitted within one year of the date of sanction letter. If the amount is not claimed within the period of one year of the date of sanction letter, it will be deemed that the purchase were not effected by the bank and the sanction will be automatically treated as withdrawn.

**Procedure to be followed by banks to avail grant support**

f. You may submit the proposal in the prescribed format (as per Annexure – I) for sanction of grant assistance to our respective Regional Office of NABARD.

g. Commercial Banks may tender state-wise proposal to the respective Regional Offices of NABARD through the controlling offices located in the State. In case of multi-State projects, proposals may be forwarded to the Head Office of NABARD

h. Subsequent to sanction of grant assistance by NABARD from FIF and after purchase of the equipment, a single claim against a sanction for release of funds may be submitted as per Annexure – II.
4. Other conditions

i. While purchasing the equipment due diligence as per CVC guidelines / internal guidelines of the Bank regarding purchase / expenditure rules may be adhered to.

ii. Original Invoices and related documents will be retained by the bank for audit / verification purposes by NABARD.

iii. You may furnish an undertaking that the purchase of the equipment claimed from FIF has not been supported by any other funding agency including government.

iv. Support of NABARD may be acknowledged with the words “Supported under FIF managed by NABARD” (with NABARD logo) appropriately.
Proposal format for seeking grant assistance towards purchase of hand held projector and portable speaker

Date :
Letter Ref. No.

The Chief General Manager
National Bank for Agriculture and Rural Development
_______________________ Regional Office/ Head Office

Dear Sir / Madam,

Grant assistance under FIF - Purchase of hand held projector and portable speaker

In reference to the Master Circular No. 263 / DFIBT - 47 / 2017 dated 20 November 2017 on the above mentioned scheme, we seek grant assistance of Rs.____________________ (Rupees ---------------- only) under FIF for purchase of hand held projector and portable speakers for use by rural branches / FLCs. Details are as per Annexure IA.

We request you to kindly sanction support of Rs.____________________ (Rupees ---------------- only) under FIF.

Yours faithfully

(Authorised Signatory)

Encl : Annexure
Proposal format - Details of grant assistance sought towards purchase of hand held Projector and portable speaker

*50% of the cost incurred on purchase of hand held projector and portable speaker (both put together)

Date:
Place:
Office Seal and Signature
Annexure – II
(On the Letter Head of the Bank )

Format for claim for Reimbursement towards
purchase of hand held projector and portable speaker

Date :
Letter Ref. No.

The Chief General Manager
National Bank for Agriculture and Rural Development
________________________ Regional Office

Dear Sir / Madam,

Claim for reimbursement towards purchase of
hand held projector and portable speaker

Please refer to your sanction letter No. ______________ dated ______________
extending a sanction of an amount of Rs. ............... (Rupees ....................... only) for
purchase of ................... (number) of hand held projectors and portable speakers. We have
distributed _____ no. of hand held projectors and speakers to _____ rural branches and
____ FLCs.

2. This is to certify that an amount of Rs.______________ (Rupees __________________
only) has been incurred towards the expenditure on purchase of hand held projector and
portable speaker as per the details given in Annexure.

3. In this connection, you are requested to release the grant assistance of Rs. __________
(Rupees __________________ only) for the purchase of the hand held projectors and
speakers as per details given in Annexure – II (A).

4. It is certified that due diligence as per bank’s guidelines was followed while effecting the
purchases.

5. The equipment claimed from FIF has not been supported by any other funding agency
including government.
6. The original bills/receipts will be preserved for any future requirements.

7. It is certified that the terms and conditions of the sanction letter (letter No................ dated .................) has been complied with.

Yours faithfully

(Authorised Signatory)

Encl: Annexure – II (A)
Annexure – II (A)

Format for claim for Reimbursement towards purchase of hand held projector and portable speaker – Details of FLC/branch-wise distribution of equipment

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Name of State</th>
<th>Dist.</th>
<th>Block</th>
<th>Branch/FLC Location with Address and code</th>
<th>Item Purchased</th>
<th>Expenditure Incurred</th>
<th>Grant assistance claimed from FIF</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Hand Held Projector &amp; portable speaker</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Only hand held projector</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*50% of the cost incurred on purchase of hand held projectors and portable speakers (both put together) subject to a maximum of Rs. 5,000 per branch / FLC would be sanctioned as grant assistance would be released on reimbursement basis

$ In case of reporting by Commercial Banks

Date:

Place:

Office Seal and Signature
**8. Applicability of GST & Treatment of ITC (for Scheduled CBs including SFBs, RRBs and RCBs)**

**Grant under FIF – Applicability of GST and Treatment of ITC (for Scheduled CBs including SFBs, RRBs and RCBs)**

With the introduction of Goods and Services Tax (GST) from 01 July 2017, there might be instances of receipt of Input Tax Credit (ITC) by the banks against the GST paid for such goods and services. The receipt of the ITC effectively reduces the cost of goods and services incurred by the banks to that extent. In this context some instances have come to our notice where the grant amount reimbursed to banks under FIF was higher than the eligible amount due to the effect of ITC.

2. Therefore, to rectify the above situation arising out of the GST and ITC, it has been decided to review the grants reimbursed to all the banks from 01 July 2017 to ensure that only eligible grant amount is reimbursed after taking into account the receipt of ITC, if any, by the banks. It is therefore necessary for the banks to revisit the grants received by them from 01 July 2017 onwards. After the review, excess grant, if any received under FIF, needs to be returned to NABARD.

3. We therefore advise that with effect from 01 July 2017 (date of applicability of GST), for the purpose of settlement of grant support under FIF, the total cost of the goods and services shall be calculated after deducting the ITC, if any; and claims will be settled as per the terms and conditions of the FIF schemes.

4. In this regard it is envisaged that there could be two scenarios viz. claims already settled by NABARD during 01 July 2017 to 30 April 2018 and secondly for claims to be lodged with NABARD after 01 May 2018. The procedures to be followed in respect of these two scenarios are detailed below:

   **a) Furnishing details of GST and ITC in respect of claims already submitted/settled by NABARD between 01 July 2017 and 30 April 2018:**

The claims already settled from 01 July 2017 to 30 April 2018 will be reviewed separately by NABARD for ascertaining the amount of excess grant assistance released to banks. In this
regard, banks are advised to submit the details of GST and ITC in the format given in Annexure I under completed as well as ongoing projects. While carrying out this exercise there can be two scenarios, as indicated below, requiring separate treatments.

i. **Scenario 1: The project has been completed and final instalment/s has/have been released during the said period.**

In these cases, the excess grant assistance released will be recovered from the agency. Banks may furnish project-wise information regarding claims settled/releases made by NABARD, in Annexure I, and return the certified/duly signed Annexure I to concerned NABARD Regional Office/Head Office from where the grant support was availed. Based on the information received, NABARD Regional Office (RO)/Head Office (HO) will calculate the amount to be refunded by the bank and raise demand for the exact amount. Banks may arrange to refund the said amount after receiving the refund demand letter from NABARD.

ii. **Scenario 2: The project is on-going and some instalments have been released during said period while balance amount is yet to be released.**

In these cases, the excess grant assistance released, if any, will be adjusted against future claims under the particular ongoing proposal. Banks are required to furnish project-wise information regarding claims settled/releases made, in Annexure I, and return the same duly certified/signed to concerned NABARD Regional Office (RO)/Head Office (HO) from where the grant support was availed, latest by 15 May 2018. Based on the information received, NABARD RO/HO will assess the amount of excess grant to be adjusted in the subsequent claim made by the bank. In other words, the subsequent claim from the bank which will be accompanied with Annexure II (as detailed in para (b) below) will be settled after reckoning the amount of excess grant assistance ascertained in Annexure I.

b) **Furnishing details of GST and ITC in respect of fresh claim to be lodged with NABARD after 01st May 2018:**

As regards fresh claims to be lodged with NABARD, after 01st May 2018, Banks are advised to submit the details of GST and ITC in the format given in Annexure II along with each
claim under new as well as ongoing projects (where some balance amount is yet to be claimed).

5. Banks are requested to follow the above instructions while lodging the fresh claim for release of grant assistance under FIF.
## Annexure I

Refund of Grant Support availed under FIF on account of Input tax Credit (ITC) received under GST from 01st July 2017 to 30th April 2018

**Note:**
1. This format is to be furnished by banks in respect of all projects where they have availed grant support on invoices raised on or after 01 July 2017 to 30 April 2018.
2. In case bank has not received/claimed Input Tax credit the same may be indicated as NIL in Column 13

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Name of the Scheme</th>
<th>Sanction letter No.</th>
<th>Sanction letter Date</th>
<th>Indicate Ongoing/Completed Project</th>
<th>Grant support released by NABARD</th>
<th>Number of units</th>
<th>Date of release of Grant Support</th>
<th>Actual cost of product excluding GST in Rs.</th>
<th>Applicable GST (%)</th>
<th>Amount of applicable GST in Rs.</th>
<th>Total Expenditure incurred by the Bank in Rs.</th>
<th>Input Tax Credit, if any received/receivable by</th>
<th>Eligible Amount of Expenditure for Grant support from FIF after</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
<td>8</td>
<td>9</td>
<td>10</td>
<td>11</td>
<td>12 (9+11)</td>
<td>13</td>
</tr>
<tr>
<td>2</td>
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</tr>
</tbody>
</table>

This is to Certify that we have received/eligible to receive Input tax credit as indicated at column 13 above.

1. We note to refund the excess grant assistance released to us by NABARD as and when demanded in respect of projects where all claims have been settled.
2. We note to submit Annexure I with all future claims to enable adjustment of excess grant assistance released to us by NABARD under ongoing projects.
3. We have not received any Input Tax Credit on the above claim.

(Strike out whichever is not applicable)

Accounts Officer / General Manager
(Name and Signature)
Office Seal
Annexure II

Details of GST paid and ITC received in respect of claim under ........................................ (scheme name) forwarded vide letter Ref.no / email .... dated ....

Note:
1) This format is to be furnished by bank with every claim under ongoing and new projects sanctioned from FIF.
2) Separate format may be furnished for each project sanctioned by NABARD.
3) In case bank has not received / claimed Input Tax credit the same may be indicated as NIL in Column 5.

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Expenditure / cost excluding GST</th>
<th>Applicable GST (%)</th>
<th>Amount of applicable GST in Rs.</th>
<th>Total Expenditure incurred by the Bank in Rs.</th>
<th>Input Tax Credit, if any, received/ receivable by Bank Rs.</th>
<th>ITC adjusted eligible Expenditure for grant support from FIF</th>
<th>Claims Units</th>
<th>Amount (Rs.)</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>2</td>
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<td></td>
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<td>3</td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>

This is to certify that we have paid GST and received input tax credit as indicated at column 3 and 5 above.

NABARD may settle claim for grant assistance on the basis of ITC adjusted expenditure incurred by us as indicated in Annexure II.

Accounts Officer / General Manager
(Name and Signature)
Office Seal
9. Renewal of insurance under PMSBY/ PMJJBY (for RCBs)

Renewal of insurance under PMSBY/ PMJJBY for all enrolled subscribers (for Rural Cooperative Banks)

The Social Security Schemes, Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) and Pradhan Mantri Suraksha Bima Yojana (PMSBY) were launched on 09 May 2015, with a view to ensuring universal social security for the poor and underprivileged. The gross enrolment under these PMJJBY and PMSBY schemes stands only at 5.35 crore and 13.52 crore respectively, posing a significant challenge to complete coverage of all 31.56 crore Jan Dhan account holders with insurance under these schemes.

2. In this connection, the GoI had initiated the Gram Swaraj Abhiyan, a campaign, from 14 April 2018 to 05 May 2018, by Banks and Public Insurance Companies, to ensure 100% saturation of PMJDY accounts with coverage under these schemes, for the period 01 June 2018 to 31 May 2019.

3. Now, as 31 May 2018, the last date for renewal of insurance nears, it is imperative that our efforts be intensified to ensure that all existing accounts are renewed and that we are able to cover all PMJDY account holders with these schemes as well. In this direction, DFS, GoI, vide its circular dated 10 May 2018, has outlined an overall action plan to be implemented by all stakeholders.

4. Accordingly, the following action is to be taken by the Cooperative Banks:

a. CEOs/ MDs to instruct all branches to ensure that:
   (i) Branches strive for 100% renewal i.e renewal of all existing PMJJBY and PMSBY accounts. For the purpose, the branches may reach out to the account holders to ensure sufficient amount for auto debit of premium i.e. Rs.330/- for PMJJBY accounts and Rs.12 for PMSBY accounts.
   (ii) Branches to strive for coverage of at least 95% of existing PMJDY accounts under these Jan Suraksha schemes.
   (iii) Branches to strive for full saturation of all eligible remaining accounts.
b. Banners to be put up at prominent places at Bank Head Office, all branches and extension counters, as well as at FLCs, displaying messages that call for enrolment under these schemes, renewal of existing subscriptions and need to maintain sufficient balance for auto debit of premium. Such messages may also be widely publicised by all possible means, preferably in local language.

c. FLCs to be advised to disseminate the message, through notices at the centres, as also through their regular interaction with account holders.

d. In the third and fourth week of May 2018, branches to focus on the accounts that have insufficient balance for renewal through auto debit of account for premium under these schemes and make all out efforts for ensuring that balances are replenished to permit auto debit of premium on 01/06/2018.

5. All co-operative banks to initiate necessary action to implement the above mentioned Action Plan to ensure that not only existing subscribers to these schemes renew their subscriptions for the next year but all uncovered account holders are also brought under this insurance cover.

6. Banks are also advised to ensure that the renewals / enrolments thus achieved are reported on the ENSURE portal of NABARD.
10. Incentivizing Promotional Scheme for BHIM Aadhaar Merchant Incentive Scheme (for Scheduled CBs, RRBs & RCBs)

We advise that the Ministry of Electronics and Information Technology (MeitY), Government of India has revised the above scheme vide their notifications No. 12/9/2017-DPD-MeitY dated 26th April 2018 issued by MeitY.

The banks may implement the schemes as per the guidelines given in the notification. Further, in tune with the modifications made and the guidelines issued by MeitY, the format of Utilization Certificate cum Claim attached as Annexure 2 to our Circular No.86/DFIBT-10/2018 dated 23 April 2018 has been revised, copy of which is enclosed.

The cases which have already been processed may not be reopened. The cases which are pending may be settled as per revised Gazette notification of MeitY, Government of India.
Dear Sir

Promotional scheme for BHIM Aadhaar Pay
Support under Financial Inclusion Fund (FIF)

Please refer to your circular number ...... dated ................ on the captioned subject. In this connection, we confirm our participation in the scheme for Incentivizing Aadhaar Based Biometric Merchant Transaction through “BHIM Aadhaar Merchant incentive Scheme” under Financial Inclusion Fund (FIF).

02. We agree to the terms and conditions indicated in the Circular ibid and will submit the utilization certificate to your office, as per Annexure 2 of the Circular, within 2 days from the end of calendar month.

03. We request you to kindly release an advance for the above purpose in the following Account

   a) Name of the Bank:
   b) Name of the Account:
   c) Savings /Current:
   d) Account No.:
   e) IFSC code:

04. We confirm that our Bank is live on BHIM Aadhaar Pay / Aadhaar based biometric authentication on PoS/mPoS/any other devices.
05. We also confirm that the advance amount released will be utilized only towards operationalizing the captioned scheme (including RRBs sponsored by our bank).

06. The unutilized amount out of the advance released will be refunded to NABARD latest by 05 April 2019 or whenever requested to do so by NABARD.

Yours faithfully,

Name of authorized Officer:
Designation:
Name of the Bank
Claim to be forwarded by email to dt.dfibt@nabard.org

Annexure 2

(Utilization Certificate cum Claim)
(Covering period 1 April 2018 to 31st March 2019)

The Chief General Manager
NABARD, Department of Financial Inclusion & Banking Technology
Plot No. C-24, 'G' Block,
Bandra-Kurla Complex, Bandra (E)
Mumbai - 400 051

Dear Sir

Promotional scheme for BHIM Aadhaar
Pay Merchant Incentive - Support under Financial Inclusion Fund (FIF)

Please refer to our letter No. ........ dated........ on the captioned subject. In this connection, we request you to sanction Rs. ........ as advance to our Bank towards implementing the BHIM Aadhaar Merchant incentive scheme.

01. Table 1 - Expenditure Details:

<table>
<thead>
<tr>
<th>Sr.no</th>
<th>Particulars</th>
<th>Rs</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Advance amount released by NABARD on .......... (Date)</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Expenditure incurred for the month of .... (should be same as Sn 4(d) of Table 2 below)</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Balance amount if (Sn1-Sn2)</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Additional advance required for the month of .............</td>
<td></td>
</tr>
</tbody>
</table>

02. Table 2 - Transaction Details for the month of ................. (Including RRBs sponsored by our Bank)
<table>
<thead>
<tr>
<th>Sr. No</th>
<th>Particulars</th>
<th>PoS/mPoS/Other Devices</th>
<th>BHIM Aadhaar Pay</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Total number of Merchants acquired by the Bank</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Total No. of Aadhaar Based Biometric Transactions (Number)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Total value of transaction (Rs)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Total incentive (Rs.)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3. We certify the following:

a) transactions given at the table above are Aadhaar based biometric transactions at merchant locations (purely merchant transaction only) through BHIM Aadhaar Pay/PoS/mPoS/other devices.

b) transactions of up to Rs.10000/- has only been covered under the claim.

c) the claim has been reconciled with the transaction details available with NPCI.

d) the Off-Us transactions have been made using ‘00’ (Zero-Zero) processing code. The On-Us transactions have been verified with the bank records

e) the claim also covers the transaction done by Merchant Acquiring RRBs.

We request you to kindly sanction an additional advance of Rs......................... for the month of................................2018/2019 for the above purpose.

Yours faithfully,

Name of authorized Officer:
Designation:
Name of the Bank:
Date:
11. BHIM Cashback Scheme for Individuals and BHIM – Cashback Scheme Merchants – Support From Financial Inclusion Fund (FIF) (for Scheduled CBs, RRBs & RCBs)

We advise that the Ministry of Electronics and Information Technology (MeitY), Government of India has revised the above schemes vide notifications No. 12/13/2017-DPD-MeitY dated 26th April 2018 (for BHIM Cashback Scheme for Merchants) and No. 12/13/2017-DPD-MeitY dated 26 April 2018 (for BHIM Cashback Scheme for Individuals), issued by MeitY. It may be noted that the BHIM Cashback scheme for individuals has replaced the earlier scheme viz., BHIM Referral Bonus Scheme for Individuals.

The banks may implement the schemes as per the guidelines given in the notifications. The cases which have already been processed may not be reopened. The cases which are pending may be settled as per revised Gazette Notification of MeitY, Government of India.

Note: As per latest guidelines of NPCI, the “BHIM Cashback Scheme for Merchants” has been discontinued from 1 July 2018. Further, under the “BHIM Cashback Scheme for Individuals” the incentive shall be paid only to the new users of BHIM app as per details given below:

<table>
<thead>
<tr>
<th>BHIM Cashback Scheme for Individuals</th>
<th>Existing</th>
<th>Revised</th>
</tr>
</thead>
<tbody>
<tr>
<td>On-boarding</td>
<td>Rs.51</td>
<td>Rs.150</td>
</tr>
<tr>
<td>Incentive on 20 unique transactions</td>
<td>Rs.500</td>
<td></td>
</tr>
<tr>
<td>Incentive on cumulative no of transactions</td>
<td>Rs.250</td>
<td></td>
</tr>
<tr>
<td>Validity</td>
<td>Till 31st March 2019</td>
<td>Till 31st March 2019</td>
</tr>
<tr>
<td>Maximum payable incentive</td>
<td>Rs.750 per month</td>
<td>Rs.150 once during the scheme period</td>
</tr>
</tbody>
</table>
12. Capacity Building of BC/BF & Exam Fee of BC/BF for Banks

Commercial Banks - (i) Capacity Building of BCs/BFs and (ii) Examination Fees for BCs/BFs

There are about 2.5 lakh Business Correspondents (BCs) providing banking services in the country. During field level studies conducted by NABARD, it was realized that the BCs though well versed with technology like handling POS devices, microATM, biometric etc., were lacking in knowledge of basic banking services and products. Given the new initiatives of the Government and RBI, there is an urgent need for capacity building of the BCs/BFs in the areas of banking / financial products and services. Therefore, it was decided to extend support under Financial Inclusion Fund (FIF) to Commercial Banks towards capacity building of their BCs / BFs as also towards examination fees of BCs / BFs who pass the examination / test conducted by IIBF.

The support would be by way of reimbursement to the banks. The extent of assistance would be as follows:

1. Reimbursement of fee @60% of the expenditure with upper limit of course fee capped at Rs.4500.00 (Rupees four thousand five hundred only), all inclusive, for a three-day capacity building programme.

2. Reimbursement of fee @ 60% of the expenditure with upper limit of fee capped at Rs.1500.00 (Rupees one thousand five hundred only), all inclusive, for one-day refresher programme.

3. The course content will be on IIBF pattern (Course Content / Coverage) and will also include social security schemes announced by Govt, of India since launch of PMJDY, as per details in Annexure-I(A) and I(B).

4. The training may be imparted in local language.

5. Banks can train their BCs/BFs through the following Institutes:
   a. BIRD at Lucknow/Mangaluru/Bolpur;
   b. NABARD Consultancy Services (NABCONS)
   c. Indian Institute of Banking & Finance (IIBF) or accredited training institutes of IIBF;
   d. National Institute for Rural Banking (NIRB), Bengaluru;
e. If feasible, Degree Engineering Colleges/Agriculture Colleges equipped to train them about various banking products and financial services

6. Banks should keep track of BCs who have already been trained and there should not be any duplication of training to the same BCs. The banks would give an undertaking that assistance is not being claimed from any other agency / organization and that the candidates have not been trained by the bank earlier.

7. Overlapping of support from more than one source should be avoided.

8. No support would be available in respect of BCs / BFIs trained by the banks themselves or through support from NSDC.

9. Support for reimbursement of examination fees of BCs / BFIs who pass the examination / test conducted by IIBF would be 60% of the total examination fee of Rs.800.00 (Rupees eight hundred only), all inclusive.

10. Other modalities/terms and conditions of the Scheme are given in Annexure-II.

You are requested to initiate action for identification of BCs/BFIs in your bank and arrange for their training in the institutions indicated above.
Annexure - I (A)

Capacity Building of Business Correspondents / Business Facilitators (BCs/BFs)
Course Content / Coverage

A. Functional Module

1. General Banking
   * Banks’ functioning - Collection of deposits / issue of loans
   * Types of banks
   * Banker-Customer relationship

2. Deposits
   * Meaning of deposits
   * Features of -
     > Savings Bank Account
     > Fixed Deposit
     > Recurring Deposits
   * Account opening / closing
   * Know Your Customer (KYC) norms
   * Minor Accounts
   * Joint Accounts
   * No Frills Accounts

3. Categories of Loans and Advances-
   * Loan Applications
   * Overdraft
   * Cash Credit
   * Loans

4. Features of Small/Micro Loans
   * Kisan Credit Card - Scale of finance, Crop Insurance, PAIS
   * General Credit Card
   * Dairy / Poultry / Fisheries etc. - Need for Asset Insurance
   * Kirana Shop
* Other productive loans
* Home Loan
* Loans for Solar Lights
* Vehicle Loan
* Consumption loan
* Loan against deposits

5. **Identification, Processing and Post-sanction follow-up**
   * Liaison with bank and Government departments
   * Identification of suitable borrower / activity
   * Arrangement for training
   * Filling of loan application
   * Preliminary Processing, verification of data
   * Loan documentation
   * Post-Sanction Monitoring - Timely guidance
   * Follow-up for recovery

6. **Lending Norms**
   * Eligibility criteria for various loans
   * Repayment period
   * Gestation Period
   * Types of Repayment Instalments
     > Equal
     > Equated
     > Graded
   * Security for loans
   * Rate of interest
   * Incentive Scheme for regular repayment of crop loan
   * Disincentives for irregular / non-repayment
7. **Government-sponsored & Other Important Programmes**
   * Swarnajayanti Gram Swarojgar Yojana (SGSY) / National Rural Livelihood Mission (NRLM)
   * Prime Minister Employment Guarantee Programme (PMEGP)
   * Schemes of SC / ST Finance Corporation
   * Self Help Groups (SHGs)
   * Joint Liability Groups (JLGs)
   * Farmers Club Programme - 5 Principles of Development Through Credit

8. **Role of Government Extension Agencies**
   * District Rural Development Agency (DRDA)
   * District Industries Centre, KVIB / KVIC
   * Agriculture Department
   * Dairy Development Department
   * Common Service Centre (CSC)
   * SC / ST Finance & Development Corporation

B. **Behavioural Science Module**
   * Social / Attitudinal behaviour
   * Confidence building measures
   * Customer Service
   * Public Relations
   * Counselling Skills - Financials

C. **Technical Module**
   * Technical session on handling of POS / Micro ATMs / Smart Cards
   * Cash Management / Limit
   * Collection of cash / cheques (deposits / repayments)
   * Disbursements (loan / deposit withdrawal)
   * Loan Recovery
   * Remittance
   * Micro Pension (NPS Lite & Other Schemes)
   * Micro Insurance (health, life, general)
   * Dual authentication of SHGs
   * Seeding of Mobile Numbers with Aadhaar Numbers
   * Aadhaar Authentication
D. **Pradhan Mantri Jan Dhan Yojana (PMJDY)**

* Objectives
* Various schemes announced by Govt. of India viz., PMJJBY, PMSBY, APY, PMFBY, etc.
* Facilities under these schemes
ANNEUXRE – I (B)

Capacity Building of Business Correspondents / Business Facilitators (BC / BFs)
Course Content / Coverage for One-day Refresher Training

A. Functional Module

1. General Banking
   * Banks’ functioning – Collection of deposits / issue of loans
   * Types of banks
   * Banker-Customer relationship

2. Deposits
   * Meaning of deposits
   * Features of -
     > Savings Bank Account
     > Fixed Deposit
     > Recurring Deposits
   * Account opening / closing
   * Know Your Customer (KYC) norms
   * Minor Accounts
   * Joint Accounts
   * No Frills Accounts

3. Categories of Loans and Advances
   * Loan Applications
   * Overdraft
   * Cash Credit
   * Loans

B. Pradhan Mantri Jan Dhan Yojana (PMJDY)
   * Objectives
   * Various schemes announced by Govt. of India viz., PMJJBY, PMSBY, APY, PMFBY, etc.
   * Facilities under these schemes
Capacity Building of Business Correspondents / Business Facilitators (BC / BFs)
Other Modalities / Terms & Conditions

The quantum of support for Commercial Banks in all States for this purpose will be 60% of course fee and 40% has to be shared by the banks. Upper limit of course fee is capped at Rs.4500.00.
The support will not be available for those candidates who have already been trained / certified earlier through accredited training institutes of IIBF.
A shorter duration, i.e. one-day refresher course, may be introduced to update those BCs/BFs who have received training earlier. For this, the course fee will be Rs.1500.00 (upper limit) per candidate for one day programme. The course content/coverage will be as per Annexure I(B).
The training should have proper monitoring system like entry and exit tests.
The candidates can be awarded grades like A, B and C in their certificates issued by Institute.

Banks may submit proposals to our Regional Offices of the State concerned for sanction in the enclosed Annexure-III for 3 day programme and Annexure-V for one day Refresher Programme and Annexure-VII for the examination fee of BCs/BFs. Claim for reimbursement in respect of capacity building programme for 3 days and refresher programme for 1 day may be submitted as per Annexure IV and VI, respectively, certifying that the number of candidates are trained and also submit list of trained candidates provided by the Institute. Claim for reimbursement of examination fee of the successful BCs / BFs may be submitted as per Annexure-VIII.
Separate data on BCs/BFs trained may be maintained at bank level.
Expenditure details including receipts, etc. may be preserved at the bank level for any future requirement.

ANNEXURE – III
(On the Letter Head of the Bank)
Format of Proposal Sanction
Capacity Building of Business Correspondents / Business Facilitators (BC / BFs)

No. Date:

The Chief General Manager
National Bank for Agriculture and Rural Development
_____________ Regional Office

Dear Sir

Capacity Building of BCs / BFs through Certificate Course: 3-day Programme – Request for Grant Support under Financial Inclusion Fund (FIF)

In reference to Master Circular No. 263 / DFIBT - 47 / 2017 dated 20 November 2017 for the above mentioned scheme, we propose to train the following number of Business Correspondents / Business Facilitators attached to our bank branches as per your guidelines.

<table>
<thead>
<tr>
<th>Name of Bank Branch</th>
<th>Name of Training Institute</th>
<th>No. of BCs / BFs to be trained</th>
<th>Course Fee @ Rs._______ per candidate</th>
<th>Total Cost (Rs..)</th>
<th>60% support from FIF*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
</tr>
</tbody>
</table>

(Col. 4 x Col.3)

(60% of Col.5)

*The balance 40% cost will be shared by our bank

We request you to kindly sanction support of Rs.______________ (Rupees_____________ only) under FIF

Yours faithfully

(Authorised Signatory)

Note: If it is a multi-state proposal, the same may be sent to the Chief General Manager, Department of Financial Inclusion and Banking Technology, NABARD, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051.
ANNEXURE – IV
(On the Letter Head of the Bank)

Format of claim for Reimbursement

**Capacity Building of BCs / BF – 3 Day Programme**

Name of the Bank
Branch
District / Block
Address of the Bank
Name & address of the training institute where BCs/BFs were trained

A. **Details of candidates:**

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Programme conducted at</th>
<th>Dates of Training Programme</th>
<th>Name of candidates</th>
<th>Qualification</th>
<th>Belongs to District / Block / Village</th>
<th>Name of the Bank branch with whom the BC / BF is attached</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
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</tr>
</tbody>
</table>

B. **Claim for reimbursement**

1. Sanctioned for total No. of candidates to be trained
2. Amount sanctioned (60% of Course Fee @ Rs.__________ per candidate)
3. Total number of candidates trained (Actual)
4. Claim amount towards trained candidates

Certified that the services of BC / BF will be fully utilized for providing banking facilities to the people in the areas / villages allocated to them.
Certified that the amount of Rs.__________________ (Rupees__________ only) claimed has been actually spent for conducting training Programme(s) stated above.

Certified that no claim for assistance in respect of the training expenditure under the present claim has been made to any other agency/ organization

Seal of the Bank

Signature of Authorized Bank official
ANNEXURE – V
(On the Letter Head of the Bank)

Capacity Building of Business Correspondents / Business Facilitators (BCs / BFs)

No. Date:
The Chief General Manager
National Bank for Agriculture and Rural Development
_____________ Regional Office

Dear Sir

Capacity Building of BCs / BFs through Certificate Course - One Day
Refresher Course Request for Grant Support under Financial Inclusion Fund (FIF)

In reference to Master Circular No. 263 / DFIBT - 47 / 2017 dated 20 November 2017 for the above-mentioned scheme, we propose to train the following number of Business Correspondents / Business Facilitators attached to our bank branches as per your guidelines.

<table>
<thead>
<tr>
<th>Name of Bank</th>
<th>Name of Training Institute</th>
<th>No. of BCs / BFs to be trained</th>
<th>Course Fee @ Rs._______ per candidate</th>
<th>Total Cost</th>
<th>60% support from FIF*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
</tr>
</tbody>
</table>

(Col. 3 x Col.4) (60% of Col.5)

*The balance 40% cost will be borne by our bank.

We request you to kindly sanction support of Rs.______________ (Rupees____________ only) under FIF.

Yours faithfully

(Authorised Signatory)

Note: If it is a multi-state proposal, the same may be sent to the Chief General Manager, Department of Financial Inclusion and Banking Technology, NABARD, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051.
ANNEXURE – VI
(On the Letter Head of the Bank)

Format of claim for Reimbursement

Capacity Building of BC / BF - One day Refresher Course

Name of the Bank
Branch
District / Block
Address of the Bank
Name & address of the training institute where BC / BF trained

A. Details of Candidates:

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Program conducted at</th>
<th>Date of Training</th>
<th>Name of candidates</th>
<th>Qualification Belongs to District / Block / Village</th>
<th>Name of Bank branch with whom the BC / BF is attached</th>
</tr>
</thead>
</table>

B. Claim for reimbursement

1. Sanctioned for total No. of candidates to be trained
2. Amount sanctioned (60% of Course Fee @ Rs..________ per candidate)
3. Total number of candidates trained (Actual)
4. Claim amount towards trained candidates

Certified that the services of BC / BF will be fully utilized for providing banking facilities to the people in the areas / villages allocated to them.
Certified that the amount of Rs._______________ (Rupees___________ only) claimed has been actually spent for conducting training programe (s) stated above.

Certified that no claim for assistance in respect of the training expenditure under the present claim has been made to any other agency / organization.

Seal of the Bank  Signature of Authorized Bank official
Reimbursement of Examination Fee of BCs / BF

No. Date:

The Chief General Manager
National Bank for Agriculture and Rural Development
_________________ Regional Office
_________________

Dear Sir

Reimbursement of Examination Fee of BCs / BF - Request for grant support under financial Inclusion Fund

In reference to Master Circular No. 263 / DFIBT - 47 / 2017 dated 20 November 2017 for the above-mentioned scheme, we advise that the BCs / BF as per the details furnished below would write the examination to be conducted by the Indian Institute of Banking and Finance (IIBF).

<table>
<thead>
<tr>
<th>Tentative Date of Examination</th>
<th>Tentative Number of BC / BF who would take up Examination</th>
<th>Total Cost (Rs.) @ Rs.800.00 as per candidate Exam fee</th>
<th>60% support from FIF* (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3 (Col. 2 x Rs.800)</td>
<td>4 (60% of Col.3)</td>
</tr>
</tbody>
</table>

*The balance 40% cost will be shared by our bank

We request you to kindly sanction support of Rs.______________ (Rupees____________ only) under FIF

Yours faithfully

(Authorised Signatory)

Note: If it is a multi-state proposal, the same may be sent to the chief General Manager, Department of Financial Inclusion and Banking Technology, NABARD, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051.
ANNEXURE – VIII
(On the Letter Head of the Bank)

Format of claim for Reimbursement of Examination Fee of BCs/BFs

Name of the Bank
Branch
District / Block
Address of the Bank
Name & address of the institute where Examination for BCs/BFs was conducted

A. Details of candidates:

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Examination conducted at</th>
<th>Date of Examination</th>
<th>Name of candidate</th>
<th>Qualification</th>
<th>Belongs to District / Block / Village</th>
<th>Name of bank branch with whom the BC / BF is attached</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
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</tr>
</tbody>
</table>

B. Claim for reimbursement

1. Total No. of candidates who have passed the Exam
2. Amount of fee in respect of passing candidates @Rs.800/- per candidate
3. Support at 60% of amount at (2) above.
4. Claim amount towards trained candidates

Certified that the services of BCs / BF s will be fully utilized for providing banking facilities to the people in the areas / villages allocated to them.
Certified that the amount of Rs._______________ (Rupees ______ only) claimed has been actually spent towards examination fee.

Certified that no claim for assistance in respect of the training expenditure under the present claim has been made to any other agency / organization.

Seal of the Bank

Signature of Authorized Bank Official
Regional Rural Banks - (i) Capacity Building of BCs/BFs and (ii) Exam Fees for BCs/BFs

There are about 2.5 lakh Business Correspondents (BCs) providing banking services in the Country. During some field level studies conducted by NABARD, it was realized that the BCs though well versed with technology like handling POS devices, micro ATM, biometric etc., were lacking in knowledge of basic banking services and products. Given the new initiatives of the Government and RBI, there is an urgent need for capacity building of the BC/BFs in the areas of banking/financial products and services. Hence, it was decided to support capacity building of BCs/BFs of RRBs under Financial Inclusion Fund (FIF).

The terms and conditions are as under:

A. Capacity Building

1) Banks can train their BCs/BFs through the following Institutes:
   a) BIRD at Lucknow/Mangaluru/Bolpur;
   b) NABARD Consultancy Services (NABCONS)
   c) Indian Institute of Banking & Finance (IIBF) or accredited training institutes of IIBF;
   d) VAMNICOM, Pune;
   e) National Institute for Rural Banking (NIRB), Bengaluru;
   f) Bank's own training institutes;
   g) If feasible, Degree Engineering Colleges/Agriculture Colleges equipped to train them about various banking products and financial services

2) The course content will be on IIBF pattern (Course Content/Coverage) and will also include the PMJDY, details as per enclosed Annexure I (A).

3) The training may be imparted in local language

4) The duration of the training will be 3 days.

5) The Course fee of Rs. 4500/- (upper limit) per candidate for 3 days duration @ Rs. 1500/- per day.

6) Other modalities/terms and conditions of the scheme are given in Annexure II.

You may initiate immediate action for identification of BCs/BFs in your bank and arrange for their training in the institute indicated above.
B. Reimbursement of Examination Fee

1) Support for reimbursement of examination fees of BCs/BFs who pass the examination/test conducted by IIBF would be 80% of the total examination fee of Rs. 800.00 (Rupees eight hundred only), all inclusive.

2) Support is available only in respect of BCs/BFs certified on or after 13 April 2016.

3) We further clarify that to avail reimbursement of expenditure incurred on certification, prior sanction of NABARD for the same would be mandatory. The banks are accordingly requested to submit proposals in respect of proposed and not in respect of already commenced/completed certification.

4) You may submit the proposal for sanction of assistance as also the claim for reimbursement of Examination Fee of the successful BCs/BFs to our concerned Regional Office as per the formats given in *Annexure-VI and Annexure-VII*. 
ANNEXURE I (A)

Capacity Building of Business Correspondents / Business Facilitators (BCs/BFs)
Course Content / Coverage

A. Functional Module

1. General Banking
   * Banks’ functioning - Collection of deposits / issue of loans
   * Types of banks
   * Banker-Customer relationship

2. Deposits
   * Meaning of deposits
   * Features of -
     > Savings Bank Account
     > Fixed Deposit
     > Recurring Deposits
   * Account opening / closing
   * Know Your Customer (KYC) norms
   * Minor Accounts
   * Joint Accounts
   * No Frills Accounts

3. Categories of loans and advances-
   * Loan Applications
   * Overdraft
   * Cash Credit
   * Loans

4. Features of Small/Micro Loans
   * Kisan Credit Card - Scale of finance, Crop Insurance, PAIS
   * General Credit Card
   * Dairy / Poultry / Fisheries etc. - Need for Asset Insurance
   * Kirana Shop
* Other productive loans
* Home Loan
* Loans for Solar Lights
* Vehicle Loan
* Consumption loan
* Loan against deposits

5. **Identification, Processing and Post-sanction follow-up**
   * Liaison with bank and Government departments
   * Identification of suitable borrower / activity
   * Arrangement for training
   * Filling of loan application
   * Preliminary Processing, verification of data
   * Loan documentation
   * Post-Sanction Monitoring - Timely guidance
   * Follow-up for recovery

6. **Lending Norms**
   * Eligibility criteria for various loans
   * Repayment period
   * Gestation Period
   * Types of Repayment Instalments
     > Equal
     > Equated
     > Graded
   * Security for loans
   * Rate of interest
   * Incentive Scheme for regular repayment of crop loan
   * Disincentives for irregular / non-repayment

7. **Government-sponsored & Other Important Programmes**
* Swarnajayanti Gram Swarozgar Yojana (SGSY) / National Rural Livelihood Mission (NRLM)
* Prime Minister Employment Guarantee Programme (PMEGP)
* Schemes of SC / ST Finance Corporation
* Self Help Groups (SHGs)
* Joint Liability Groups (JLGs)
* Farmers Club Programme - 5 Principles of Development Through Credit

8. **Role of Government Extension Agencies**
   * District Rural Development Agency (DRDA)
   * District Industries Centre, KVIB / KVIC
   * Agriculture Department
   * Dairy Development Department
   * Common Service Centre (CSC)
   * SC / ST Finance & Development Corporation

B. **Behavioural Science Module**
   * Social / Attitudinal behaviour
   * Confidence building measures
   * Customer Service
   * Public Relations
   * Counselling Skills - Financials

C. **Technical Module**
   * Technical session on handling of POS / Micro ATMs / Smart Cards
   * Cash Management / Limit
   * Collection of cash / cheques (deposits / repayments)
   * Disbursements (loan / deposit withdrawal)
   * Loan Recovery
   * Remittance
   * Micro Pension (NPS Lite & Other Schemes)
   * Micro Insurance (health, life, general)
* Dual authentication of SHGs
* Seeding of Mobile Numbers and Aadhaar Numbers
* Aadhaar Authentication

D. **Pradhan Mantri Jan Dhan Yojana (PMJDY)**
   * Objectives
   * Various schemes announced by Govt. of India viz., PMJJBY, PMSBY, APY, PMFBY, etc.
   * Facilities under these schemes

NB: The contents of the modules may be used as per the requirement of the trainees, an assessment of which has to be made based on their knowledge.
ANNEXURE I (B)

Capacity Building of Business Correspondents / Business Facilitators (BC / BFss)
Course Content / Coverage for One-day Refresher Training

A. Functional Module

1. General Banking
   * Banks’ functioning - Collection of deposits / issue of loans
   * Types of banks
   * Banker-Customer relationship

2. Deposits
   * Meaning of deposits
   * Features of-
     > Savings Bank Account
     > Fixed Deposit
     > Recurring Deposits
   * Account opening / closing
   * Know Your Customer (KYC) norms
   * Minor Accounts
   * Joint Accounts
   * No Frills Accounts

3. Categories of loans and advances
   * Loan Applications
   * Overdraft
   * Cash Credit
   * Loans

B. Prime Minister Jan Dhan Yojana (PMJDY)
   * Objectives
   * Various schemes announced by Govt. of India viz., PMJJBY, PMSBY, APY, PMFBY, etc.
   * Facilities under these schemes

ANNEXURE - II
Capacity Building of Business Correspondents / Business Facilitators (BC / BFs)
Other Modalities / Terms & Conditions

1. The quantum of support for RRBs in all states for this purpose will be 90% of Course fee and 10% has to be shared by the banks. Upper limit of course fee is capped at ₹ 4500/-.  

2. The support will not be available for those candidates who have already been trained / certified earlier through accredited training institutes of IIBF.

3. A shorter duration i.e. one-day refresher course may be introduced to update those BC/ BF who have received training earlier. For this, the course fee will be ₹ 1500/- (upper limit) per candidate for one day programme. The course content / coverage will be as per Annexure I(B).

4. The training should have proper monitoring system like entry and exit tests.

5. The candidates can be awarded grades like A, Band C in their certificates issued by Institute.

6. The BC / BF of different banks in one area viz. block / district can be trained together and the DDMs of NABARD, LDMs and District Collectors may be involved in monitoring the training programmes.

7. Banks may submit proposals to our NABARD Regional Offices of the State concerned for sanction in the enclosed Annexure III and claim as per Annexure IV & V certifying that the number of candidates are trained and also submit list of trained candidates provided by the Institute.

8. Separate data on BC / BF trained may be maintained at bank level.

9. Expenditure details including receipts, etc. may be preserved at the bank level for any future requirement.
Format of Proposal Sanction
Capacity Building of Business Correspondents / Business Facilitators (BC / BFs)

No. Date:
The Chief General Manager
National Bank for Agriculture and Rural Development
________________________ Regional Office

Dear Sir
Capacity Building of BC / BFs through Certificate Course – 3 day / 1 day Programme#
Request for Grant Support under Financial Inclusion Fund (FIF)

In reference to Master Circular No. 263 / DFIBT - 47 / 2017 dated 20 November 2017 for the above-mentioned scheme, we propose to train the following number of Business Correspondents / Business Facilitators attached to our bank branches as per your guidelines.

<table>
<thead>
<tr>
<th>Name of Bank Branch</th>
<th>Name of Training Institute</th>
<th>No. of BC / BFs to be trained</th>
<th>Course Fee @ Rs.. per candidate</th>
<th>Total Cost</th>
<th>90% support from FIF*</th>
</tr>
</thead>
</table>

*The balance 10% cost will be shared by our bank

It is requested to please approve the above cost towards the purpose.

Yours faithfully

(Authorised Signatory)

# Strike out whichever is not applicable.
ANNEXURE – IV
(On the Letter Head of the Bank)

Format of claim for Reimbursement

Capacity Building of BCs / BF – 3 day Programme

Name of the Bank
Branch
District / Block
Address of the Bank
Name & address of the training institute where BC / BF trained

A. Details of candidates:

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Programme conducted at</th>
<th>Dates of Training Programme</th>
<th>Name of candidates</th>
<th>Qualification</th>
<th>Belongs to District / Block / Village</th>
<th>Name of the bank branch where the BC / BF working for</th>
</tr>
</thead>
<tbody>
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<td>1</td>
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</tbody>
</table>

From To

1
2
3

B. Claim for reimbursement

1 Sanctioned for total No. of candidates to be trained
2 Amount sanctioned (90% of Course Fee @ Rs. ___________ per candidate)
3 Total number of candidates trained (Actual)
3 Claim amount towards trained candidates

Certified that the services of BC / BF will be fully utilized for providing banking facilities to
the people in the areas / villages allocated to them.
Certified that the amount of Rs.______________ (Rupees ______________ only) claimed has been actually spent for conducting training Programme(s) stated above.

Certified that no claim for assistance in respect of the training expenditure under the present claim has been made to any other agency / organization.

Seal of the Bank

Signature of Bank official
ANNEXURE – V
(On the Letter Head of the Bank)

Format of claim for Reimbursement

Capacity Building of BC / BF - One day Refresher Course

Name of the Bank
Branch
District / Block
Address of the Bank
Name & address of the training institute where BC / BF trained

A. Details of candidates:

<table>
<thead>
<tr>
<th>S. No</th>
<th>Programme conducted at</th>
<th>Dates of Training Programme</th>
<th>Name of candidates</th>
<th>Qualification</th>
<th>Belongs to District / Block / Village</th>
<th>Name of bank branch where the BC / BF working for</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
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<tr>
<td>3</td>
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<td></td>
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<td></td>
</tr>
</tbody>
</table>

B. Claim for reimbursement

1. Sanctioned for total No. of candidates to be trained
2. Amount sanctioned (90% of Course Fee @ Rs..________per candidate)
3. Total number of candidates trained (Actual)
4. Claim amount towards trained candidates

Certified that the services of BC / BF will be fully utilized for providing banking facilities to the people in the areas / villages allocated to them.
Certified that the amount of Rs._________________ (Rupees ______________ only) claimed has been actually spent for conducting training programme(s) stated above.

Certified that no claim for assistance in respect of the training expenditure under the present claim has been made to any other agency / organization.

Seal of the Bank

Signature of Bank official
ANNEXURE – VI
(On the Letter Head of the Bank)

Reimbursement of Examination Fee of BCs / BFs

<table>
<thead>
<tr>
<th>Tentative Date of Examination</th>
<th>Tentative Number of BC / BFs who would take up Examination</th>
<th>Total Cost (Rs.) @ Rs..800.00 as per candidate Exam fee</th>
<th>80% support from FIF* (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3 (Col. 2 x Rs..800)</td>
<td>4 (80% of Col.3)</td>
</tr>
</tbody>
</table>

*The balance 20% cost will be borne by our bank

We request you to kindly sanction support of Rs.____________________ (Rupees _____ only) under FIF.

Yours faithfully

(Authorised Signatory)
ANNEXURE – VII
(On the Letter Head of the Bank)

Format for claim for Reimbursement of Examination Fee of BCs / BF

<table>
<thead>
<tr>
<th>Name of the Bank</th>
<th>Branch</th>
</tr>
</thead>
<tbody>
<tr>
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</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>District / Block</th>
</tr>
</thead>
<tbody>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Address of the Bank</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Name &amp; address of the Institute where Examination for BCs/BFs conducted</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

A. Details of Candidates

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Examination conducted at</th>
<th>Date of Exam</th>
<th>Names of candidates</th>
<th>Qualification</th>
<th>Belongs to District / Block / Village</th>
<th>Name of the Bank branch with whom the BC/BF is attached</th>
</tr>
</thead>
<tbody>
<tr>
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</tbody>
</table>

B. Claim for reimbursement

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Total No. of candidates who have passed the Exam</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Amount of fee in respect of passing candidates @Rs. 800/- per candidate</td>
<td>Rs. ____________</td>
</tr>
<tr>
<td>3</td>
<td>Support at 80% of amount at (2) above</td>
<td>Rs. ____________</td>
</tr>
</tbody>
</table>

Certified that the services of BCs / BF will be fully utilized for providing banking facilities to the people in areas / villages allocated to them.

Certified that the amount of Rs.. ___________ (Rupees ___________ only) claimed has been actually spent towards examination fee.

Certified that no claim for assistance in respect of the training expenditure under the present claim has been made to any other agency / organization.

Seal of the Bank

Signature of Authorized Bank Official
Cooperative Banks - Capacity Building of BCs/BFs

There are about 2.5 lakh Business Correspondents (BCs) providing banking services in the Country. During some field level studies conducted by NABARD, it was realized that the BCs though well versed with technology like handling POS devices, micro ATM, biometric etc., were lacking in knowledge of basic banking services and products. Given the new initiatives of the Government and RBI, there is an urgent need for capacity building of the BC/BFs in the areas of banking / financial products and services.

Hence, it was decided to support capacity building of BCs/BFs of Cooperative Banks (StCBs/DCCBs) under Financial Inclusion Fund (FIF). However, since RBI has not issued any policy guidelines regarding engaging of Individuals/Institutions, as BCs by StCBs/DCCBs, grant support for capacity building of BCs/BFs to StCBs/DCCBs will be available only for PACS working as BCs.

The terms and conditions are as under:

1. Banks can train their BCs/BFs through the following Institutes:
   a. BIRD at Lucknow/Mangaluru/Bolpur;
   b. NABARD Consultancy Services (NABCONS)
   c. Indian Institute of Banking & Finance (IIBF) or accredited training institutes of IIBF;
   d. VAMNICOM, Pune;
   e. National Institute for Rural Banking (NIRB), Bengaluru;
   f. Bank's own training institutes;
   g. If feasible, Degree Engineering Colleges/Agriculture Colleges equipped to train them about various banking products and financial services

2. The course content will be on IIBF pattern (Course Content/Coverage) and will also include the PMJDY, details as per enclosed Annexure I (A).

3. The training may be imparted in local language

4. The duration of the training will be 3 days.

5. The Course fee of Rs.4500/- (upper limit) per candidate for 3 days duration @ Rs.1500/- per day.

6. Other modalities/terms and conditions of the scheme are given in Annexure II.

You may initiate immediate action for identification of BCs/BFs in your bank and arrange for their training in the institute indicated above.

ANNEXURE I (A)
Capacity Building of Business Correspondents / Business Facilitators (BCs/BFs)
Course Content / Coverage

A. Functional Module

1. General Banking
   * Banks' functioning - Collection of deposits / issue of loans
   * Types of banks
   * Banker-Customer relationship

2. Deposits
   * Meaning of deposits
   * Features of -
     > Savings Bank Account
     > Fixed Deposit
     > Recurring Deposits
   * Account opening / closing
   * Know Your Customer (KYC) norms
   * Minor Accounts
   * Joint Accounts
   * No Frills Accounts

3. Categories of loans and advances -
   * Loan Applications
   * Overdraft
   * Cash Credit
   * Loans

4. Features of Small/Micro Loans
   * Kisan Credit Card - Scale of finance, Crop Insurance, PAIS
   * General Credit Card
   * Dairy / Poultry / Fisheries etc. - Need for Asset Insurance
   * Kirana Shop
   * Other productive loans
5. **Identification, Processing and Post-sanction follow-up**
   * Liaison with bank and Government departments
   * Identification of suitable borrower / activity
   * Arrangement for training
   * Filling of loan application
   * Preliminary Processing, verification of data
   * Loan documentation
   * Post-Sanction Monitoring - Timely guidance
   * Follow-up for recovery

6. **Lending Norms**
   * Eligibility criteria for various loans
   * Repayment period
   * Gestation Period
   * Types of Repayment Instalments
     > Equal
     > Equated
     > Graded
   * Security for loans
   * Rate of interest
   * Incentive Scheme for regular repayment of crop loan
   * Disincentives for irregular / non-repayment

7. **Government-sponsored & Other Important Programmes**
   * Swarnajayanti Gram Swarozgar Yojana (SGSY) / National Rural Livelihood Mission (NRLM)
* Prime Minister Employment Guarantee Programme (PMEGP)
* Schemes of SC / ST Finance Corporation
* Self Help Groups (SHGs)
* Joint Liability Groups (JLGs)
* Farmers Club Programme - 5 Principles of Development Through Credit

8. **Role of Government Extension Agencies**

* District Rural Development Agency (DRDA)
* District Industries Centre, KVIB / KVIC
* Agriculture Department
* Dairy Development Department
* Common Service Centre (CSC)
* SC / ST Finance & Development Corporation

**B. Behavioural Science Module**

* Social / Attitudinal behaviour
* Confidence building measures
* Customer Service
* Public Relations
* Counselling Skills - Financials

**C. Technical Module**

* Technical session on handling of POS / Micro ATMs / Smart Cards
* Cash Management / Limit
* Collection of cash / cheques (deposits / repayments)
* Disbursements (loan / deposit withdrawal)
* Loan Recovery
* Remittance
* Micro Pension (NPS Lite & Other Schemes)
* Micro Insurance (health, life, general)
* Dual authentication of SHGs
* Seeding of Mobile Numbers with Aadhaar Numbers
* Aadhaar Authentication

**D. Pradhan Mantri Jan Dhan Yojana (PMJDY)**

* Objectives
* Various schemes announced by Govt. of India viz., PMJJBY, PMSBY, APY, PMFBY, etc.

* Facilities under these schemes
ANNEXURE - I (B)

Capacity Building of Business Correspondents / Business Facilitators (BC / BFs)
Course Content / Coverage for One-day Refresher Training

A. Functional Module
1. General Banking
   * Banks' functioning - Collection of deposits / issue of loans
   * Types of banks
   * Banker-Customer relationship
2. Deposits
   * Meaning of deposits
   * Features of-
     > Savings Bank Account
     > Fixed Deposit
     > Recurring Deposits
   * Account opening / closing
   * Know Your Customer (KYC) norms
   * Minor Accounts
   * Joint Accounts
   * No Frills Accounts
3. Categories of loans and advances
   * Loan Applications
   * Overdraft
   * Cash Credit
   * Loans

B. Prime Minister Jan Dhan Yojana (PMJDY)
   * Objectives
   * Various schemes announced by Govt. of India viz., PMJJBY, PMSBY, APY, PMFBY, etc.
   * Facilities under these schemes

ANNEXURE – II
Capacity Building of Business Correspondents / Business Facilitators (BCs / BFs)
Other Modalities / Terms & Conditions

1. The quantum of support for Cooperative Banks in all States for this purpose will be 90% of Course fee and 10% has to be shared by the banks. Upper limit of course fee is capped at Rs.4500/-. 

2. The support will not be available for those candidates who have already been trained / certified earlier through accredited training institutes of IIBF. 

3. A shorter duration, i.e. 1 day refresher course, may be introduced to update those BC / BFs who have received training earlier. For this, the course fee will be Rs.1500/- (upper limit) per candidate for one day programme. The course content / coverage will be as per Annexure I(B). 

4. The training should have proper monitoring system like entry and exit tests. 

5. The candidates can be awarded grades like A, Band C in their certificates issued by Institute. 

6. The BC / BFs of different banks in one area viz. block / district can be trained together and the DDMs of NABARD, LDMs and District Collectors may be involved in monitoring the training programmes. 

7. Banks may submit proposals to our NABARD Regional Offices of the State concerned for sanction in the enclosed Annexure III and claim as per Annexure IV & V certifying that the number of candidates are trained and also submit list of trained candidates provided by the Institute. 

8. Separate data on BC / BFs trained may be maintained at bank level. 

9. Expenditure details including receipts, etc. may be preserved at the bank level for any future requirement.
Format of Proposal Sanction
Capacity Building of Business Correspondents / Business Facilitators (BC / BF)

No. Date:

The Chief General Manager
National Bank for Agriculture and Rural Development
______________ Regional Office

Dear Sir

Capacity Building of BC / BF through Certificate Course – 3-day / 1-day Programme# -
Request for Grant Support under Financial Inclusion Fund (FIF)

In reference to the Master Circular No. 263 / DFIBT - 47 / 2017 dated 20 November 2017 for the above-mentioned scheme, we propose to train the following number of Business Correspondents / Business Facilitators attached to our bank branches as per your guidelines:

<table>
<thead>
<tr>
<th>Name of Bank Branch</th>
<th>Name of Training Institute</th>
<th>No. of BC / BF to be trained</th>
<th>Course Fee @ Rs.________ per candidate</th>
<th>Total Cost</th>
<th>90% support from FIF*</th>
</tr>
</thead>
</table>

* The balance 10% cost will be shared by our bank

It is requested to please approve the above cost towards the purpose.

Yours faithfully

(Authorised Signatory)
# Strike out whichever is not applicable.
ANNEXURE – IV
(On the Letter Head of the Bank)

Format of claim for Reimbursement

Capacity Building of BC / BF – 3-day Programme

Name of the Bank
Branch
District / Block
Address of the Bank
Name & address of the training institute where BC / BF trained

A. Details of candidates:

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Programme conducted at</th>
<th>Dates of Training Programme</th>
<th>Name of candidates</th>
<th>Qualification</th>
<th>Belongs to District / Block / Village</th>
<th>Name of the bank branch where the BC / BF working for</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
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</tbody>
</table>

From To

B. Claim for reimbursement

1 Sanctioned for total No. of candidates to be trained
2 Amount sanctioned (90% of Course Fee @ Rs.. ____________ per candidate)
3 Total number of candidates trained (Actual)
4 Claim amount towards trained candidates
Certified that the services of BC / BF's will be fully utilized for providing banking facilities to the people in the areas / villages allocated to them.

Certified that the amount of Rs._________________ (Rupees ___________ only) claimed has been actually spent for conducting training Programme(s) stated above.

Certified that no claim for assistance in respect of the training expenditure under the present claim has been made to any other agency/organization.

Seal of the Bank

Signature of Bank official
ANNEXURE – V
(On the Letter Head of the Bank)

Format of claim for Reimbursement

Capacity Building of BC / BF - One day Refresher Course

Name of the Bank
Branch
District / Block
Address of the Bank
Name & address of the training institute where BC / BF trained

A. Details of candidates:

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Program conducted at</th>
<th>Date of Training Program</th>
<th>Name of candidates</th>
<th>Qualification</th>
<th>Belongs to</th>
<th>District / Block / Village</th>
<th>Name of the bank branch where the BC / BF working for</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
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<td></td>
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<td></td>
</tr>
</tbody>
</table>

B. Claim for reimbursement

1  Sanctioned for total No. of candidates to be trained
2  Amount sanctioned (90% of Course Fee @ Rs.__________ per candidate)
3  Total number of candidates trained (Actual)
4  Claim amount towards trained candidates

Certified that the services of BC / BF will be fully utilized for providing banking facilities to the people in the areas / villages allocated to them.
Certified that the amount of Rs._________________ (Rupees __________ only) claimed has been actually spent for conducting training programme(s) stated above.

Certified that no claim for assistance in respect of the training expenditure under the present claim has been made to any other agency/organization.

Seal of the Bank

Signature of Bank official
13. Support for conducting Financial Literacy Programmes (for RRBs & RCBs)

Support from Financial Inclusion Fund (FIF) for conducting Financial Literacy Programmes (for RRBs & RCBs)

Please refer to our circular No. NB.DFIBT.HO/6137-6622/DFIBT-23/2017-18 (Circular No. 107/DFIBT-24/ 2017) dated 4 May 2017 regarding conduct of “Going Digital” programmes and special camps for target groups through bank branches and Financial Literacy Centres during the year 2017-18 as also regarding discontinuance of grant support from FIF for Financial Literacy Awareness Programmes (FLAPs), Digital Financial Literacy Awareness Programmes (DFLAPs) and FLAPs in schools.

Financial literacy is an important tool for creating demand for financial products. Considering this, it has now been decided to adopt a structured policy for imparting financial literacy to different target segments of population. It has, therefore, been decided that need based support will be provided to the banks on financial literacy as assessed by them in tune with their approved Financial Inclusion Plans. The support will be provided for financial literacy programmes conducted by bank branches/FLCs.

Financial Literacy Awareness Programmes may be conducted for different target groups as under:

- Programmes for people newly inducted in the financial system
- Programmes for Adults
- Programmes for Farmers, School Children, Senior Citizens, SHGs and Entrepreneurs
- Programmes on digital financial literacy covering transactions on ATM, Internet Banking, Mobile Banking, Mobile Wallets, *99#, UPI/BHIM-UPI, Usage of Debit Cards, data security and privacy and safety measures to be adopted while doing e-transactions.

Banks have to ensure that at least two programmes per FLC per month are conducted for different target groups as above. Need based financial literacy programmes through rural branches may also be conducted.

The topics to be covered under each of the above programmes are given in Annexure-I. It is very likely that the financial literacy needs of a group may encompass different groups, e.g. the financial literacy needs of adults may also cover needs for digital financial literacy like internet banking or mobile banking apart from the topics covered for them. It would, therefore, be desirable that the intimation of conduct of financial literacy programmes and the topics to be covered is given to the customers/people well in advance.

Thrust may be given for conducting the programmes specially in the aspirational districts identified by the Government of India. The list of aspirational districts is enclosed as Annexure-IV.

The expected deliverables by conduct of the above programmes are as under:
i. Opening of new accounts – BSBD Accounts, Savings, Recurring Deposit and Term Deposit accounts
ii. Issuance of RuPay Debit Cards and RuPay Kisan Cards
iii. Enrolment for social security schemes viz., PMJJBY, PMSBY and Atal Pension Yojana
iv. Registrations for internet banking and mobile banking facilities
v. Downloading and activation of Banking App and/or BHIM App
vi. Activation of RuPay Debit Cards and RuPay Kisan Cards

The duration of the programme may preferably be for half day to suit the timings/availability of participants in rural areas.

The extent of grant assistance available is as follows:

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Bank</th>
<th>Maximum support under FIF</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regional Rural Banks</td>
<td>80% of expenditure or Rs.5000 per programme, whichever is less</td>
</tr>
<tr>
<td>2</td>
<td>State/District Central Co-op. Banks</td>
<td>90% of expenditure or Rs.5000 per programme, whichever is less</td>
</tr>
</tbody>
</table>

Support of 100% of expenditure Rs.5,000/- per programme, whichever is less, would be available for programmes conducted by the rural branches/FLCs in the States of Jammu and Kashmir, Himachal Pradesh, Uttarakhand, Chhattisgarh, Jharkhand and Andaman and Nicobar islands.

Support of 100% of expenditure or Rs.6,250 per programme, whichever is less, would be available for programmes conducted by the rural branches/FLCs in North-Eastern States.

Process of sanction and release of grant

1. Grant assistance will be available only in respect of the programmes for which prior sanction has been taken from NABARD RO.
2. Banks may submit the proposals for grant assistance in the format given at Annexure-II, to our respective Regional Offices giving the details of programmes proposed to be conducted separately through branches and FLCs, during 2018-19.
3. Grant assistance for the programmes conducted will be available on reimbursement basis and no advance will be released for the purpose.
4. The claim for grant assistance may be submitted on a quarterly basis as per format given at Annexure-III.

Encls. : As above.
Topics to be covered under different Financial Literacy Programmes

1. **Programmes for the people inducted newly in the financial system** and **Programmes for Adults**
   a. Income, Expenses and Budgeting
   b. Saving
   c. Credit and Debt Management
   d. Insurance (Life and non-life), Term Insurance
   e. Investment
   f. Retirement and Pension
   g. Financial Planning
   h. Govt. Schemes viz., PMJDY, PMJJBY, PMSBY and APY
   i. Fraud Protection – Good practices for a safe digital banking experience
   j. Grievance Redressal – banking related, insurance related and pension related
   k. Risk Vs. Return
   l. Customer Liability for Unauthorised Electronic Banking Transactions

2. **Programmes for Farmers**
   a. Kisan Credit Card Scheme
   b. RuPay Kisan Card – Why to use, how to use and benefits thereof
   c. Crop Insurance – Pradhan Mantri Fasal Bima Yojana (PMFBY)
   d. Prompt repayment of crop loan
   e. Interest subvention schemes
   f. Insurance (Life and non-life)
   g. Pension schemes
   h. Fraud Protection – Good practices for a safe digital banking experience
   i. Grievance Redressal – banking related, insurance related and pension related
   j. Risk Vs. Return
   k. Customer Liability for Unauthorised Electronic Banking Transactions

3. **Programme for School Children**
   a. Needs versus Wants (must have and good to have)
   b. Budgeting
   c. Introduction to Banking – SB Account, Current Account, Recurring Deposits, Fixed Deposits
   d. Different types of Loans – Crop loan, Personal loan, Home loan, Vehicle loan, Education loan, etc.
   e. Introduction to Insurance
   f. Introduction Pension
   g. Fraud Protection – Good practices for a safe digital banking experience
   h. Grievance Redressal – banking related, insurance related and pension related
   i. Risk Vs. Return
   j. Customer Liability for Unauthorised Electronic Banking Transactions
4. **Programme for Senior Citizens**

   a. Beware of Ponzi Schemes – Signs of Ponzi schemes and Scams
   b. Reporting of Scams to Regulators
   c. Grievance Redressal – How to lodge complaints with banks and Banking Ombudsman
   d. Investment products suitable for post-retirement life
   e. Banking operations for old/sick/incapacitated persons
   f. Fraud Protection – Good practices for a safe digital banking experience
   g. Grievance Redressal – banking related, insurance related and pension related
   h. Risk Vs. Return
   i. Customer Liability for Unauthorised Electronic Banking Transactions

5. **Programme for Entrepreneurs**

   a. Who you will turn to for funds to start the unit
   b. Loan Application Process
   c. Security, Collaterals and Guarantees,
   d. Credit Guarantee Trust (The Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE)
   e. Terminologies – Assets, Liabilities, Profit & Loss, Current Assets, Fixed Assets, etc.
   f. Insurance schemes
   g. Pension schemes
   h. Fraud Protection – Good practices for a safe digital banking experience
   i. Grievance Redressal – banking related, insurance related and pension related
   j. Risk Vs. Return
   k. Customer Liability for Unauthorised Electronic Banking Transactions

6. **Programmes for SHGs**

   a. KYC for opening of SB account by SHG
   b. Good Principles of SHGs
   c. Voluntary Savings
   d. Margin and Security Norms
   e. Insurance schemes
   f. Pension schemes
   g. Fraud Protection – Good practices for a safe digital banking experience
   h. Grievance Redressal – banking related, insurance related and pension related
   i. Risk Vs. Return
   j. Customer Liability for Unauthorised Electronic Banking Transactions

7. **Programme on Mobile Banking**

   a. Steps for availing mobile banking services
   b. Mobile Banking App, BHIM App, BHIM-UPI App with live Demo
   c. NUUP (*99#), IMPS, with live demo
d. What is Mobile Wallet and how to use it
e. Precautions to be taken while using Mobile Banking services
f. Insurance schemes
g. Pension schemes

8. **Programme on Internet Banking, PoS, Micro-ATM, ATM**

a. What is Internet Banking and how to avail internet banking services
b. What is a PoS, micro-ATM, ATM,
c. How to use them
d. How to do Aadhaar enabled transactions on these machines
e. Precautions to be taken
f. Insurance schemes
g. Pension schemes

Banks may develop their own literacy material prepared by them and may also make use of the material and videos developed by other Regulators viz., RBI, SEBI, PFRDA, IRDA, NISM and other organizations like National Centre for Financial Education (NCFE), Data Security Council of India (DSCI) etc. Necessary permission for using the contents may be obtained from the concerned regulator/agency. The topics provided above are indicative and not exhaustive.
Format of application for Financial Literacy Programmes

On the letterhead of the Bank

Ref. No. ___________________ Date ___________________

The Chief General Manager/General Manager
National Bank for Agriculture and Rural Development
Regional Office ___________________________

Dear Sir,

Support from Financial Inclus...on the subject.

In this connection, we propose to conduct ____ Financial Literacy Programmes through our branches and Financial Literacy Centres during 2018-19, for different target groups as indicated in the above circular.

<table>
<thead>
<tr>
<th>Sr.No.</th>
<th>Category</th>
<th>Number</th>
<th>No. of programmes per month</th>
<th>Total programmes till 31.3.19</th>
<th>Amount(Rs.) per programme</th>
<th>Total amount (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Branches</td>
<td></td>
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<tr>
<td>2</td>
<td>Financial Literacy Centres</td>
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<td></td>
<td>Total</td>
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</table>

We request you to communicate your approval for the above at an early date.

Yours faithfully

(Authorized Official)
On the letterhead of the Bank

Claim for reimbursement of grant for conduct of Financial Literacy Programmes

Ref. : NABARD Circular No. _____/DFIBT- /2018 dated _____ July 2018

Ref. No. Date

The Chief General Manager/General Manager
National Bank for Agriculture and Rural Development
Regional Office

Dear Sir,

Support from Financial Inclusion Fund for
Conduct of Financial Literacy Programmes

Please refer to your letter No. _________________________________ dated ________ conveying sanction for conducting ______ financial literacy programmes for different target groups through our branches and Financial Literacy Centres.

In this connection, we have conducted ______ programmes as per details given in the Annexure. We have incurred an expenditure of Rs.__________ (Rupees ________________ only) for conducting these programmes and request you to reimburse an amount of Rs.__________ (Rupees ________________ only) to us towards grant assistance.

We certify that programmes have been conducted in accordance with the guidelines and topics indicated in your circular No. ____/DFIBT - /2018 dated ______ July 2018.

Yours faithfully

Authorized Official

Encl. : As above

Annexure (to be enclosed with the claim letter)

Support from FIF for Financial Literacy Programmes – Details of Programmes conducted
Name of the Bank:

<table>
<thead>
<tr>
<th>SN</th>
<th>Name of Programme</th>
<th>Name of branch/FLC through which programme was conducted</th>
<th>Date of programme</th>
<th>No. of participants</th>
<th>Expenditure incurred (Rs.)</th>
<th>Grant assistance (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
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<td></td>
<td>Total</td>
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</tbody>
</table>

It is certified that the programmes as above have been conducted. As a result of conducting these programmes, the following deliverables have been achieved:

i. _______ new accounts – BSBD Accounts, Savings, Recurring Deposit and Term Deposit accounts, have been opened

ii. _______ RuPay Debit Cards and RuPay Kisan Cards have been issued to the customers

iii. _______ customers/people have enrolled for social security schemes viz., PMJJBY, PMSBY and Atal Pension Yojana

iv. _______ customers have applied for internet banking and mobile banking facilities

v. _______ customers have downloaded and activated Banking App and/or BHIM App

vi. _______ RuPay Debit Cards and RuPay Kisan Cards have been activated

(Authorized Official)

Note: Please also send a soft copy of this annexure in excel format to us along with the hardcopy
### NITI Aayog

List of 115 Aspirational Districts

<table>
<thead>
<tr>
<th>State</th>
<th>NITI Aayog Districts</th>
<th>Ministries pool of 30 districts</th>
<th>MHA 35 LWE Districts</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Andhra Pradesh</td>
<td></td>
<td></td>
<td></td>
<td>3</td>
</tr>
<tr>
<td>Andhra Pradesh</td>
<td>1. Vizainagram</td>
<td></td>
<td>1. Visakhapatnam</td>
<td></td>
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<tr>
<td></td>
<td>2. Cuddapah</td>
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<tr>
<td>Arunachal Pradesh</td>
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<tr>
<td>Assam</td>
<td>1. Darrang</td>
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**Total** | 30 | 50 | 35 | 115
14. Support for conducting Financial Literacy Programmes (for CBs & Scheduled SFBs)

Support from Financial Inclusion Fund (FIF) for conducting Financial Literacy Programmes (for Commercial Banks & Scheduled Small Finance Banks)

Please refer to our circular No. NB.DFIBT.HO/6137-6622/DFIBT-23/2017-18 (Circular No. 107/DFIBT-24/2017) dated 4 May 2017 regarding conduct of “Going Digital” programmes and special camps for target groups through bank branches and Financial Literacy Centres during the year 2017-18 as also regarding discontinuance of grant support from FIF for Financial Literacy Awareness Programmes (FLAPs), Digital Financial Literacy Awareness Programmes (DFLAPs) and FLAPs in schools.

Financial literacy is an important tool for creating demand for financial products. Considering this, it has now been decided to adopt a structured policy for imparting financial literacy to different target segments of population. It has, therefore, been decided that need based support will be provided to the banks on financial literacy as assessed by them in tune with their approved Financial Inclusion Plans. The support will be provided for financial literacy programmes conducted by bank branches.

Separate Financial Literacy Awareness Programmes may be conducted for different target groups, as under:

1. Programmes for people newly inducted in the financial system
2. Programmes for Adults
3. Programmes for Farmers, School Children, Senior Citizens, SHGs and Entrepreneurs
4. Programmes on digital financial literacy covering transactions on ATM, Internet Banking, Mobile Banking, Mobile Wallets, *99#, UPI/BHIM-UPI, Usage of Debit Cards, and safety measures to be adopted while doing e-transactions.
The topics to be covered under each of the above programmes are given in Annexure-I. It is very likely that the financial literacy needs of a group may encompass different groups, e.g. the financial literacy needs of adults may also cover needs for digital financial literacy like internet banking or mobile banking apart from the topics covered for them. It would, therefore, be desirable that the intimation of conduct of financial literacy programmes and the topics to be covered is given to the customers/people well in advance.

**Thrust may be given for conducting the programmes specially in the 115 aspirational districts identified by the Government of India. The list of aspirational districts is enclosed as Annexure-IV.**

The expected deliverables by conduct of the above programmes are as under:

- vii. Opening of new accounts – BSBD Accounts, Savings, Recurring Deposit and Term Deposit accounts
- viii. Issuance of RuPay Debit Cards and RuPay Kisan Cards
- ix. Enrolment for social security schemes viz., PMJJBY, PMSBY and Atal Pension Yojana
- x. Registrations for internet banking and mobile banking facilities
- xi. Downloading and activation of Banking App and/or BHIM App
- xii. Activation of RuPay Debit Cards and RuPay Kisan Cards

The duration of the programme may preferably be for half a day to suit the timings/availability of participants in rural areas.

The extent of grant assistance available for conducting the programmes will be 60% of the expenditure incurred per programme or Rs.5,000, whichever is less.

Support of 100% of expenditure or Rs.5,000 per programme, whichever is less, would be available for programmes conducted in the States of Jammu and Kashmir, Himachal Pradesh, Uttarakhand, Chhattisgarh, Jharkhand and Andaman and Nicobar islands.

Support of 100% of expenditure or Rs. 6,250 per programme, whichever is less, would be available for programmes conducted in North-Eastern States.

**Process of sanction and release of grant**

5. Grant assistance will be available only in respect of the programmes for which prior sanction has been taken from NABARD RO.
6. Banks may submit proposals for grant assistance in the format given at Annexure-II to our respective Regional Offices, giving the details of programmes proposed to be conducted separately through branches, during 2018-19.
7. Proposals for conduct of programmes in more than one State may be submitted to DFIBT, NABARD, Head Office in the format given at Annexure-II
8. Grant assistance for the programmes conducted will be available on reimbursement basis and no advance will be released for the purpose.
9. The claim for grant assistance may be submitted on a quarterly basis as per format given at Annexure-III.
Encls. : As above
Annexure-I

Topics to be covered under different Financial Literacy Programmes

9. **Programmes for the people inducted newly in the financial system** and **Programmes for Adults**

   m. Income, Expenses and Budgeting  
   n. Saving  
   o. Credit and Debt Management  
   p. Insurance (Life and non-life), Term Insurance  
   q. Investment  
   r. Retirement and Pension  
   s. Financial Planning  
   t. Govt. Schemes viz., PMJDY, PMJJBY, PMSBY and APY  
   u. Fraud Protection – Good practices for a safe digital banking experience  
   v. Grievance Redressal – banking related, insurance related and pension related  
   w. Risk Vs. Return  
   x. Customer Liability for Unauthorised Electronic Banking Transactions  

10. **Programmes for Farmers**

   l. Kisan Credit Card Scheme  
   m. RuPay Kisan Card – Why to use, how to use and benefits thereof  
   n. Crop Insurance – Pradhan Mantri Fasal Bima Yojana (PMFBY)  
   o. Prompt repayment of crop loan  
   p. Interest subvention schemes  
   q. Insurance (Life and non-life)  
   r. Pension schemes  
   s. Fraud Protection – Good practices for a safe digital banking experience  
   t. Grievance Redressal – banking related, insurance related and pension related  
   u. Risk Vs. Return  
   v. Customer Liability for Unauthorised Electronic Banking Transactions  

11. **Programme for School Children**

   k. Needs versus Wants (must have and good to have)  
   l. Budgeting  
   m. Introduction to Banking – SB Account, Current Account, Recurring Deposits, Fixed Deposits  
   n. Different types of Loans – Crop loan, Personal loan, Home loan, Vehicle loan, Education loan, etc.  
   o. Introduction to Insurance  
   p. Introduction Pension  
   q. Fraud Protection – Good practices for a safe digital banking experience  
   r. Grievance Redressal – banking related, insurance related and pension related  
   s. Risk Vs. Return
12. **Programme for Senior Citizens**

j. Beware of Ponzi Schemes – Signs of Ponzi schemes and Scams  
k. Reporting of Scams to Regulators  
l. Grievance Redressal – How to lodge complaints with banks and Banking Ombudsman  
m. Investment products suitable for post-retirement life  
n. Banking operations for old/sick/incapacitated persons  
o. Fraud Protection – Good practices for a safe digital banking experience  
p. Grievance Redressal – banking related, insurance related and pension related  
q. Risk Vs. Return  
r. Customer Liability for Unauthorised Electronic Banking Transactions

13. **Programme for Entrepreneurs**

l. Who you will turn to for funds to start the unit  
m. Loan Application Process  
n. Security, Collaterals and Guarantees,  
o. Credit Guarantee Trust (The Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE))  
p. Terminologies – Assets, Liabilities, Profit & Loss, Current Assets, Fixed Assets, etc.  
q. Insurance schemes  
r. Pension schemes  
s. Fraud Protection – Good practices for a safe digital banking experience  
t. Grievance Redressal – banking related, insurance related and pension related  
u. Risk Vs. Return  
v. Customer Liability for Unauthorised Electronic Banking Transactions

14. **Programmes for SHGs**

k. KYC for opening of SB account by SHG  
l. Good Principles of SHGs  
m. Voluntary Savings  
n. Margin and Security Norms  
o. Insurance schemes  
p. Pension schemes  
q. Fraud Protection – Good practices for a safe digital banking experience  
r. Grievance Redressal – banking related, insurance related and pension related  
s. Risk Vs. Return  
t. Customer Liability for Unauthorised Electronic Banking Transactions

15. **Programme on Mobile Banking**
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h. Steps for availing mobile banking services
   i. Mobile Banking App, BHIM App, BHIM-UPI App with live Demo
   j. NUUP (*99#), IMPS, with live demo
   k. What is Mobile Wallet and how to use it
   l. Precautions to be taken while using Mobile Banking services
   m. Insurance schemes
   n. Pension schemes

16. **Programme on Internet Banking, PoS, Micro-ATM, ATM**

   h. What is Internet Banking and how to avail internet banking services
   i. What is a PoS, micro-ATM, ATM,
   j. How to use them
   k. How to do Aadhaar enabled transactions on these machines
   l. Precautions to be taken
   m. Insurance schemes
   n. Pension schemes

Banks may develop their own literacy material prepared by them and may also make use of the material and videos developed by other Regulators viz., RBI, SEBI, PFRDA, IRDA, NISM and other organizations like National Centre for Financial Education (NCFE), Data Security Council of India (DSCI) etc. Necessary permission for using the contents may be obtained from the concerned regulator/ agency. The topics provided above are indicative and not exhaustive.
Format of application for Financial Literacy Programmes

On the letterhead of the Bank

Ref. No. Date

The Chief General Manager/General Manager
National Bank for Agriculture and Rural Development
Regional Office / Head Office
Dept. of Financial Inclusion and Banking Technology
_________________________/ MUMBAI

Dear Sir,

Support from Financial Inclusion Fund for Conduct of Financial Literacy Programmes

Please refer to your circular No. _____/DFIBT- /2018 dated _____ July 2018 on the subject.

In this connection, we propose to conduct ____ Financial Literacy Programmes through our rural branches during 2018-19, for different target groups as indicated in the above circular.

<table>
<thead>
<tr>
<th>Sr.No.</th>
<th>Category</th>
<th>Number</th>
<th>No. of programmes per month</th>
<th>Total programmes till 31.3.19</th>
<th>Amount(Rs.) per programme</th>
<th>Total amount (Rs.)</th>
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We request you to communicate your approval for the above at an early date.

Yours faithfully

(Authorized Official)
On the letterhead of the Bank

Claim for reimbursement of grant for conduct of Financial Literacy Programmes

Ref. : NABARD Circular No. ______/DFIBT-2018 dated ______ July 2018

Ref. No. Date

The Chief General Manager/General Manager
National Bank for Agriculture and Rural Development
Regional Office / Head Office
Dept. of Financial Inclusion and Banking Technology
_________________________/ MUMBAI

Dear Sir,

Support from Financial Inclusion Fund for Conduct of Financial Literacy Programmes

Please refer to your letter No. ______________________________ dated __________ conveying sanction for conducting _______ financial literacy programmes for different target groups through our branches and Financial Literacy Centres.

In this connection, we have conducted _______ programmes as per details given in the Annexure. We have incurred an expenditure of Rs.__________ (Rupees __________________ only) for conducting these programmes and request you to reimburse an amount of Rs.__________ (Rupees __________________ only) to us towards grant assistance.

We certify that programmes have been conducted in accordance with the guidelines and topics indicated in your circular No. ____/DFIBT -2018 dated ______ July 2018.

Yours faithfully

Authorized Official

Encl. : As above
Annexure (to be enclosed with claim letter)

Support from FIF for Financial Literacy Programmes – Details of Programmes conducted

Name of the Bank:

<table>
<thead>
<tr>
<th>Sr.No.</th>
<th>Name of Programme</th>
<th>Name of the branch through which programme was conducted</th>
<th>Date of programme</th>
<th>No. of participants</th>
<th>Expenditure incurred (Rs.)</th>
<th>Grant assistance (Rs.)</th>
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Total

It is certified that the programmes as above have been conducted. As a result of conducting these programmes, the following deliverables have been achieved:

vii. ________ new accounts – BSBD Accounts, Savings, Recurring Deposit and Term Deposit accounts, have been opened
viii. _________ RuPay Debit Cards and RuPay Kisan Cards have been issued to the customers
ix. ________ customers/people have enrolled for social security schemes viz., PMJJBY, PMSBY and Atal Pension Yojana
x. _________ customers have applied for internet banking and mobile banking facilities
xi. __________ customers have downloaded and activated Banking App and/or BHIM App
xii. __________ RuPay Debit Cards and RuPay Kisan Cards have been activated

(Authorized Official)

Note: Please also send a soft copy of this annexure in excel format to us along with the hardcopy

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## NITI Aayog

List of 115 Aspirational Districts

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<th>State</th>
<th>NITI Aayog 30 Districts</th>
<th>Ministries pool of 30 districts</th>
<th>MHA 35 LiWE Districts</th>
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**Total** 30 50 35 115
15. ATM add-on support for CBS (for Rural Cooperative Banks only)

Operational support for ATM under FIF – ‘ATM Add-On support for CBS’

1. Objective:
Cooperative Banks are being encouraged to provide RuPay Kisan Cards to their clients. These cards will be used in the ATM/ micro ATMs and PoS/mPoS with Agri. vendors which will result in operational expenditure for the Cooperative Banks. In order to encourage ATM penetration in rural areas also, NABARD has designed a scheme to assist Cooperative Banks to venture into ATM domain of personal banking. NABARD support for ATMs under FIF for all Cooperative Banks under this scheme will cover only operational Cost and no capital expenditure is covered.

Eligibility:
All Cooperative Banks which are fully CBS enabled and have been issuing RuPay Kisan cards are eligible for the support under this scheme.

2. Scope of Support:
This is essentially a cost related to the development and maintenance of a basic software patch which enables the CBS of the bank to interact with the ATM network. The cost involved in enabling this ATM add-on in the CBS so as to make it ATM capable will be supported under FIF. The reimbursement support for this component will be as below:

(i) ASP model of CBS: For Banks running its CBS on ASP model (irrespective of whether or not they have adopted CBS under NABARD model) the ATM Add-On for CBS will be recurring cost/ fee based on periodicity. The ATM Add-On fee has been fixed at Rs. 580/- per branch per month for three years.

(ii) Ownership Model of CBS: If the Bank runs its CBS on ownership model, ATM add-on will be a one-time cost for banks. An amount of Rs.20,000/- (computed ATM Add-On cost for 3 years) per branch will be reimbursed as ATM Add-On fee for banks who adopt ownership model.
3. **Extent of Support:**

The reimbursement will be 100% for North Eastern Region, Sikkim, Chhattisgarh, J& K, Uttarakhand, Jharkhand, Himachal Pradesh and Andaman & Nicobar Islands and 90% for the rest of the country.

4. **Pattern of Assistance:**

ATM Add-On support will be on reimbursement basis. For ASP model of CBS, support will be provided for a period of 3 years from the date of sanction of the project and for ownership model of CBS, it will be a one-time support.

5. **Duration of Support:**

The last date of claim for the support is **30 June 2021.**

6. **Formats for Proposals/Claims seeking Assistance:**

While submitting the proposals/claims seeking assistance for Operational Cost of ATMs, the Cooperative Banks should indicate the Name of the Bank, CBS Model adopted by the Bank, Total Number of Branches on CBS, Name of the sponsor bank and Name of the TSP / Switch vendor *(Annexure I).*
Application Seeking Assistance for ATM Add support for CBS

The Chief General Manager
.............. Regional Office
NABARD

Dear Sir,

Sub: ATM Add On – Assistance from Financial Inclusion Fund (FIF)

In reference to Master Circular No. 263 / DFIBT - 47 / 2017 dated 20 November 2017 on the above mentioned scheme, we hereby submit a proposal for seeking grant assistance under prevailing guidelines of FIF. The details of the proposal are as indicated below:

1. We advise that our bank has become part of the ATM network of the country from ____________ (Date).

2. We submit the following information relating to our bank’s interface with the ATM network system for claiming reimbursement of expenses arising out of integration with the network.

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<thead>
<tr>
<th>SN</th>
<th>Particulars</th>
<th>Comments</th>
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<tbody>
<tr>
<td>1</td>
<td>Name of the Cooperative Bank</td>
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<td>2</td>
<td>Whether Banks CBS on CBS through ASP model or Ownership model</td>
<td>ASP / Ownership model</td>
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<td>3</td>
<td>Name of the Sponsor Bank</td>
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<td>4</td>
<td>Name of the TSP / Switch Vendor</td>
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<td>5</td>
<td>Number of ATMs installed by the Bank</td>
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<td>6</td>
<td>Number of ATMs proposed to be installed by the Bank</td>
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<td>7</td>
<td>Total expenditure claimed @20,000 X no. of branches or @ 580 X 36 X no. of branches for ASP model</td>
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We request NABARD to reimburse the total amount of Rs. ______________ (Rupees ______ only) towards ATM add-on support from Financial Inclusion Fund (FIF).

Chief Executive Officer
_______________________________ Cooperative Bank
_______________________________ (Date)
16. EMV chip based RuPay Kisan Cards (only for RCBs)

Support for Issuance of EMV chip based RuPayKisan Cards from Financial Inclusion Fund (FIF)

There is thrust on digital transactions and a need to provide an impetus to cashless transactions amongst the farming community also. In view of the above, the Advisory Board of FIF, as a special case, had decided that Cooperative Banks may be supported for procuring EMV chip and PIN-based RuPay KCC cards, upto a maximum of Rs.25.00 or 80% of the cost, whichever is less. Terms and Conditions governing the scheme are given below:

i. **Eligibility:** All State Co-operative Banks and District Central Co-operative Banks are eligible to avail assistance from FIF under the captioned scheme.

ii. **Quantum of Support:** 80% of the cost of the RuPay KCC card or Rs. 25.00 per card, whichever is lower.

iii. **Terms and Conditions for making claim to NABARD:**

   It is understood that Co-operative Banks are at various stages of card technology adoption. There are many activities in the entire process which can be taken up simultaneously.

   However, for the sake of making an application to NABARD for sanction under the scheme, banks are required to ensure that the following activities have been completed:

   a. Banks should have obtained IIN from NPCI.

   b. Bank should have identified the Switch vendor, ATM Card Vendor and Card Management Vendor.

   c. The integration of Bank’s CBS with ATM switch should have been completed.

   d. EMV Chip certification for RuPay Card should have been completed with NPCI or the bank should have at least applied for it.

   e. Preferably a firm order for RuPay Kisan Cards should have been placed with the card vendor.

   iv. **Period of Support:**

   Banks are required to forward their application for sanction of support in format given in Annexure I. Sanctions under the scheme was available to banks till **30 September 2017**.
The last date for submission of claims against sanction granted under the scheme is 31 March 2019.

v. Claims may be made to NABARD (*Annexure II*) after making payment to the vendor for the cards procured. Payment will be made by NABARD on a reimbursement basis.

2. (a) Cooperative Banks which are using same IIN for RuPay debit and RuPay KCC cards should use the product code “90” as advised vide circular no. 228/DFIBT-03/2014 dated 21 November 2014. Some banks had already obtained separate IIN for KCC and had started using it before the issue of the aforesaid circular. They can continue using the IIN exclusively taken for RuPay KCC.

3. The purpose of using unique identity for RuPay KCC cards is to enable the banks to meet monitoring requirements at various levels.

4. Banks are advised to expedite the implementation process of adopting card technology in the bank and forward application for support from FIF at the earliest. It is hereby also clarified that no extension would be available and the banks need not approach for any such relaxation at a later date.
Annexure I
(On the Letter Head of the Bank)

Format for submission of proposal by the bank

The Chief General Manager
......... Regional Office
NABARD

Dear Sir

Support for Issuance of EMV chip based RuPayKisan Cards from Financial Inclusion Fund (FIF) – Application for Sanction

In reference to Master Circular No. 263 / DFIBT - 47 / 2017 dated 20 November 2017 on the above mentioned scheme, we hereby submit a proposal for seeking grant assistance under prevailing guidelines of FIF, the details of the proposal are as indicated below:

1. Number of live KCC Accounts in affiliated PACS:
2. Number of SB KCC Accounts opened in the Bank in respect of these borrowers:
3. Number of RuPay Kisan Cards proposed to be issued by the Bank:
4. Status of adoption of Card technology in ................. DCCB is as follows:

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<th>Sr. No.</th>
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<td>a.</td>
<td>IIN Number:</td>
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<td>b.</td>
<td>Name of Switch Vendor:</td>
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<td>c.</td>
<td>Name of Card Vendor:</td>
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<td>d.</td>
<td>Name of Card Management Vendor</td>
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<td>e.</td>
<td>EMV chip certification from NPCI (date of certification/application)</td>
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<td>f.</td>
<td>Number of RuPay Kisan Cards ordered /proposed to be issued</td>
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<td>g.</td>
<td>Purchase Order date for RuPay Kisan Cards - if order has been placed</td>
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We request you to sanction an amount of Rs._____________ towards procurement of_______ RuPay Kisan cards as indicated above.

Yours faithfully

Name of authorized Officer:
Designation:
Name of the Bank:
Date:
Annexure II
(On the Letter Head of the Bank)

Format for submission of Claim by the bank

The Chief General Manager
___________ Regional Office
NABARD

Dear Sir

Support for Issuance of EMV chip based RuPay Kisan Cards from Financial Inclusion Fund (FIF) – Application for Reimbursement

Please refer to sanction letter Ref.No. ______ dated _______ communicating sanction of Rs.._______ for procurement of _______ RuPay Kisan cards.

We advise having completed EMV certification as on ___________ (date).

We have received _______ RuPay Kisan cards from the vendor on ________ (date).

We have incurred an expenditure of Rs.. __________ for procurement of _____ RuPay KCC cards. The original invoice, receipts, etc., related to the procurement will be preserved at our end for any future requirement.

We request you to kindly reimburse an amount of Rs..__________ (Rupees ______ only) being 80% of the cost of cards (or maximum of Rs..25 per card, whichever is lower), incurred by us.

Yours faithfully

Name of authorized Officer:
Designation:
Name of the Bank:
Date:
17. Purchase of microATMs (for RRBs & RCBs)

Support under Financial Inclusion Fund (FIF) for microATMs

Under the scheme for “Support for ICT solutions under FIF”, the support for microATMs continues to be available from FIF.

Type of support available:
1. Cost of micro ATM terminals up to Rs.25,000/- per terminal.

2. One micro ATM per RRB branch will also be eligible for support under the scheme.
   The assessment for micro ATM devices may be done as below:
   (i) No. of branches where the terminals are to be placed.
   (ii) No. of PACS (in case of Coop Banks)/ BCs & Agri Vendors (in case of RRBs) to be covered
   (iii) Spare terminals as back up in the bank (up to 10% of the total, if required by the Bank).

3. During implementation the Bank may ensure that:
   • the microATMs to be deployed by them are on ownership model and should comply to technical specifications approved by IBA, IDRBT, NPCI and UIDAI formulated microATM 1.5.1 standard or its latest revised version, if any. Letter from Vendor may be obtained as given in Annexure III.
   • the microATM deployed should also have EMV Chip and PIN and Aadhar (biometric validation) acceptance capability.

4. The support under FIF is available for microATMs, all-in-one integrated devices, or mobiles/PCs/tablets with accessories.

5. The format for submission of proposal seeking assistance /claim for reimbursement are given at Annexures-I, II & IV.

6. Other terms and condition for support for microATMs remain unchanged.

7. microATMs should provide both card and pin based as well as biometric and Aadhaar based transactions and should be interoperable.

8. Eligibility:
   • RRBs : 80% of the cost of the device, maximum Rs.20,000/-
   • Cooperative banks : 90% of the cost of the device, maximum Rs.22,500/-
   • RRBs/Cooperatives in NER Hilly region, backward region : 100% of the cost of the device, maximum Rs.25,000/-
To the concerned NABARD Regional Office  

ANNEXURE I  
(On the Letter Head of the Bank)  

Cooperatives - Proposal for Assistance under FIF for microATMs.

The Chief General Manager  
NABARD  
.............Regional Office

Dear Sir

Claim for assistance under Financial Inclusion Fund (FIF) for microATMs

In reference to Master Circular No. 263 / DFIBT - 47 / 2017 dated 20 November 2017 on the above mentioned scheme, we hereby submit a proposal for seeking grant assistance under prevailing guidelines of FIF.

2. The details of the proposal are as indicated below:

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<tr>
<th>SN</th>
<th>Particulars</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Name of the CBS service provider</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Name of ATM service provider</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Name of the ATM Switch vendor</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Name of the microATM Switch vendor</td>
<td></td>
</tr>
<tr>
<td>5(a)</td>
<td>Type of device being procured (microATM/all-in-one integrated device/ mobiles, PCs, tablets with accessories)</td>
<td></td>
</tr>
<tr>
<td>(b)</td>
<td>Name of microATM vendor</td>
<td></td>
</tr>
<tr>
<td>(c)</td>
<td>Model of device being procured</td>
<td></td>
</tr>
<tr>
<td>(d)</td>
<td>Name and contact details of the vendor supplying the devices</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Number of microATM terminals to be deployed</td>
<td></td>
</tr>
<tr>
<td>(a)</td>
<td>To be deployed at Branches</td>
<td></td>
</tr>
<tr>
<td>(b)</td>
<td>Number of PACS / Societies covered</td>
<td></td>
</tr>
<tr>
<td>(c)</td>
<td>upto 10% additional backup machines</td>
<td></td>
</tr>
<tr>
<td>(d)</td>
<td>Total number of devices (6(a)+6(b)+6(c))</td>
<td></td>
</tr>
<tr>
<td>(e)</td>
<td>Per device cost</td>
<td></td>
</tr>
<tr>
<td>(f)</td>
<td>Total cost for................. devices</td>
<td></td>
</tr>
</tbody>
</table>
3. We state that
   i. microATM devices complying with IBA, IDRBT, NPCI and UIDAI formulated microATM 1.5.1 standards and any subsequent modifications thereafter will be purchased. Certification from the vendor attached for reference.
   ii. the device will be procured under ownership model.
   iii. the devices will have EMV chip and PIN and Aadhar (Biometric validation) acceptance capability.

Chief Executive Officer
Cooperative Bank
To the concerned NABARD Regional Office

ANNEXURE II
(On the Letter Head of the Bank)

**RRBs-Proposal for Assistance under FIF for microATMs.**

The Chief General Manager
NABARD
.................Regional Office

Dear Sir

*Proposal for assistance under Financial Inclusion Fund (FIF) for microATMs*

In reference to Master Circular No. 263 / DFIBT - 47 / 2017 dated 20 November 2017 on the above mentioned scheme, we hereby submit a proposal for seeking grant assistance under prevailing guidelines of FIF.

2. The details of the proposal are as indicated below:

<table>
<thead>
<tr>
<th>SN</th>
<th><strong>Particulars</strong></th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Name of the Sponsor Bank</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Name of the CBS service provider</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Name of the FI service vendor</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Name of ATM service provider</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Name of the ATM Switch vendor</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Name of the microATM Switch vendor</td>
<td></td>
</tr>
<tr>
<td>7a</td>
<td>Type of device being procured (microATM/ all-in-one integrated device/ mobiles, PCs, tablets with accessories)</td>
<td></td>
</tr>
<tr>
<td>7b</td>
<td>Name of microATM vendor</td>
<td></td>
</tr>
<tr>
<td>7c</td>
<td>Model of device being procured</td>
<td></td>
</tr>
<tr>
<td>7d</td>
<td>Name and contact details of the vendor supplying the devices</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Number of microATM terminals to be deployed</td>
<td></td>
</tr>
<tr>
<td>8a</td>
<td>To be deployed with BCs</td>
<td></td>
</tr>
<tr>
<td>8b</td>
<td>To be deployed with Agri Vendors</td>
<td></td>
</tr>
<tr>
<td>8c</td>
<td>To be deployed at Branches</td>
<td></td>
</tr>
<tr>
<td>8d</td>
<td>Upto 10% additional backup machines</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total number of devices (8(a)+8(b)+8(c)+8(d))</td>
<td></td>
</tr>
<tr>
<td>8e</td>
<td>Per device cost</td>
<td></td>
</tr>
<tr>
<td>8f</td>
<td>Total cost for............. devices</td>
<td></td>
</tr>
</tbody>
</table>
3. We state that
i. microATM devices complying with IBA, IDRBT, NPCI and UIDAI formulated microATM 1.5.1 standards and any subsequent modifications thereafter will be purchased. Certification from the vendor attached for reference.
ii. The device will be procured under ownership model.
iii. The devices will have EMV chip and PIN and Aadhar (Biometric validation) acceptance capability.

Chairman
Regional Rural Bank
(on Vendors Letter Head)
Date:
Dear Sir/Madam,

The device being submitted is fully compliant with MicroATM Standards version 1.5.1. The proofs of necessary certifications are attached with this letter.

**Device**

<table>
<thead>
<tr>
<th>Make</th>
<th>List Device name</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Model</th>
<th>List Device model number</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Hardware**

<table>
<thead>
<tr>
<th>Component</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Biometric scanner</td>
<td>List make of scanner</td>
</tr>
<tr>
<td>Connectivity</td>
<td>List all channels available (Single/Dual SIM GPRS, CDMA, PSTN, Ethernet, Wifi, etc)</td>
</tr>
<tr>
<td>Non-volatile storage</td>
<td>List storage capacity</td>
</tr>
<tr>
<td>Display</td>
<td>List size of display</td>
</tr>
<tr>
<td>Printer</td>
<td>List whether thermal / impact</td>
</tr>
<tr>
<td>Battery</td>
<td>List whether battery is rechargeable, battery life in hours</td>
</tr>
<tr>
<td>Power Adaptor</td>
<td>Meets standards: Yes / No</td>
</tr>
<tr>
<td>Environment</td>
<td>Meets standards: Yes / No</td>
</tr>
<tr>
<td>Magstripe reader and PIN pad</td>
<td>Meets standards: Yes / No</td>
</tr>
<tr>
<td>EMV capability</td>
<td>Meets standards: Yes / No</td>
</tr>
<tr>
<td>Speaker</td>
<td>Meets standards: Yes / No</td>
</tr>
<tr>
<td>Location</td>
<td>Meets standards: Yes / No</td>
</tr>
</tbody>
</table>

**Proofs of certification (Attached)**

1. STQC certification of Scanner+ Extractor meeting UIDAI standards
2. PCI-PED compliant PIN pad

Yours sincerely,

(Authorized signatory)
To the concerned NABARD Regional Office

Claim for Assistance under FIF for microATMs.

The Chief General Manager
NABARD
................Regional Office

Dear Sir

Claim for reimbursement under Financial Inclusion Fund (FIF) for microATMs

Please refer to sanction letter No. __________ dated ___________ communicating sanction of ₹ ________________ covering __________ micro ATMs.

2. In this connection, we request you to kindly reimburse an amount of ₹ ________________ (Rupees ________________ only) covering __________ micro ATMs that has been installed by us. We declare that we have adhered to all the terms and conditions of the above mentioned sanction letter.

3. The micro ATMs are onboarded to AEPs/ would be onboarded to AEPS by _______________

4. micro ATMs are interoperable / would be interoperable by _______________

Yours faithfully

Name of the Authorised Officer :
Designation :
Name of Bank :
Date :
18. PoS/m-PoS (for Commercial Banks, RRBs & RCBs)

Support from Financial Inclusion Fund (FIF) –
Deployment of PoS / mPoS Terminals in Tier 5 and Tier 6 Centres

Currently, there is a thrust on digital transactions and a need to provide an impetus to cashless transactions amongst the farming community also. Hence, there is a need to increase the digital payments and acceptance infrastructure in rural areas. The deployment of Point of Sale (PoS)/mPoS terminals will ensure cashless transactions and allow the customers to withdraw small amounts of cash in rural areas especially in Tier 5 and Tier 6 centres, covering population of less than 10,000.

2. Accordingly, it was decided to extend support from FIF for deployment of PoS/mPoS terminals in around one lakh villages in Tier 5 and Tier 6 centres, subject to a cap of two devices per village. The terms and conditions of the captioned scheme are elaborated in Annexure I. The format to claim reimbursement under the scheme is given in Annexure II.

3. Furthermore, the progress under the scheme is being monitored in the ENSURE portal hosted on the site http://ensure.nabard.org/NABARD/main.jsp. Banks sanctioned PoS/mPoS devices under the scheme have to furnish the progress in the following Return in the portal.

<table>
<thead>
<tr>
<th>Name of the Return</th>
<th>Periodicity &amp; Date of Publishing</th>
</tr>
</thead>
<tbody>
<tr>
<td>PoS/mPoS Devices Deployment in 1 Lakh Villages</td>
<td>Fortnightly. Published every alternate Friday.</td>
</tr>
</tbody>
</table>

Instruction for submission of Return is given at Annexure III.
### Eligibility Criteria and Other Terms and Conditions

<table>
<thead>
<tr>
<th></th>
<th>Eligible Institutions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>All Commercial Banks who have Merchant Acquirer approval from RBI will be eligible for support. Regional Rural Banks, State Cooperative Banks and District Central Cooperative Banks will be eligible, if approved by RBI in future.</td>
</tr>
</tbody>
</table>

#### Third Party Model:

a) Banks, which are not Merchant Acquirers and incur expenditure in deploying mPoS devices, will also be extended support under FIF for CAPEX/OPEX model.

b) NPCI has come out with models for deployment of third party mPoS for RRBs and Cooperative Banks who are not Merchant Acquirers, vide their Circular Nos. NPCI/2016-17/RRB/013 dated 13 December 2016 for RRBs and No. NPCI/2016-17 FI/256 dated 02 December 2016 for Cooperatives.

<table>
<thead>
<tr>
<th></th>
<th>Eligibility Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>To set up PoS/mPoS devices in villages in tier 5 and tier 6 centres:</td>
</tr>
<tr>
<td></td>
<td>The support should not be utilized for providing a second PoS/mPoS device to a merchant venue already having one, even if it is from another bank.</td>
</tr>
<tr>
<td></td>
<td>PoS/mPoS terminals deployed should either be “Aadhar enabled” or at least “Aadhar ready” i.e. additional port/s are available in such PoS machines to make it Aadhar compliant at a later date.</td>
</tr>
<tr>
<td></td>
<td>PoS/mPoS devices will comply with PCI/DSS standards and any other standard prescribed by NPCI from time to time.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Extent of support</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>CAPEX Model PoS / mPoS</td>
</tr>
</tbody>
</table>
80% of fixed cost of the PoS/mPoS device upto a cap of Rs.6,000/- per device will be reimbursed under FIF after installation of PoS/mPoS device.

**OPEX Model PoS/ mPoS**

Bank is eligible to draw either 80% of the actual operational cost or Rs.6,000/- per PoS/mPoS, whichever is lower, after the deployment of PoS/mPoS devices.

<table>
<thead>
<tr>
<th>Terms and Conditions</th>
<th>i) For PoS / mPoS Model</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banks to follow due diligence while procuring hardware under the scheme.</td>
<td></td>
</tr>
<tr>
<td>The Bank is required to preserve the original invoice, receipts, etc. related to the procurement for any future requirement by NABARD.</td>
<td></td>
</tr>
<tr>
<td>The Bank will facilitate any monitoring/evaluation of the project taken up by NABARD through its own officers or some other agency.</td>
<td></td>
</tr>
<tr>
<td>The Bank has to enter into an agreement with NABARD, if not already done.</td>
<td></td>
</tr>
<tr>
<td>Devices supported under the scheme should display “Device supported by NABARD under FIF” by putting a sticker at the side of the device/other means.</td>
<td></td>
</tr>
<tr>
<td>All out efforts may be made to place PoS/mPoS devices with agricultural input dealers, milk societies, PACS, etc., where chances of farm/farmer related transactions are more.</td>
<td></td>
</tr>
<tr>
<td>As far as possible, the banks may deploy PoS/mPoS devices in their areas of operation. Private sector banks may deploy PoS/mPoS devices in areas of operation of RRBs, over and above their own area. They may also consider support from their sponsored Cooperative Bank for identification of merchants.</td>
<td></td>
</tr>
<tr>
<td>The main objective of the scheme is to have as much spread as possible for touch points in rural areas. While there could be some overlap, effort should be made to avoid the same to the extent possible.</td>
<td></td>
</tr>
</tbody>
</table>
The Bank may consider passing some benefit to the merchants to incentivize them to join the PoS/mPoS network.

The Bank is required to accept the terms and conditions of sanction before release of grant.

The Bank deploying PoS/ mPoS devices under the project will retain the names of villages including village census code along with merchant details where the devices have been deployed.

**ii) Additional conditions for mPoS Model**

The support will mainly be available for two types of mPoS hardware:

A standalone device, which has inbuilt provision for SIM to provide connectivity to cellular network. The device is self-sufficient in carrying out the merchant transaction.

Additional piece of hardware which gets attached to a mobile phone through USB port, audio jack of the cellular phone, bluetooth, Wi-Fi or any such wireless technology. The additional hardware could be a barcode reader, PIN-pad, card reader, QR code scanner, Bio-metric scanner, etc., which completes the identification part. App in the mobile completes the transaction.

b) The devices should have the provision of providing written transaction receipt in addition to the SMS. Alternately a receipt may be issued by the merchants.

5 **Third Party Model**

RRBs and Cooperative Banks, which are not Merchant Acquirers and are deploying mPoS under Third Party Model, may follow procedure indicated in NPCI Circular Nos. NPCI/2016-17/RRB/013 dated 13 December 2016 for RRBs and No. NPCI/2016-17 FI/256 dated 02 December 2016 for Cooperatives.

6 **Pattern of Disbursement**

<table>
<thead>
<tr>
<th></th>
<th>RRBs/Commercial Banks</th>
<th>Rural Cooperative banks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Support will be on reimbursement basis on actual expenses.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Project Period</strong></td>
<td>Under CAPEX model, the Bank can submit claim in maximum of two instalments.</td>
</tr>
<tr>
<td>---</td>
<td>-------------------</td>
<td>--------------------------------------------------------------------------------</td>
</tr>
<tr>
<td></td>
<td></td>
<td>The claim under OPEX model may be submitted once in financial year. Only one claim to be submitted in a year.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>The first claim has to be submitted before 30 April 2019.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>The first claim has to be submitted before 31 March 2019.</td>
</tr>
</tbody>
</table>

The banks, that were granted sanction under this scheme, have time till 31 March 2019 to complete installation / deployment and forward their first claim for reimbursement to NABARD as per the format enclosed in Annexure II.
Annexure II

(Format for Claiming Reimbursement by the Merchant Acquirer bank/ Third Party Model - on Bank’s letterhead)

The Chief General Manager
........ Regional Office/Head Office (in case of Multi-State projects)
NABARD

Dear Sir

**Support from Financial Inclusion Fund (FIF) for deployment of PoS/mPoS terminals in Tier 5 and 6 Areas – Application for Reimbursement – CAPEX/OPEX Model**

Please refer to sanction letter Ref. No. ............... dated ............... by which you have sanctioned us an amount of Rs. ............... for installation of ............... PoS/mPoS devices as Merchant Acquirer Bank/ under Third party model.

We have installed PoS/mPoS devices in the following locations: (Branch-wise list)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2 digit (as per census 2011)</td>
<td>30 text (as per census 2011)</td>
<td>3 Digit (as per census 2011)</td>
<td>30 text (as per census 2011)</td>
<td>6 digit (as per census 2011)</td>
<td>50 text (as per census 2011)</td>
<td>100 text</td>
<td>15 Digit (as maintained with NPCI)</td>
</tr>
<tr>
<td>2</td>
<td>5 Digit (as per census 2011)</td>
<td>30 text (as per census 2011)</td>
<td>3 Digit (as per census 2011)</td>
<td>30 text (as per census 2011)</td>
<td>6 digit (as per census 2011)</td>
<td>50 text (as per census 2011)</td>
<td>100 text</td>
<td>15 Digit (as maintained with NPCI)</td>
</tr>
<tr>
<td>......</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The above details are given in the attached Excel file. Please give details of each device in separate row.

2. We have incurred capital expenditure of Rs..... for deploying...................... PoS/mPoS (for
CAPEX model)

OR

We have incurred an expenditure of Rs. ........ for maintaining .......... devices @ Rs............. per device per month. (for OPEX model)

3. The original invoice, receipts, agreements, etc. related to the purchase/installation/maintenance will be preserved at our end for any future verification requirement. We certify that not more than 2 functional PoS/mPoS devices have been installed in any village, under the project.

4. The village details including village census code with merchant details, where PoS/mPoS devices have been deployed, are also being maintained at our level.

5. We request you to kindly reimburse an amount of Rs.................., being the capital expenditure or operational & maintenance expenditure for PoS/mPoS devices incurred by us (maximum Rs 6,000/- per PoS/mPoS) as per eligibility in terms of Circular No. 53/DFIBT-12/2017 dated 09 March 2017. We submit that this amount has been paid to the vendor.

6. We certify that there is no duplication of claims for support obtained under third party model units.’

7. The Terms and Conditions mentioned in sanction letter No. NB. DFIBT/ ........... dated ............ are accepted by the Bank

8. Details of Bank Account:

<table>
<thead>
<tr>
<th></th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Name of the Bank where drawal /claim money to be credited</td>
</tr>
<tr>
<td>2</td>
<td>Name of the Bank Branch where drawal /claim money to be credited</td>
</tr>
<tr>
<td>3</td>
<td>RTGS/NEFT/IFS Code of above Bank:</td>
</tr>
</tbody>
</table>
9. Details of taxes paid, if any. ......................... We certify that the treatment of GST is as per NABARD’s Circular No. 87/DFIBT-11/2018 dated 25.04.2018.

10. Banks to submit a state wise consolidated list of deployment of PoS/mPoS.

11. In case of any withdrawal, banks to make special request for withdrawal with specific details

Yours faithfully,

Name of authorized Officer:
Designation:
Name of the Bank:
Date:

“Note: Strike out whichever is not applicable.”
Annexure III

Instructions for filling data for deployment of PoS/mPoS devices in Tier 5 & 6 centres- Submission through ENSURE portal

A. Creating ‘Bank Maker’ and ‘Bank Checker’ in ENSURE:

1. Every Bank on ENSURE portal has a ‘Bank Admin’ ID. The role of Bank Admin ID is to create Bank Maker and Bank Checker IDs and map a new Return with them.
2. ‘Bank Maker’ is the person who enters the data in the portal. Once he fills the Return, he has to send to ‘Bank Checker’.
3. ‘Bank Checker’ verifies the data and forwards the Return to NABARD. In case of discrepancy, he can reject the data. In such a case, the ‘Bank Maker’ has to correct the Return and thereafter resend it to ‘Bank Checker’.
4. Banks are already using ENSURE platform for filling various Returns related to Mission RuPay Kisan Cards, Social Security Schemes, dFLAPs, data related to Ground Level Credit flow (GLC). In addition, a user guide for ENSURE is also available at Annexure 1 of NABARD Circular No. 271/DFIBT-37/2016 dated 16 November 2016.

B. Return Filing:

1. The Return is to be submitted sequentially on a fortnightly basis from the date of publishing. The data is to be entered sequentially fortnight wise, for example: For the PoS/mPoS deployed during the fortnight starting from 07 January 2017 (Saturday) to 20 January 2017 (Friday), the Return would be published (visible to Bank Maker) on 20 January 2017. The details of the PoS/mPoS deployed during 07 to 20 January 2017 fortnight can be entered from 20 January 2017 to 26 January 2017 as a normal Return. From 27 January 2017, it will become an overdue Return.
2. In case no PoS/mPoS have been sanctioned/disbursed/deployed during a particular fortnight, a ‘nil’ Return may be submitted. It can be submitted by selecting-‘No’ under the three options:
   (i) Are there any new sanctions made during the fortnight?
   (ii) Are there any new disbursements made during the fortnight?
   (iii) Are there any new deployments made during the fortnight?
3. The Return has following tables:

(i) NABARD Sanction -
Are there any new sanctions made during the fortnight? Yes/No.
On selecting:
Yes: The table given in the next page gets enabled for entry. It may be selected when a sanction by NABARD has been made or received by the Bank during the preceding fortnight.
No: The table will not be enabled. It may be selected when, no sanctions have been made or received during the preceding fortnight.

NABARD Sanction Details

<table>
<thead>
<tr>
<th>Letter date</th>
<th>State</th>
<th>No. of devices</th>
<th>No of villages where devices are to be deployed</th>
<th>Amount (Rs. Lakh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Col-1</td>
<td>Col-2</td>
<td>Col-3</td>
<td>Col-4</td>
<td>Col-5</td>
</tr>
<tr>
<td>drop down</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The Column wise data to be entered is given below:
1. Col-1: Date of NABARD sanction letter addressed to Bank.
2. Col-2: State can be selected from drop down list. In case of multi state sanctions, a new row can be added by clicking ‘+’ symbol at the end of each row. If there are more than one sanction to the Bank in the preceding fortnight, similar process may be adopted for entering the details of each sanction.
3. Col-3, 4 & 5: Details of sanction may be filled by the Bank.

(ii) Disbursement from NABARD
Are there any new disbursements made during the fortnight? Yes/No.
On selecting:
Yes: The table given below gets enabled for entry. It may be selected when a disbursement by NABARD has been made or received by the Bank during the preceding fortnight.
No: The table will not be enabled. It may be selected when no disbursements have been made during the preceding fortnight.

NABARD Disbursement Details

<table>
<thead>
<tr>
<th>Date of release</th>
<th>Total claim released (₹ Lakh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Col-1</td>
<td>Col-2</td>
</tr>
</tbody>
</table>
1. Col-1: Date of disbursement of funds from NABARD is to be entered.
2. Col-2: Total claim released (cumulative) as on date to be entered.

(iii) PoS/mPoS Deployed
Are there any new deployments made during the fortnight? Yes/No.
On selecting:-
Yes: The table given in the next page gets enabled for entry. It may be selected when devices are deployed during the preceding fortnight.
No: The table will not be enabled. It may be selected when, no deployments have been made during the preceding fortnight.

Cumulative No. of devices deployed during the fortnight

<table>
<thead>
<tr>
<th>State</th>
<th>No. of devices deployed during the fortnight in the State</th>
<th>Cumulative</th>
</tr>
</thead>
<tbody>
<tr>
<td>Col-1</td>
<td>Col-2</td>
<td>Col-3</td>
</tr>
<tr>
<td>Col-4</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1. Col-1: State is to be selected from drop down list. In case of multi state deployments, a new row can be added by clicking ‘+’ symbol at the end of each row.
2. Col-2 and 3: Details may be filled by Bank.
3. Col-4: Banks may ensure that the villages, where PoS/mPoS are already installed, are not reported twice. E.g. in a village one PoS/mPoS device is installed on 10 January 2017 and the second PoS/mPoS device is installed in the same village on 02 February 2017. The first PoS/mPoS device (Col-2, 3) and the village (Col-4) is to be reported in the Return for the fortnight 07 January 2017 to 20 January 2017. The second PoS/mPoS device (Col-2, 3) is to be reported in the Return for the period 21 January 2017 to 03 February 2017. Care may be taken that the village may not be reported during this Return as it has already been accounted for in the earlier Return for the fortnight 07 January 2017 to 20 January 2017.

19. Demo Van (for RRBs & RCBs)
Demonstration of Banking Technology through Mobile Van – Support under Financial Inclusion Fund (FIF)

In order to promote digital financial literacy, it has been decided to support the demonstration of banking technology through mobile van under Financial Inclusion Fund (FIF), the details of the scheme are as indicated below:

1) **Broad objectives of the scheme**
   
i) Spreading Financial Literacy  
ii) Demonstration of various digital banking technologies for Digital Financial Literacy  
iii) To sensitize and enable merchants and end customers to use digital payment system.  
iv) To create awareness among the users about the precautions and safety measures while using different banking technologies.  
v) Demonstration of microATM, ATM, POS, RuPay card transaction etc.

2) **Institutions eligible for support**
   
i) CBS enabled Regional Rural Banks and Rural Cooperative Banks  
ii) The Banks should be on NFS and should have or be in the process of implementing various Banking Technologies.

3) **Extent of Support**
   
i) Support of up to a maximum cap of Rs. 15 lakh per demo mobile van. However the extent of support will be limited to actual capital expenditure incurred by the bank.  
ii) The support to the RRBs and the Rural Cooperative Banks for one mobile van will be as under:

<table>
<thead>
<tr>
<th>SN</th>
<th>Bank</th>
<th>Extent of Support</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>RRBs</td>
<td>80% of the total expenditure or Rs. 15 lakh each, whichever is lower</td>
</tr>
<tr>
<td>2</td>
<td>Rural Cooperative Banks</td>
<td>90% of the total expenditure or Rs. 15 lakh each, whichever is lower</td>
</tr>
<tr>
<td></td>
<td></td>
<td>100% support for both RRBs &amp; Rural Cooperative Banks for North Eastern Region, Sikkim, Jammu &amp; Kashmir, Uttarakhand, Jharkhand, Himachal Pradesh, Chhattisgarh and Andaman &amp; Nicobar Islands.</td>
</tr>
</tbody>
</table>

4) Other Conditions
i) The assistance may be utilized towards capital expenditure of ATM, microATM, GPRS Router, UPS, PoS, V-SAT, etc.

ii) One demo mobile van per Rural Cooperative Bank.

iii) **The StCB in Andaman & Nicobar, Assam, Arunachal Pradesh, Himachal Pradesh, Jammu & Kashmir, Jharkhand, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim and Tripura States / Union Territories are eligible for one demo van for every three districts, subject to a cap of three mobile demo vans per bank.**

iv) One demo mobile van for every 03 districts subject to cap of 03 mobile demo vans per RRB.

v) The Cooperative Banks which have already availed support for mobile van will not be eligible for support under the scheme.

vi) RRBs, if availed support for one mobile van, will be eligible for the remaining two mobile vans subject to district criteria stated above.

vii) Sanctions will be allowed till 30 September 2018.

viii) Mobile van should also have adequate financial literacy material in vernacular medium.

5) In respect of banks, in the states with CRISIL Inclusix score 2013 of more than 70% (Karnataka, Chandigarh, Goa, Tamil Nadu, Kerala, Puducherry), the van will be sanctioned on a first come first serve basis, with a maximum allocation of 28 mobile vans to these states.

6) Banks are required to submit the proposals to the Regional Offices, as per the format indicated in Annexure I. The claims will be settled on reimbursement basis. The claims are to be made within **nine months** of sanction (Annexure II) failing which the sanction will be withdrawn.
Annexure I

(On the Letter Head of the Bank)

Format for submission of Proposal by RRB/Rural Cooperative Bank

The Chief General Manager
NABARD
……………………….. Regional Office

Dear Sir

Proposal for assistance for demonstration of banking technology through Mobile Van under Financial Inclusion Fund (FIF)

In reference to Master Circular No. 263 / DFIBT - 47 / 2017 dated 20 November 2017 for the above-mentioned scheme, we hereby submit a proposal for seeking grant assistance under prevailing guidelines of FIF.

2. The details of the proposal are as indicated below:

<table>
<thead>
<tr>
<th>SN</th>
<th>Particulars</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Total No. of districts covered by the Bank</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Total no. of mobile vans applied for which support is required under FIF (01 in case of Cooperative Bank)</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>If any support has been availed earlier under FIF for demonstration of banking technology through mobile van(if yes, please give details)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Details of Mobile Van</th>
</tr>
</thead>
<tbody>
<tr>
<td>SN</td>
</tr>
<tr>
<td>----</td>
</tr>
<tr>
<td>1</td>
</tr>
<tr>
<td>2</td>
</tr>
<tr>
<td>3</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

Yours faithfully

Name of the Authorized Officer:
Designation:
Name of the Bank:
Date:
Annexure II
(On the Letter Head of the Bank)

Format for submission of Claim by RRB/Rural Cooperative Bank

The Chief General Manager
NABARD
........................ Regional Office

Dear Sir

Demonstration of banking technology through Mobile Van-
Support under Financial Inclusion Fund (FIF)

Please refer to your sanction letter no. ................. dated .................... on the captioned subject.
In this connection, we request you to reimburse an amount of Rs. _________ (Rupees ______ only) for purchase of mobile van for demonstration of banking technology. The details are as per the following:

2. Details of Mobile Van

<table>
<thead>
<tr>
<th>SN</th>
<th>Particulars</th>
<th>Name of the Districts covered</th>
<th>Components of Mobile Van</th>
<th>Total financial assistance sanctioned (₹)</th>
<th>Expenditure incurred by the Bank (₹)</th>
<th>Financial Assistance sought (₹)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Mobile Van 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Mobile Van 2 (only for RRBs)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Mobile Van 3 (only for RRBs)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

We have incurred an expenditure of Rs. _________ (Rupees ______ only) for purchase of mobile van and the various components of banking technology as indicated above.

3. We certify the following:
   a) that the mobile van/s is/are will be equipped to demonstrate all new and relevant banking technologies.
   b) the amount will be utilized for mobile van to be used for demonstration of banking technology.
   c) a monthly movement plan of mobile van will be made beforehand and announced in the intended area.
d) Mobile van will have adequate financial literacy material in vernacular medium.

e) the expenditure related bills and information will be maintained and retained by the Bank for future inspection by NABARD.

f) that the details regarding the movement of van, campaign conducted, trend of participation and similar information will be maintained and access will be provided to such information to NABARD, as and when requested.

Yours faithfully

Name of the Authorized Officer:
Designation:
Name of the Bank:
Date:
20. Central KYC (for RRBs & RCBs)

Operationalisation of Central KYC Records Registry - Support from Financial Inclusion Fund to Rural Cooperative Banks and RRBs

As you are aware, Government of India vide notification dated 07 July 2015, amended the Prevention of Money Laundering (Maintenance of Records) Rules, 2005, (Rules), for setting up of the Central KYC Records Registry (CKYCR). The Central Registry of Securitisation Asset Reconstruction and Security Interest of India (CERSAI) has been authorised to act as and to perform the functions of Central KYC Records Registry.

RBI vide its Master Direction dated 08 December 2016 has notified that all Regulated Entities (REs) other than Scheduled Commercial Banks (SCBs) are to upload the KYC data pertaining to all new individual accounts opened on or after from 01 April 2017, with Central KYC Registry.

To encourage Rural Cooperative Banks and RRBs to onboard to the CKYCR system, it has been decided to extend financial support to these Banks from Financial Inclusion Fund.

2. Eligibility for support
   i. StCB/DCCB/RRB should be licensed.
   ii. Expenditure to be approved by the Banks’ Board.
   iii. Support from State Government or any other agency, if availed, to be excluded from the claim.
   iv. The Bank will ensure that standards/guidelines as specified by various agencies are being adhered to for the implementation of CKYCR.

3. Extent of Support
   i. StCBs/DCCBs – Upto Rs. 4.00 lakh or 90% of the cost whichever is lower, per bank.
   ii. RRBs- Upto Rs. 3.60 lakh or 80% of the cost whichever is lower, per bank.

4. Sanctioning Procedure
   Bank may approach NABARD for sanction, once its Board has passed the resolution to implement CKYCR in the Bank, as per the format given in Annexure I. The Bank has to submit the following documents/ details to the NABARD Regional Office along with the proposal for sanction:
   i. Board resolution approving implementation of CKYCR.
ii. Registration with CERSAI or application details of CERSAI registration as an entity for CKYCR.

iii. No. of customers of the Bank whose details are to be uploaded in CERSAI.

iv. Details of the CKYCR vendor or probable date by which the vendor will be finalized. (It should not be later than one month from the date of proposal).

5. Eligible Components

The components eligible for support are as indicated below:

i. Hardware for CKYCR – PC, Scanner, Biometric device, modem, etc.
ii. CKYCR Software
iii. First year Internet Connectivity charges for CKYCR
iv. AMC charges for the first year

6. Claim procedure and Release of grant

The release will be on reimbursement basis. Single claim seeking assistance under the scheme may be made to NABARD Regional Office as per Annexure II. The following supporting documents/details should be submitted along with the claim:

i. Details of CERSAI registration
ii. Details of total accounts in the Bank and the accounts uploaded to CKYCR.
iii. An undertaking that the details of all the identified customers till the last day of the previous month have been uploaded to CKYCR Registry.

7. Duration of support

The last date of claim for the support is **30 September 2018**.
Annexure I
(On the Letter Head of the Bank)

Format for submission of Proposal by the bank

The Chief General Manager
........ Regional Office
NABARD

Dear Sir

Proposal for Support from Financial Inclusion Fund for Operationalisation of Central KYC Records Registry

In reference to the Master Circular No. 263 / DFIBT - 47 / 2017 dated 20 November 2017 on the above mentioned scheme, we request you to sanction grant of Rs. .................. (Rupees ______ only) for establishment of CKYCR in the Bank. The total estimated expenditure for the captioned project is ₹ .......... The details are as following:

<table>
<thead>
<tr>
<th>SI No</th>
<th>Particulars</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Date of board resolution approving implementation of CKYCR</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>No. of customers of the Bank whose details are to be uploaded in CERSAI</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Details of registration as an entity in CERSAI / details of application to CERSAI</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Details of the CKYCR vendor or stage at which the identification process is and the probable date of finalization of vendor (Maximum within one month from the date of this proposal.)</td>
<td></td>
</tr>
</tbody>
</table>

We certify that:

i. The above mentioned amount will be incurred for implementation of CKYCR solution in the Bank.

ii. The expenditure involves the cost for hardware, software and connectivity components required specifically for CKYCR implementation and not for any other purpose.

iii. The related expenditure bills and vouchers will be preserved by us for a period of three years for verification by NABARD at any point of time.

iv. Support from State Government or any other agency, has not been availed./ of Rs. ______ has been availed for establishment of CKYCR in the Bank and the same has been excluded from the proposal *. 

196
v. The Bank will ensure that standards/guidelines as specified by various agencies will be adhered to for the implementation of CKYCR.

Authorised Person
Designation

Encl: As above
* strike out whichever is not applicable
Annexure II
(On the Letter Head of the Bank)

Format for submission of Claim Support

Dear Sir,

Reimbursement of expenditure for Operationalisation of Central KYC Records Registry: Support from Financial Inclusion Fund

Please refer to your sanction letter no .... dated ....... on the captioned subject. In this connection, we request you to reimburse an amount of Rs. .......................... (Rupees ______ only) for establishment of CKYCR in the Bank. The total expenditure made by the Bank for captioned project is Rs. ............ The details are as following:

<table>
<thead>
<tr>
<th>Sl No</th>
<th>Particulars</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Name of the CKYCR solution implementing vendor/s</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Details of Registration with CERSAI</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>No. of customers of the Bank whose details were uploaded to CERSAI</td>
<td></td>
</tr>
</tbody>
</table>

We certify that:

i. The above mentioned amount has been incurred for the implementation of CKYCR solution in the Bank.
ii. The expenditure involves the cost for hardware, software and connectivity components required specifically for CKYCR implementation and not for any other purpose.
iii. The related expenditure bills and vouchers will be preserved by us for a period of three years for verification by NABARD at any point of time.
iv. Support from State Government or any other agency, has not been availed./ of Rs........ has been availed for establishment of CKYCR in the Bank and has been excluded from the proposal*.

v. The Bank has and will ensure that standards/guidelines as specified by various agencies will be adhered to for the implementation of CKYCR.
vi. Details of all the identified customers up till the last day of the previous month have been uploaded in the CKYCR Registry.

Authorised Person
Designation

Encl: As above

* strike out whichever is not applicable
21. MicroATM/POS and CBS Server Integration (for Rural Cooperative Banks)

Support for Cost of Integration between micro ATMs and CBS server under FIF

Objective
The overall objective of the scheme is to provide technology support through micro ATMs to enable the Cooperative Banks to provide doorstep banking facilities. This will enable the clients of Cooperative Banks to connect to National Payment System and avail all types of financial services.

2. Eligibility
   I. Cooperative Banks / Branches should be on CBS platform.
   II. Costs as approved by the bank management are adopted.
   III. Support from UIDAI and any other agencies, if availed to be excluded from the claim.
   IV. The Bank is to ensure that certification standards as specified by various agencies are being adhered to for micro ATMs.

3. Scope of Support
Cost of Integration between the micro ATM and CBS server within a ceiling of Rs. 2.00 lakh (Rupees two lakh only) per bank.

4. Operationalization of scheme
Cooperative Banks may not require BC services but only technology support for operationalization of micro ATMs. Banks may approach micro ATM vendors and ATM switch vendor employed by them.

5. Pattern of Assistance
The concerned Cooperative Bank may work out a project report covering the cost of integration between the micro ATM and CBS of the bank. Support for this would be on reimbursement basis.

6. Duration of Support
The assistance will be one-time support for cost of integration between the micro ATM devices and CBS server. Banks may submit their proposals for sanction of financial assistance by 31 December 2018 and submit their claims of reimbursement of financial assistance by 31 March 2019.

ANNEXURE - I
To the concerned NABARD Regional Office

Proposal for Support for Cost of Integration between Micro ATM and CBS server

The Chief General Manager
NABARD
..............Regional Office

Dear Sir

Proposal for Assistance under Financial Inclusion Fund (FIF) for Cost of Integration between Micro ATM and CBS server

In reference to Master Circular No. 263 / DFIBT - 47 / 2017 dated 20 November 2017 for the above-mentioned scheme, we hereby submit a proposal for seeking grant assistance under prevailing guidelines of FIF. The details of the proposal are as indicated below:

<table>
<thead>
<tr>
<th>SN</th>
<th>Particulars</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Name of the ATM Switch vendor</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Name of microATM vendor</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Model of device being procured</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Number of microATM terminals to be deployed</td>
<td></td>
</tr>
<tr>
<td>(a)</td>
<td>To be deployed at Branches</td>
<td></td>
</tr>
<tr>
<td>(b)</td>
<td>Number of PACS / Societies covered</td>
<td></td>
</tr>
<tr>
<td>(c)</td>
<td>upto 10% additional backup machines</td>
<td></td>
</tr>
<tr>
<td>(d)</td>
<td>Total number of devices (4(a)+4(b)+4(c))</td>
<td></td>
</tr>
</tbody>
</table>

2. We state that
   i. microATM devices complying with IBA, IDRBT, NPCI and UIDAI formulated microATM 1.5.1 standards and any subsequent modifications thereafter will be purchased. Certification from the vendor attached for reference.
   ii. the device will be procured under ownership model.
   iii. the devices will have EMV chip and PIN and Aadhaar (Biometric validation) acceptance capability.
3. The estimated cost of integration between the micro ATM and CBS server works out to Rs.................. (Rupees ___________ only)  This proposal is submitted for sanction of financial assistance under the said scheme (subject to a maximum ceiling of ₹ 2.00 lakh).

Chief Executive Officer
Cooperative Bank
To the concerned NABARD Regional Office

Claim for Cost of Integration between Micro ATM and CBS server

The Chief General Manager
NABARD
..............Regional Office

Dear Sir

Claim for Reimbursement of Cost of Integration between Micro ATM & CBS server

Please refer to sanction letter No. __________ dated ___________ communicating sanction of Rs.___________ under above-mentioned scheme.

2. In this connection, we request you to kindly reimburse an amount of Rs.__________________________ (Rupees __________ only) covering the cost of integration of micro ATMs and CBS server. We declare that we have adhered to all the terms and conditions of the above mentioned sanction letter.

3. The micro ATMs are onboarded to AEPs/would be onboarded to AEPS by ______________.

4. micro ATMs are interoperable / would be interoperable by ______________.

Yours faithfully

Name of the Authorised Officer:
Designation:
Name of Bank:
Date:
22. Solar V-SATs in SSAs (for Scheduled CBs & RRBs)

Solar Powered V-SAT connectivity to Kiosk/Fixed CSPs in Sub-Service Areas- Support under FIF

Many of the Sub Service Areas (SSAs) allotted to the Banks have telecom connectivity problems (no connectivity or intermittent connectivity). To enable banking services to reach these Sub Service Areas, V-SAT is a feasible alternative. Solar Powered V-SAT was expected to solve the problem of connectivity and power supply in the Sub Service Areas. Earlier support was extended to set up connectivity in these SSAs with problem of connectivity under the following three categories:

(a) Areas having no connectivity as per the list of 894 locations circulated by Department of Financial Services, Ministry of Finance, Government of India;
(b) Areas not listed by DFS but have no connectivity; and
(c) Areas having intermittent connectivity creating a major problem in the transactions by BCs/BCAs.

Subsequently, fresh sanctions against categories (b) and (c) were suspended from 01 April 2017 on the direction of the Advisory Board for FIF.

2. Eligible Institutions

All the banks which have been allotted Sub Service Areas will be eligible for support under the scheme. The scheme is meant only for Customer Service Points (CSPs) managed by BCs/BCAs.

3. Extent of Support

100% of the fixed cost (see eligible components listed in point 6) subject to a cap of ₹4.00 lakh per unit will be borne by NABARD under FIF. The recurring expenses will be fully borne by the Banks. In case the Bank wants V-SAT connectivity without solar power, support will be restricted to 100% of fixed cost subject to a cap of Rs. 3.00 lakh per unit.

Banks can avail support under two models as follows:
A. CAPEX Model
One time support will be provided for the purchase and installation of solar powered VSAT or VSAT without solar power for the Bank identified Kiosk/Fixed CSP in the allotted Sub-Service Area.

B. OPEX Model
Support is also extended for OPEX model for a maximum of ₹ 4.00 lakh per SSA, on an annual reimbursement basis as detailed below:

<table>
<thead>
<tr>
<th>SN</th>
<th>Particulars</th>
<th>Max. Yearly Eligibility *</th>
<th>Max. Eligible Amount*</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Solar Powered V-SAT</td>
<td>Rs. 80,000 per annum for 5 years</td>
<td>Rs. 4.00 lakhs</td>
</tr>
<tr>
<td>B</td>
<td>V-SAT connectivity without Solar Power</td>
<td>Rs. 60,000 per annum for 5 years</td>
<td>Rs. 3.00 lakhs</td>
</tr>
</tbody>
</table>

* Support will be restricted up to the maximum ceiling or actuals whichever is lower

Bank may opt for support either under CAPEX or under OPEX model stated above.

4. Sanctioning and Claim Procedure
The following procedure of sanction will be followed:

a) Banks have to submit list of SSAs under Category 1(a) to NABARD along with a request for estimated financial support. NABARD will give in-principle approval for V-SAT connectivity in areas having no connectivity/intermittent connectivity, as reported by the Banks seeking assistance.

b) Based on this, Banks can start their process of floating of RFP, etc. for procurement of V-SAT.

c) In case of the Sub Service Areas that were outside the DFS list of 894 SSAs and fell under category (1.b) and/or (1.c) stated above, banks were to keep the SLBC informed about the SSAs for which support was being sought under FIF, through a self-certified letter as per Annexure I enclosed.

d) A copy of this letter may be submitted to NABARD while claiming the reimbursement under the project.

e) Proposals relating to 894 locations circulated by DFS, should be directly sent to NABARD. Informing SLBC about these locations is not necessary.
f) Claim to be submitted as per Annexure II enclosed in case of all three categories.
g) All the bills/ receipts may be preserved by the banks for any future requirement relating to audit and inspection.
h) The claims should be submitted in accordance with the Circular No. 87/DFIBT-11/2018 dated 25 April 2018 on “Applicability of GST and Treatment of Input Tax Credit (ITC) while settling the claims”.
i) In case of sanctions granted under FIF after 15th June 2018, the banks have to execute a one-time General Agreement(GA) as per the new format enclosed.

5. Documents to be submitted by the Bank along with the proposal under Category 1(a)
i. Details of the location where the V-SAT is to be set up (Kiosk/Fixed CSP, Address, contact details, Sub Service Area, no. of villages covered, etc.) clearly classifying the SSAs under category 1(a) as per DFS list.
ii. The banks may approach NABARD Regional Office with cost estimates for an in-principle approval along with expected date of completion of implementation in case the proposal is for one state.
iii. In case the identified SSAs are in various states making it a multi-state proposal, the same has to be submitted to Department of Financial Inclusion and Banking Technology, NABARD, Head Office, Mumbai.

6. Eligible Components
The components eligible for support are as indicated below:
i. V-SAT + Solar Power System + Battery + Stand + Freight
ii. Installation and Commissioning
iii. Earthing Pit
iv. Lightning Arrestor for Solar Panel
v. Caging cost for V-SAT and Solar Panels on the ground.
vi. Connectivity costs in respect of V-SAT installation

The V-SAT to be installed by the banks should preferably be solar powered because of erratic power supply in most of these locations. However, in case any bank does not want solar
powered V-SAT due to availability of stable power, they too will be extended support but subject to fulfilling other conditions.

7. **Release of grant**

Banks may ensure that the installation of V-SATs at the SSAs are completed by 31 March 2019 against the existing sanction.

The release will be on **reimbursement basis**. The claims can be submitted by the Banks to the respective Regional Offices/Head Office wherever the original proposal for in-principle approval was submitted. The last date for claim submission under CAPEX is 30/04/2019 & Opex is 30/04/2024. The claim under OPEX model may be submitted once in a financial year and at least one claim is to be submitted before 30 April 2019.

Bank will also enclose a copy of the letter written to SLBC indicating the list of SSAs for which support is being sought in case of Category 1(b) and 1(c).

You may circulate this to all the bank representatives in the State Level Bankers’ Committee.
Dear Sir,

**Solar Powered V-SAT connectivity to Kiosk/Fixed CSPs in Sub-Service Areas- Support under FIF**

Please refer to Circular No. / DFIBT- / 2016 dated 07 April 2016 issued by NABARD in respect of support from FIF for setting up solar powered V-SAT connectivity for Kiosk/Fixed CSPs in Sub-Service Areas with no connectivity/intermittent connectivity. In this connection we have approached NABARD for support from FIF for setting up of solar powered V-SAT connectivity in the state of ____________.

We enclose here the following:

i. A list in Annexure I, containing the name of SSA allotted to us and do not have any telecom connectivity(dark area) and is also not a part of the list of 894 locations circulated by Department of Financial Services, Ministry of Finance.*

ii. A list in Annexure II, containing details of SSAs allotted to us and have intermittent connectivity (grey area).*

We also certify that these _____ (indicate number) SSAs in Annexure -I are having no connectivity and _____ (indicate number) SSAs in Annexure II are having intermittent connectivity to the best of our knowledge.*

We request you to kindly place it before the Committee for information and record.

Yours faithfully,

Authorised Person
Designation
Encl: As above
* strike out if not applicable
Support for Solar powered VSAT Connectivity from FIF- Claim format

1. Name of the Bank:
2. Name of the Solar powered V-SAT vendor-
(Enclose list if necessary)
3. Details of In-principle sanction letter from NABARD.
4. No of VSATs units installed: ..........units in ..........SSAs
5. VSATs installed in : CAPEX Model/ OPEX Model.
6. Solar Powered V-SAT/V-SAT with electric power
7. Details of the claim for V-SAT Connectivity for Fixed CSP/Kiosk

Table A. CAPEX Model

<table>
<thead>
<tr>
<th>S No</th>
<th>Description</th>
<th>Per Unit Cost (Rs lakh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1a.</td>
<td>V-SAT + Solar System + Battery + Stand + Freight</td>
<td></td>
</tr>
<tr>
<td>1b</td>
<td>V-SAT + Battery + Stand + Freight</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Installation &amp; Commissioning</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Earthing Pit</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Lightening Arrestor for Solar Panel</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Caging Cost for V-SAT &amp; Solar Panels on the ground</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td></td>
</tr>
</tbody>
</table>

Total cost for the SSAs selected by the Bank  CAPEX Model

<table>
<thead>
<tr>
<th>SN</th>
<th>Particulars</th>
<th>Solar powered</th>
<th>Electric powered</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Total number of V-SAT setup</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Total cost for one unit from Table A above</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Total Cost= Total number of SSAs identified * Total cost for one unit from Table A above</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Table C  OPEX Model

<table>
<thead>
<tr>
<th>Sl.no.</th>
<th>Particulars</th>
<th>Solar powered</th>
<th>Electric powered</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Total number of V-SAT setup</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Cost per V-SAT per annum</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Total cost for 5 year (No. 2 x 5)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

8. We certify that the expenses have been incurred by the bank.

i. V-SAT connectivity to the fixed CSP/Kiosk in the .......... (indicate number) Sub Service Area (SSAs) included in the list of 894 SSAs as per NABARD Circular No.231/DFIBT-32/2015 dated 29 October 2015 has been established (list enclosed).

and / or

ii. We have also established V-SAT connectivity to the fixed CSP/Kiosk in the .......... (indicate number) Sub Service Areas (SSAs) not included in the DFS list but was having no connectivity / intermittent connectivity. We had approached SLBC vide our letter No. ................. dated ................. as regards to connectivity in these SSAs (copy of the letter enclosed with list).

iii. We request you to kindly reimburse an amount of Rs............... (Rupees..................) towards expenditure incurred in this connection. We submit that this amount has been paid to the Vendor.

9. The Terms and Conditions mentioned in sanction letter No. NB. DFIBT/ ...... dated ........... are accepted by the Bank.
10. Details of Bank Account:

<table>
<thead>
<tr>
<th></th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Name of the Bank where drawal /claim money to be credited</td>
</tr>
<tr>
<td>2</td>
<td>Name of the Bank Branch where drawal /claim money to be credited</td>
</tr>
<tr>
<td>3</td>
<td>RTGS/NEFT/IFS Code of above Bank:</td>
</tr>
<tr>
<td>4</td>
<td>Name of the Account Holder (claiming Bank) (as appearing in the Bank Account)</td>
</tr>
<tr>
<td>5</td>
<td>Account Number of Claiming Bank</td>
</tr>
<tr>
<td>6</td>
<td>Type of Account (Savings, Current, etc.)</td>
</tr>
<tr>
<td>7</td>
<td>PAN No.</td>
</tr>
</tbody>
</table>

11. Details of taxes paid, if any. We certify that the treatment of GST is as per NABARD’s Circular No. 87/DFIBT-11/2018 dated 25.04.2018.

12. General Agreement signed with NABARD is enclosed.*

13. Banks to submit a state wise consolidated list of deployment of SSAs.

14. In case of any withdrawal, banks to make special request for withdrawal with specific details

15. The documents mentioned in circular No. 72 / DFIBT -05/2016 dated 07 April 2016 are attached with the claim. Copies of letters to SLBC indicating list of SSAs for which support is being sought is to be submitted along with the claim.

Place: Seal and Signature of the Authorised Officer

Date: Encl: as above

*Only in case of sanctions granted after 15 June 2018.
23. Solar V-SATs in LWE Districts (for CBs, RRBs & RCBs)

Support from FIF for setting up of solar powered V-SAT connectivity - Expansion of banking network in the most affected LWE districts

Expansion of banking network in Left Wing Extremism (LWE) affected districts is critical for the empowerment of people in those areas. No/erratic connectivity is a major deterrent for the banks to open new branches in LWE districts. With a view to expand banking network in most affected LWE districts, it was decided to provide V-SAT connectivity support for new branches opening in such districts (LWE districts as and when notified by Ministry of Home Affairs, Government of India) from Financial Inclusion Fund.

2. Scope of Support

One-time capital expenditure support of Rs.4.00 lakh and connectivity support of 50% of expenditure incurred subject to a limit of Rs.45,000/- per annum for 05 years, will be available for a branch in LWE affected 'unbanked' villages.

Only seven branches from each identified districts will be supported under this scheme. A first-come-first-serve policy will be adopted while processing the applications.

Banks can avail support in two models enumerated below:

A. Model (with Solar Power Connectivity)

*Model 1 : LWE districts- CAPEX and Connectivity cost for 5 years*

<table>
<thead>
<tr>
<th>SN</th>
<th>Particulars</th>
<th>Details</th>
<th>Time period</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>CAPEX support</td>
<td>Rs. 4.00 lakh</td>
<td>One-time support</td>
</tr>
<tr>
<td>2</td>
<td>Support for connectivity cost for 5 years</td>
<td>Rs. 2.25 lakh (50% of actual, maximum of Rs. 45,000 p.a.)</td>
<td>For 5 years</td>
</tr>
<tr>
<td>3</td>
<td>Total (CAPEX Connectivity)</td>
<td>+ Rs. 4.00 lakh + Rs. 2.25 lakh = Rs. 6.25 lakh</td>
<td></td>
</tr>
</tbody>
</table>

The CAPEX will be a one-time cost and the connectivity cost will be reimbursed at a maximum of Rs. 45,000/- per year for a period of 5 years.
Model 2: LWE districts - OPEX Cost for 5 years
Per site cost will be as indicated below:

<table>
<thead>
<tr>
<th>SN</th>
<th>Particulars</th>
<th>Details</th>
<th>Time period</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>OPEX support</td>
<td>Rs. 1.25 lakh per year for 5 years</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total support for 5 years</td>
<td>Rs. 6.25 lakh</td>
<td></td>
</tr>
</tbody>
</table>

The reimbursement can be claimed annually up to a maximum of Rs. 1.25 lakh for 5 years.

Banks which do not intend to own the V-SAT connectivity and wish to make monthly payment for the services may adopt this model.

B. Model (without Solar Power Connectivity)

Model 1: LWE districts - one-time CAPEX support plus Connectivity Cost for 5 years

<table>
<thead>
<tr>
<th>SN</th>
<th>Particulars</th>
<th>Details</th>
<th>Time Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>CAPEX support</td>
<td>Rs. 3.00 lakh</td>
<td>One-time support</td>
</tr>
<tr>
<td>2</td>
<td>Support for Connectivity</td>
<td>Rs.2.25 lakh (50% of the actual, maximum of Rs.45,000/- p.a.)</td>
<td>For 5 years</td>
</tr>
<tr>
<td>3</td>
<td>Total (CAPEX + Connectivity)</td>
<td>Rs. 3.00 lakh + Rs. 2.25 lakh = Rs.5.25 lakh</td>
<td></td>
</tr>
</tbody>
</table>

The CAPEX will be a one-time cost and the connectivity cost will be reimbursed @ maximum of Rs.45,000/- per year for a period of 5 years.

Model 2: LWE districts - OPEX cost for 5 years

<table>
<thead>
<tr>
<th>SN</th>
<th>Particulars</th>
<th>Details</th>
<th>Time Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>OPEX support</td>
<td>Rs. 1.05 lakh per year</td>
<td>For 5 years</td>
</tr>
<tr>
<td>2</td>
<td>Total Support for 5 years</td>
<td>Rs. 5.25 lakh</td>
<td></td>
</tr>
</tbody>
</table>

The reimbursement can be claimed annually up to a maximum of Rs. 1.05 lakh for 5 years.

Support from FIF to LWE districts is to establish V-SAT based connectivity and not any other forms of connectivity.

Bank may opt for support either under CAPEX or under OPEX models stated above.
Banks may approach NABARD Regional Office with the locations (unbanked villages identified to open new branches in LWE district) and cost estimates for an in-principle approval. In case the Bank has identified locations in more than one state then the proposal may be forwarded to Department of Financial Inclusion and Banking Technology, NABARD, Head Office, Mumbai. In both the cases, the proposal should be routed through SLBC / have the approval of SLBC as SLBC is aware of the location of branches across the state. In case this was not done, bank may approach SLBC as per Annexure I.

3. Sanctioning and Claim Procedure
   a) Banks have to submit the name and location of branches to be opened with a request for estimated financial support. NABARD will give in-principle approval for installation of V-SAT connectivity in these branches as reported by the Banks seeking assistance.
   b) Based on this, Banks can start their process of floating of RFP, etc. for procurement of V-SAT.
   c) Claim to be submitted as per Annexure II enclosed.
   d) All the bills/ receipts may be preserved by the banks for any future requirement relating to audit and inspection.

4. Documents to be submitted by the Bank along with the proposal
   i. Details of the branch location where the V-SAT is to be set up (Kiosk/Fixed CSP, Address, contact details, Sub Service Area, no. of villages covered, etc.)
   ii. The banks may approach NABARD Regional Office with cost estimates for an in-principle approval along with expected date of completion of implementation in case the proposal is for one state.
   iii. In case the identified branches are in various states making it a multi-state proposal, the same has to be submitted to Department of Financial Inclusion and Banking Technology, NABARD, Head Office, Mumbai.

5. Eligible Components
   (i) One time support for the purchase and installation of a solar powered V-SAT at the branch. Components eligible for support under one time support are as follows:
   i. V-SAT + Solar Power System + Battery + Stand + Freight
   ii. Installation and Commissioning
   iii. Earthing Pit
iv. Lightning Arrestor for Solar Panel
v. Caging cost for V-SAT and Solar Panels on the ground.
vi. Connectivity costs in respect of V-SAT installation

(ii) Support for Recurring Charges in this project will be for connectivity charges @128 kbps.

<table>
<thead>
<tr>
<th>Capacity</th>
<th>Cost (in Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>128 kbps</td>
<td>50% of actual expenditure with a maximum limit of Rs. 45,000/- per annum</td>
</tr>
</tbody>
</table>

The V-SAT installed by the banks should preferably be solar powered because of erratic power supply in most of these locations. However, in case any bank does not want solar powered V-SAT due to availability of stable power, they too will be extended support but subject to fulfilling other conditions.

6. Release of grant
The release will be on reimbursement basis. The claims can be submitted by the Banks to the respective Regional Offices/Head Office wherever the original proposal for in-principle approval was submitted.

Bank will also enclose a copy of the letter written to SLBC indicating the list of branches for which support is being sought.

You may circulate this to all the bank representatives in the State Level Bankers’ Committee.
The Convener  
State Level Bankers’ Committee  
_____________ State  

Dear Sir,

**Support from FIF for setting up of solar powered V-SAT connectivity - Expansion of banking network in the most affected LWE districts**

In reference to Master Circular No. 263 / DFIBT - 47 / 2017 dated 20 November 2017 for the above-mentioned scheme, we have approached NABARD for support from FIF for setting up of solar powered V-SAT connectivity in the state of ______________.

We enclose here list in Annexure I, containing the names of branches to be opened in LWE districts.

We request you to kindly place it before the Committee for information and record.

Yours faithfully,

Authorised Person  
Designation  
Encl: As above

* strike out if not applicable
ANNEXURE - II
(on the Bank’s Letter Head)

(To be submitted to NABARD Regional Office/NABARD Head Office)

Support from FIF for setting up of solar powered V-SAT connectivity –
Expansion of banking network in the most affected LWE districts - Claim format

1. Name of the Bank:
2. Name of the Solar powered V-SAT vendor - (enclose list if necessary)
3. Details of in-principle sanction letter from NABARD.
4. Details of the claim for Solar powered V-SAT Connectivity for Fixed CSP/Kiosk

Table A. Unit Cost under CAPEX Model

<table>
<thead>
<tr>
<th>Sr No</th>
<th>Description</th>
<th>Per Unit Cost (₹ lakh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1a.</td>
<td>V-SAT + Solar System + Battery + Stand + Freight OR</td>
<td></td>
</tr>
<tr>
<td>1b</td>
<td>V-SAT + Battery + Stand + Freight</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Installation &amp; Commissioning</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Earthing Pit</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Lightening Arrestor for Solar Panel</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Caging Cost for V-SAT &amp; Solar Panels on the ground</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table B. Total cost for the SSAs selected by the Bank under CAPEX Model

<table>
<thead>
<tr>
<th>SN</th>
<th>Particulars</th>
<th>Solar powered</th>
<th>Electric powered</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Total number of V-SAT setup</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Total cost for one unit from Table A above</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Total Cost = Total number of SSAs identified x Total cost for one unit from Table A above</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
OR

**Table C. Total Cost for SSAs selected by the bank under OPEX Model**

<table>
<thead>
<tr>
<th>SN</th>
<th>Particulars</th>
<th>Solar powered</th>
<th>Electric powered</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Total number of V-SAT setup</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Cost per V-SAT per annum</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Total cost for 5 years (No. 2 x 5)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

We certify that

i) V-SAT connectivity in total of _____ (no.) branches in _____ (no.) of districts affected by LWE (Enclose break-up of district-wise no. of branches)

ii) We had approached SLBC vide our letter No. ................. dated ................. as regards to connectivity in these branches (copy of the letter enclosed with list).

The requisite documents are attached with the claim. We request you to kindly reimburse an amount of Rs................ (Rupees .............................................. only) towards expenditure incurred in this connection.

Place: 

Date: 

Encl: as above

Seal and Signature of the
Authorised Officer
24. Solar V-SATs for Rural Cooperative Banks in NER

**Note:** Cooperative Banks in NE States (including Sikkim) and Andaman & Nicobar

**Support under FIF - Solar Powered V-SAT connectivity to Kiosk/Fixed CSPs in the Sub-Service Areas for Cooperative Banks in North East (including Sikkim) and Andaman & Nicobar**

Connectivity is a major deterrent in North East area for the expansion of banking activities. Solar powered V-SAT connectivity addresses the twin challenge of connectivity issue and erratic power supply in the banking outlets. As you are aware, the captioned scheme is available for Sub-Service Areas (SSAs) allotted to Scheduled Commercial Banks and Regional Rural Banks. It has been decided to extend the scheme for the SSAs allotted to Cooperative Banks in the North East Region, Sikkim and Andaman & Nicobar where no connectivity or intermittent connectivity is a major problem for carrying out transactions by BCs/BCAs.

2. **Eligible Institutions**

All the Cooperative Banks in the North East (including Sikkim) and Andaman & Nicobar who have been allotted SSAs will be eligible for captioned support from Financial Inclusion Fund. The scheme is meant only for fixed point Banking outlet managed by the Cooperative Bank.

3. **Extent of Support**

100% of the fixed cost subject to a cap of Rs.4.00 lakh per unit will be borne under Financial Inclusion Fund. The recurring expenses, except connectivity costs, will be fully borne by the Banks. In case the Bank wants V-SAT connectivity without solar power, support will be restricted to 100% of fixed cost subject to a cap of Rs.3 lakh per unit.

4. **Eligible Components**

The components eligible for support are as indicated below:

i. V-SAT + Solar Power System + Battery + Stand + Freight
ii. Installation and Commissioning
iii. Earthing Pit
iv. Lightning Arrestor for Solar Panel
v. Caging cost for V-SAT and Solar Panels on the ground

vi. Connectivity cost

The V-SAT to be installed by the banks should preferably be solar powered because of erratic power supply in most of these locations. However, in case any bank does not want solar powered V-SAT due to availability of stable power, they too will be extended support subject to a cap of Rs.3 lakh per unit and fulfilling other conditions.

Banks can avail financial support under following two models:

i. **CAPEX Model**

   One time support will be provided for the purchase and installation of solar powered V-SAT or V-SAT without solar power for a maximum of Rs.4.00 lakh or Rs.3.00 lakh per SSA respectively for the bank identified fixed point banking outlet in the allotted Sub-Service Area.

ii. **OPEX Model**

   The above mentioned support can also be availed on an annual reimbursement basis under OPEX model as detailed below:

<table>
<thead>
<tr>
<th>SN</th>
<th>Particulars</th>
<th>Max. Yearly Eligibility *</th>
<th>Max. Eligible Amount*</th>
</tr>
</thead>
<tbody>
<tr>
<td>a</td>
<td>Solar Powered V-SAT</td>
<td>Rs. 80,000 per annum for 5 years</td>
<td>Rs.4.00 lakhs</td>
</tr>
<tr>
<td>b</td>
<td>V-SAT connectivity without Solar Power</td>
<td>Rs. 60,000 per annum for 5 years</td>
<td>Rs.3.00 lakhs</td>
</tr>
</tbody>
</table>

   * Support will be restricted up to the maximum ceiling or actuals, whichever is lower, per SSA.

Bank may opt for support either under CAPEX or OPEX model stated above.

5. **Sanctioning and claim Procedure**

   The following procedure of sanction will be followed:

   a. Banks have to submit separate lists of SSAs to NABARD along with a request for estimated financial support. NABARD will give in-principle approval for V-SAT connectivity in areas having no connectivity/intermittent connectivity, as reported by the Banks seeking assistance.

   b. Based on this, Banks can start their process of floating of RFP, etc. for procurement of V-SAT.

   c. The bank will keep the SLBC informed about the SSAs for which support is being sought under FIF, through a self-certified letter as per format given in *Annexure I*. 
d. A copy of this letter may be submitted to NABARD while claiming the reimbursement under the project.

e. Claim to be submitted as per Annexure II enclosed.

f. All the bills/receipts may be preserved by the banks for any future requirement relating to audit and inspection.

6. Documents to be submitted by the Bank along with the proposal
   i. Details of the location where the V-SAT is to be set up (Kiosk/Fixed CSP, Address, contact details, Sub Service Area, no. of villages covered, etc.)
   ii. The banks may approach NABARD Regional Office with cost estimates for an in-principle approval along with expected date of completion of implementation in case the proposal is for one state.
   iii. In case the identified SSAs are in various states making it a multi-state proposal, the same has to be submitted to Department of Financial Inclusion and Banking Technology, NABARD, Head Office, Mumbai.

7. Duration of Support
   The support under the captioned scheme will be available for a period of 03 years from FY 2016-17 onwards.

8. Release of grant
   The release will be on reimbursement basis based on actual costs incurred after the installation of V-SATs. The claims can be submitted by the Banks to the respective Regional Offices/Head Office where the original proposal for in-principle approval was submitted.
Dear Sir,

**Support under FIF - Solar Powered V-SAT connectivity to Kiosk/Fixed CSPs in the Sub-Service Areas for Cooperative Banks in North East (including Sikkim) and Andaman & Nicobar**

In reference to Master Circular No. 263 / DFIBT - 47 / 2017 dated 20 November 2017 for the above-mentioned scheme, we have approached NABARD for support from FIF for setting up of solar powered V-SAT connectivity in the state of ____________.

We enclose herewith a list containing the name of SSA allotted to us and which do not have any telecom connectivity (dark area) or intermittent connectivity (grey area)*

We also certify that these _____ (indicate number) SSAs (give details in separate annexure) are having no connectivity and _____ SSAs (give details in separate annexure) are having intermittent connectivity to the best of our knowledge.*

We request you to kindly place it before the Committee for information and record.

Yours faithfully,

Authorised Person
Designation
Encl: As above

* strike out if not applicable
ANNEXURE - II
(on the Bank’s Letter Head)

(To be submitted to NABARD Regional Office/NABARD Head Office)

**Support under FIF - Solar Powered V-SAT connectivity to Kiosk/Fixed CSPs in SSAs for Coop Banks in North East (including Sikkim) and Andaman & Nicobar - Claim for Reimbursement**

16. Name of the Bank:
17. Name of the Solar powered V-SAT vendor - (enclose list if necessary)
18. Details of In-principle sanction letter from NABARD.
19. Details of the claim for Solar powered V-SAT Connectivity for Fixed CSP/Kiosk

### Table A. Unit Cost under CAPEX Model

<table>
<thead>
<tr>
<th>S N</th>
<th>Description</th>
<th>Per Unit Cost (Rs. lakh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1a.</td>
<td>V-SAT + Solar System + Battery + Stand + Freight</td>
<td>OR</td>
</tr>
<tr>
<td>1b.</td>
<td>V-SAT + Battery + Stand + Freight</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Installation &amp; Commissioning</td>
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<td>Earthing Pit</td>
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<td>4</td>
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<td>5</td>
<td>Caging Cost for V-SAT &amp; Solar Panels on the ground</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Connectivity Cost</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Table B. Total cost for the SSAs selected by the Bank under CAPEX Model

<table>
<thead>
<tr>
<th>SN</th>
<th>Particulars</th>
<th>Solar powered</th>
<th>Electric powered</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Total number of V-SAT setup</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Total cost for one unit from Table A above</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Total Cost = Total number of SSAs identified * Total cost for one unit from Table A above</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

OR
**Table C. Total Cost for SSAs selected by the bank under OPEX Model**

<table>
<thead>
<tr>
<th>SN</th>
<th>Particulars</th>
<th>Solar powered</th>
<th>Electric powered</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Total number of V-SAT setup</td>
<td></td>
<td></td>
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<tr>
<td>2</td>
<td>Cost per V-SAT per annum</td>
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<tr>
<td>3</td>
<td>Total cost for 5 year (No. 2 x 5)</td>
<td></td>
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</table>

We certify that:

V-SAT connectivity to the fixed CSP/Kiosk in the ................. (*indicate number*) Sub Service Area (SSAs) included in the SSAs with no connectivity or intermittent connectivity area as per NABARD Master Circular No. 263/DFIBT-47/2017 dated 20 November 2017 has been established (*list enclosed*). We had approached SLBC vide our letter No. ....................... dated ..................... as regards to connectivity in these SSAs (copy of the letter enclosed with list).

The requisite documents are attached with the claim. We request you to kindly reimburse an amount of Rs....................... (Rupees....................... only) towards expenditure incurred in this connection.

Place: Seal and Signature of the

Date: Authorised Officer

Encl: as above
25. PACS Data Migration (for RCBs)

Data migration/feeding of PACS data to CBS – Support for Cooperatives

As you are aware that great impetus has been placed by NABARD for the issuance of RuPay Kisan Card to the farmer community. Their issuance to PACS members will involve migration/feeding of member account details into the CBS of Cooperative Banks. This work may have to be outsourced since many of these banks are facing staff constraints. NABARD has designed a scheme to assist the Cooperative Banks in the process of Data migration/feeding so that they can comply with the GoI timeliness for the issuance of RuPay Kisan card to their customers.

Institutions eligible for assistance:
- All Cooperatives who are fully CBS enabled (branch & HO module).
- Decision has been taken by the DCCB that they will issue RuPay KCC to all PACS KCC account holders, provided that PACS is also willing to participate in RuPay Kisan Card project.

Scope of support:
- Assistance up to Rs. 10/- per account from FIF (subject to the extent of support indicated later).
- Banks may engage the services of suitable agency or appoint individual data entry operators.
- In case the bank had used the services of any agency / individual data entry operators for data migration during the course of CBS implementation, then bank may consider negotiating and engaging the services of the same entity.
- DDM / Official from NABARD RO may be actively involved in overseeing the process of selecting the agency / data entry operators and update themselves with the progress made in data migration of PACS.

Pattern of assistance:
- Claim can be made by the cooperative bank after fully completing the migration / feeding of data of all PACS associated with it.
- Support will be provided on reimbursement basis.
- Bank to submit claim as per Annexure – I. The claim is to be supported by Board approval for issuance of RuPay KCC and proof of payment by the bank for Data entry /migration to the agency / individual operator.
- Any other relevant supporting document from CBS indicating PACS wise number of accounts migrated / fed into the system is to be submitted by the bank.

Duration of support: This scheme is applicable up to 30 June 2018. Fresh sanction closed. Claims to be submitted up to 30 June 2018.

Extent of support: The extent of support will be 100% in North Eastern Region, Sikkim, Jammu & Kashmir, Uttarakhand, Jharkhand, Himachal Pradesh, Chhattisgarh and Andaman & Nicobar Islands and 90% of Rs. 10/- per account for rest of the country.
Claim Format

The Chief General Manager
........ Regional Office NABARD

Dear Sir / Madam,

**Seeking reimbursement for PACS Data Migration / Feeding**

Please refer to Master Circular No. 263 / DFIBT - 47 / 2017 dated 20 November 2017 for the captioned scheme. In this connection, we are submitting the following information relating to our PACS Data Migration / Feeding for the purpose of issuance of RuPay KCC card.

<table>
<thead>
<tr>
<th>S No</th>
<th>Particulars</th>
<th>Comments</th>
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<tbody>
<tr>
<td>1</td>
<td>Name of the Cooperative bank</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Total number of PACS associated with CCB</td>
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<tr>
<td>3</td>
<td>Total number of PACS willing to issue RuPay KCC</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Total number of PACS member accounts which has been migrated / fed into CBS</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Institution Identification Number (IIN) issued by NPCI</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Date of board approval for the issuance of RuPay Kisan Card</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Tentative date for the issuance of RuPay Kisan Card</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Name of the agency / No of individual operators employed</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Cost of data entry per account</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td><strong>Total Cost</strong></td>
<td></td>
</tr>
</tbody>
</table>

Certified that the above information is in order.

Certified that the amount of Rs....... (Rupees _____ only) claimed has been actually spent for PACS data migration as stated above.

CEO

DCCB

Encl: i) Proof of payment
i) Report from CBS indicating PACS wise no. of accounts
26. Support for AUA/KUA Membership (for RRBs & RCBs)

Support for Authentication User Agency (AUA)/ e-KYC User Agency (KUA) Membership (for RRBs & RCBs)

The Prevention of Money-laundering (Maintenance of Records) Second Amendment Rules, 2017 has made it mandatory for all Bank Account holders to link their accounts with the Aadhaar Number issued by the Unique Identification Authority of India (UIDAI). For ensuring compliance with the above provisions, the banks are required to have access to the AUA/KUA facilities of UIDAI. RRBs and Rural Cooperative Banks are required to set up adequate infrastructure to provide Authentication services to their customers so that their accounts comply with the above provisions.

Enabling these banks to have access to AUA/KUA facility will also provide an additional facility of AEPS transactions at Micro ATMs deployed by these banks, thus allowing online interoperable financial transactions using Aadhaar Authentication and increasing digital transactions, especially in the rural areas.

1. Scheme

The Scheme will be known as “Support for AUA/ KUA Membership”. The objective of the scheme is to provide the AUA/KUA services to the bank customers, especially in rural areas.

2. Eligible Institutions

The scheme is open for all Regional Rural Banks (RRB), State Cooperative Banks (StCB) and District Central Cooperative Banks (DCCB) which are licensed and have implemented Core Banking Solution (CBS).

3. Extent of Support

(a) State Co-operative Banks: The grant assistance to State Co-operative Banks will be extended in two categories, I and II, having three tier and two tier structure respectively. In addition, DCCBs in three tier structure will also be supported under the scheme as per the details given below:

(i) Co-operative Banks Category-I – Support under Category-I will be available for StCB in three tier structure which will act as a nodal agency for all District Central Cooperative Banks in the State and will acquire the AUA/ KUA membership from UIDAI by paying the mandatory license fee and bank guarantee. The DCCBs will avail these facilities through the StCB by becoming Sub AUA as per the provisions made by UIDAI in this regard. The KUA facilities as approved by UIDAI, will also be provided by StCBs to the DCCBs which are Sub AUA of the StCB. One time grant support of Rs.20 lakh will be
provided to StCB towards the license fee obligation of UIDAI for direct AUA/ KUA membership of UIDAI. An additional one time support will be made available to these banks for meeting other related expenditures i.e. hardware, networking, NPCI certifications and onboarding charges of Authentication Service Agency (ASA), to the extent of 50% of the actual expenditure incurred by them with a cap of Rs.5 lakh, whichever is lower. The support will be available only to StCBs providing the Sub AUA / KUA services to at least 80% of the licensed DCCBs in the area of operation of the StCB. The StCBs will also ensure that their Sub AUA DCCBs are AEPS on-boarded.

(ii) **State Cooperative Banks Category-II:** These StCBs in two tier structure and Jharkhand State Cooperative Bank will have a choice of either becoming a direct AUA/ KUA and get a one time grant support of Rs.20 lakh plus Rs.5 lakh (as detailed for Category I), or become a Sub-AUA/ KUA of other AUA/ KUA and get a one time grant support of Rs.5 lakh under Category-II (as given to DCCBs, detailed at para 3(b) below).

(b) **District Central Cooperative Banks** : All DCCBs, which obtain Sub AUA/ KUA membership from StCB under Category I above, will be eligible for one time grant support for meeting other capital expenditures i.e. hardware, networking and NPCI certifications to the extent of 50% of the actual expenditure incurred by them with a cap of Rs.5 lakh, whichever is lower.

(c) **Regional Rural Banks** : RRBs have the option of on-boarding either by becoming a direct AUA/KUA or becoming a Sub AUA/KUA. A one time grant support of Rs.20 lakh will be provided to RRBs towards the license fee obligation of UIDAI opting for direct AUA/ KUA membership. An additional one time support will be made available to these banks and also to banks opting for Sub AUA/KUA model for meeting other expenditures i.e. hardware, networking, NPCI certifications and onboarding charges of ASA, to the extent of 50% of the actual expenditure incurred by them with a cap of Rs.5 lakh, whichever is lower. RRBs should have onboarded AEPS.

4. **Duration of Support**

The last date of claim is **30 September 2018** for seeking reimbursement of the expenditure. Expenditure incurred on or after 01 June 2017 will be eligible for reimbursement.

**Other Conditions:**

1. Banks shall claim reimbursement after becoming AUA/ KUA or sub AUA/ KUA and onboarding to AEPS. StCBs in Category-I shall ensure at the time of claim that all or at least 80% of the DCCBs have become Sub AUA/KUA of the StCBs, and they have also have onboarded to AEPS.
2. Only capital expenditure and Licence/ Membership / Registration fee will be eligible for reimbursement.

3. Agreement between StCB and DCCBs for providing the AUA/KUA services or agreement with any other agency by RRB, StCB or DCCB may be made.

4. The systems and infrastructure put in place for AUA/ KUA or Sub AUA/ KUA or AEPS shall abide by the guidelines of RBI, NABARD, UIDAI and NPCI.

5. Support/Grants from Union/State Government or any other agency will be excluded from the claim made under the present scheme.

6. The decision to opt for and/or provide AUA/ KUA or Sub AUA/ KUA and AEPS services may be approved by the Board.

7. The procurement, along with the rates of hardware/ software and selection of service provider, if any, may be approved by the Board.

8. The related agreements, expenditure, bills and vouchers will be preserved by the Bank for a period of three years for verification by NABARD at any point of time.

9. At the time of sanction, the Bank has to sign an agreement with NABARD.
(Format for submission of proposal by the RRBs, StCB in Category II and all DCCBs - on Bank’s letterhead)

The Chief General Manager
NABARD
........ Regional Office

Dear Sir

Proposal for Support for Authentication User Agency (AUA)/ e-KYC User Agency (KUA) Membership under Financial Inclusion Fund (FIF)

Please refer to your circular number ..... dated -----2017 on the captioned subject. In this connection, we request you to sanction grant of Rs. ...................... for establishment of AUA/ Sub-AUA* / KUA in the Bank. The total estimated expenditure for the captioned project is Rs. ........... and the grant support sought for the project is Rs. .......... .The details are as following:

<table>
<thead>
<tr>
<th>SN</th>
<th>Particulars</th>
<th>Details</th>
<th></th>
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<tbody>
<tr>
<td>1</td>
<td>Name of Bank</td>
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<tr>
<td>2</td>
<td>State</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Opting for AUA/KUA or Sub AUA/KUA</td>
<td>The AUA/KUA option is not available to DCCBs</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Date of Board approval for opting</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>for AUA/KUA or Sub AUA/KUA services</td>
<td></td>
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<tr>
<td>5</td>
<td>Date of application for AUA/KUA or</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Sub AUA/KUA to UIDAI</td>
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<tr>
<td>6</td>
<td>Name of Service Provider (say NPCI,</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>CSC etc.)</td>
<td></td>
<td></td>
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<tr>
<td>7</td>
<td>Name of the AUA/ KUA, in case</td>
<td></td>
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<tr>
<td></td>
<td>opting for Sub AUA/ KUA model</td>
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<tr>
<td>8</td>
<td>Name of the Authentication Service</td>
<td></td>
<td></td>
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<td></td>
<td>Agency (ASA) in case opting for</td>
<td></td>
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<tr>
<td></td>
<td>AUA/ KUA model</td>
<td></td>
<td></td>
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<tr>
<td>9</td>
<td>CBS is operational</td>
<td>Yes / No</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Whether bank is licensed</td>
<td>Yes / No</td>
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<tr>
<td>11</td>
<td>Whether bank has on-boarded AEPS</td>
<td>Yes / No</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>If No, proposed date of application</td>
<td></td>
<td></td>
</tr>
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<td></td>
<td>to NPCI</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Whether support for AUA/ KUA or Sub AUA/ KUA or AEPS received from any other agency. If Yes, please give details: Yes / No

Details of proposed Capital Expenditure and License/Registration/ Membership Fee:

<table>
<thead>
<tr>
<th>Sl No</th>
<th>Item</th>
<th>Cost/ Fee (Rs)</th>
<th>Remarks</th>
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</thead>
<tbody>
<tr>
<td>(i)</td>
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<td>......</td>
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</table>

Total financial outlay of the project: Rs

Total support sought under FIF (less support received from other agency): Rs

We certify that:

i. The above mentioned amount will be incurred for the implementation of AUA/ Sub-AUA* / KUA and AEPS facility in the Bank.

ii. The expenditure involves the cost for hardware, networking and UIDAI membership NPCI certifications* required specifically for AUA/ Sub-AUA* / KUA and AEPS implementation and not for any other purpose.

iii. The related expenditure bills and vouchers will be preserved by us for a period of three years for verification by NABARD at any point of time.

iv. Support from State government or any other agency, has not been availed. / of Rs....... has been availed* for establishment of AUA/ Sub-AUA* / KUA or AEPS in the Bank and the same has been excluded from the proposal.

v. The Bank will ensure that standards/guidelines as specified by various agencies and authorities like RBI, NABARD, UIDAI, NPCI etc. will be adhered to for the implementation of AUA/ Sub-AUA* / KUA and AEPS.

vi. The Agreement between StCB and DCCBs for providing the AUA/ KUA services or agreement with any other agency by RRB, StCB or DCCB will be made.

vii. The decision to opt and provide AUA/ KUA or Sub AUA/ KUA and AEPS services will be approved by the Board.

viii. The procurement, along with the rates of hardware/ software and selection of service provider, if any, will be approved by the Board.

ix. All the expenditure has been/will be incurred on or after 1 June 2017

Signature of Authorised Person
Designation
Encl:

*strike out whichever is not applicable

Annexure II
The Chief General Manager
NABARD
......... Regional Office

Dear Sir

Proposal for Support for Authentication User Agency (AUA)/ e-KYC User Agency (KUA) Membership under Financial Inclusion Fund (FIF)

Please refer to your circular number ….. dated -----2017 on the captioned subject. In this connection, we request you to sanction grant of Rs. ................. for establishment of AUA/KUA in the Bank and providing Sub AUA/ KUA services to at least 80% of the DCCBs in .................. (Name of State). The total estimated expenditure for the captioned project is Rs. ........ and the grant support sought for the project is Rs. ........... . The details are as following:

<table>
<thead>
<tr>
<th>SN</th>
<th>Particulars</th>
<th>Details</th>
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<tbody>
<tr>
<td>1</td>
<td>Name of Bank</td>
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<tr>
<td>2</td>
<td>State</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>No. of DCCBs in the State</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>No. of DCCBs which will be joining as Sub AUA/ KUA</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Percentage of DCCBs joining as Sub AUA/ KUA (Sr No. 4/ Sr No. 3 in %)</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Date of Board approval for opting for AUA/KUA services and providing the Sub AUA/KUA service to the DCCBs</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Date of application for AUA/ KUA to UIDAI</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Name of Service Provider (say NPCI, CSC etc.)</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Name of the Authentication Service Agency (ASA)</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>CBS is operational</td>
<td>Yes / No</td>
</tr>
<tr>
<td>11</td>
<td>Whether bank is licensed</td>
<td>Yes / No</td>
</tr>
<tr>
<td>12</td>
<td>Whether bank has on-boarded AEPS</td>
<td>Yes / No</td>
</tr>
<tr>
<td>13</td>
<td>If No, proposed date of application to NPCI</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>Whether support for AUA/ KUA or AEPS received from any other agency. If Yes, please give details</td>
<td>Yes / No</td>
</tr>
<tr>
<td>15</td>
<td>Details of proposed Capital Expenditure and License/Registration/Membership Fee:</td>
<td></td>
</tr>
</tbody>
</table>
The following DCCBs will be joining as Sub AUA/KUA of the StCB:

(names of DCCBs to be indicated)

We certify that:

i. The above mentioned amount will be incurred for the implementation of AUA/ KUA and AEPS facility in the Bank and Sub AUA/KUA facility to the DCCBs.

ii. The expenditure involves the cost for hardware, networking and UIDAI membership NPCI certifications* required specifically for AUA/ KUA and AEPS implementation and not for any other purpose.

iii. The related expenditure bills and vouchers will be preserved by us for a period of three years for verification by NABARD at any point of time.

iv. Support from State government or any other agency, has not been availed/ of Rs.... has been availed* for establishment of AUA/ KUA or AEPS in the Bank and the same has been excluded from the proposal.

v. The Bank will ensure that standards/guidelines as specified by various authorities and agencies like RBI, NABARD, UIDAI, NPCI etc. will be adhered to for the implementation of AUA/ KUA and AEPS.

vi. The Bank will ensure that the Sub AUA DCCBs of the Bank will be AEPS on-boarded.

vii. The Agreement between StCB and DCCBs for providing the AUA/ KUA services or agreement with any other agency by RRB, StCB or DCCB will be made.

viii. The decision to opt and provide AUA/ KUA or Sub AUA/ KUA and AEPS services will be approved by the Board.

ix. The procurement, along with the rates of hardware/ software and selection of service provider, if any, will be approved by the Board.

x. All the expenditure has been/will be incurred on or after 1 June 2017

Signature of Authorised Person
Designation
Encl:

* strike out whichever is not applicable

Annexure III
Dear Sir

Claim for Support for Authentication User Agency (AUA)/ e-KYC User Agency (KUA) Membership under Financial Inclusion Fund (FIF)

Please refer to your sanction number ..... dated -----2017 on the captioned subject. In this connection, we request you to reimburse Rs. ................. for establishment of AUA/ Sub-AUA* / KUA in the Bank. The total expenditure for the captioned project was Rs. ............ The details are as following:

<table>
<thead>
<tr>
<th>SN</th>
<th>Particulars</th>
<th>Details</th>
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<tbody>
<tr>
<td>1</td>
<td>Name of Bank</td>
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<tr>
<td>2</td>
<td>State</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Established AUA/KUA or Sub AUA/KUA</td>
<td>AUA/KUA or Sub AUA/KUA</td>
</tr>
<tr>
<td>4</td>
<td>Date of receiving AUA/KUA licence or Sub AUA/KUA permission from UIDAI</td>
<td>AUA/KUA</td>
</tr>
<tr>
<td>5</td>
<td>Name of Service Provider (say NPCI, CSC etc.)</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Name of the AUA/ KUA, in case opting for Sub AUA/ KUA model</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Name of the Authentication Service Agency (ASA) in case opting for AUA/ KUA model</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Date of on-boarding AEPS</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Whether support for AUA/ KUA or Sub AUA/ KUA or AEPS received from any other agency. If Yes, please give details</td>
<td>Yes / No</td>
</tr>
<tr>
<td>10</td>
<td>Details of Capital Expenditure and License/Registration/ Membership Fee:</td>
<td></td>
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</tbody>
</table>

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<tr>
<th>Sl No</th>
<th>Item</th>
<th>Cost/ Fee (Rs)</th>
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<td></td>
</tr>
<tr>
<td>(ii)</td>
<td></td>
<td></td>
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</tbody>
</table>
We certify that:

i. The above mentioned amount has been incurred for the implementation of *AUA/ Sub-AUA* / KUA and AEPS facility in the Bank.

ii. The expenditure involves the cost for hardware, networking and *UIDAI membership NPCI certifications* required specifically for *AUA/ Sub-AUA* / KUA and AEPS implementation and not for any other purpose.

iii. The related expenditure bills and vouchers will be preserved by us for a period of three years for verification by NABARD at any point of time.

iv. Support from State government or any other agency, *has not been availed.* of *Rs....... has been availed* for establishment of *AUA/ Sub-AUA* / KUA or AEPS in the Bank and the same has been excluded from the proposal.

v. The Bank has and will continue to ensure that standards/guidelines as specified by various authorities and agencies like RBI, NABARD, UIDAI, NPCI etc. will be adhered to for the implementation of *AUA/ Sub-AUA* / KUA and AEPS.

vi. Bank has accepted the terms and condition of the project and signed the prescribed Agreement with NABARD for availing the grant.

vii. The Agreement between StCB and DCCBs for providing the AUA/ KUA services or agreement with any other agency by RRB, StCB or DCCB *has been* made.

viii. The decision to opt and provide *AUA/ KUA or Sub AUA/ KUA and AEPS services* has been approved by the Board.

ix. The procurement, along with the rates of hardware/ software and selection of service provider *has been* approved by the Board.

x. All the expenditure has been incurred on or after 1 June 2017.

Signature of Authorised Person
Designation

Encl:

*strike out whichever is not applicable*
The Chief General Manager  
NABARD  
........ Regional Office

Dear Sir

**Claim for Support for Authentication User Agency (AUA)/ e-KYC User Agency (KUA) Membership under Financial Inclusion Fund (FIF)**

Please refer to your sanction letter number ..... dated -----2017 on the captioned subject. In this connection, we request you to reimburse Rs. ................ for establishment of AUA/ KUA in the Bank and providing Sub AUA/ KUA services to atleast 80% of the DCCBs in ................. (Name of State) .. The total expenditure for the captioned project is Rs. ............ The details are as following:

<table>
<thead>
<tr>
<th>SN</th>
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<tr>
<td>2</td>
<td>State</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>No. of DCCBs in the State</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>No. DCCBs which have joined as Sub AUA/ KUA</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Percentage of DCCBs which have joined as Sub AUA/ KUA (Sr No. 4/ Sr No. 3 in %)</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Date of obtaining AUA/ KUA Licence</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Name of Service Provider (say NPCI, CSC etc.)</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Name of the Authentication Service Agency (ASA)</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Date of on-boarding AEPS</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Whether all the Sub AUA of the StCB have on boarded AEPS?</td>
<td>Yes/ No</td>
</tr>
<tr>
<td>14</td>
<td>Whether support for AUA/ KUA or AEPS received from any other agency. If Yes, please give details</td>
<td>Yes / No</td>
</tr>
<tr>
<td>15</td>
<td>Details of Capital Expenditure and License/Registration/ Membership Fee:</td>
<td></td>
</tr>
<tr>
<td>Sl No</td>
<td>Item</td>
<td>Cost/ Fee (Rs)</td>
</tr>
<tr>
<td>-------</td>
<td>------</td>
<td>---------------</td>
</tr>
<tr>
<td>(i)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(ii)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>......</td>
<td></td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>Total financial expenditure</td>
<td>Rs.</td>
</tr>
<tr>
<td>17</td>
<td>Total reimbursement sought under FIF (less support received from other agency)</td>
<td>Rs.</td>
</tr>
</tbody>
</table>

The following DCCBs have joined the StCB as Sub AUA/KUA:
(names to be indicated)

We certify that:

i. The above mentioned amount has been incurred for the implementation of AUA/ KUA and AEPS facility in the Bank. It also includes expenditure related to providing Sub AUA/ KUA services to atleast 80% of the DCCBs.

ii. The expenditure involves the cost for hardware, networking and UIDAI membership NPCI certifications* required specifically for AUA/ KUA and AEPS implementation and not for any other purpose.

iii. The related expenditure bills and vouchers will be preserved by us for a period of three years for verification by NABARD at any point of time.

iv. Support from State government or any other agency, has not been availed./ of Rs........ has been availed* for establishment of AUA/ KUA or AEPS in the Bank and the same has been excluded from the proposal.

v. The Bank will ensure that standards/guidelines as specified by various authorities and agencies like RBI, NABARD, UIDAI, NPCI etc. will be adhered to for the implementation of AUA/ KUA and AEPS.

vi. The Bank has ensured that the Sub AUA DCCBs of the Bank has been AEPS on-boarded.

vii. Bank has accepted the terms and condition of the project and signed the prescribed Agreement with NABARD for availing the grant.

viii. The Agreement between StCB and DCCBs for providing the AUA/ KUA services or agreement with any other agency by RRB, StCB or DCCB has been made.

ix. The decision to opt and provide AUA/ KUA or Sub AUA/ KUA and AEPS services has been approved by the Board.

x. The procurement, along with the rates of hardware/ software and selection of service provider has been approved by the Board.

xi. All the expenditure has been incurred on or after 1 June 2017.

Signature of Authorised Person
Designation
Encl:
27. Deployment of Mobile Signal Booster in SSAs – (CBs/RRBs/StCBs in NER)

The Advisory Board of Financial Inclusion Fund (FIF) has decided that financial support from FIF may be extended to Banks for deploying mobile signal boosters as an alternative to solar powered V-SAT. The scheme is meant for Banks which have taken sanctions under solar powered V-SAT in the SSAs with intermittent telecom connectivity (grey areas) vide our scheme Circular Ref No.72/DFIBT-05/2016 dated 07 April 2016 read with circular Ref No.244/DFIBT-45/2017 dated 17 October 2017. The mobile booster is expected to amplify the signal strength in areas with intermittent connectivity, low signal strength and allow banking services.

The support is available to deploy boosters only in the grey areas where V-SATs have been sanctioned by NABARD.

2. Eligible Institutions

All the Banks which have unutilized sanctions under solar powered V-SAT scheme will be eligible for support under the scheme. The scheme is meant only as an alternative to V-SAT connectivity in the grey areas for Customer Service Points (CSPs) managed by BCs/BCAs. Banks may opt for the mobile signal booster scheme in lieu of V-SAT sanction, if found suitable.

3. Extent of Support

The eligible components and the extent of support is detailed below. The recurring expenses will be fully borne by the Banks. Support will be given only once and no support for replacement will be available.

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Eligible Component</th>
<th>Maximum support per device</th>
<th>Extent of support</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>FIF support per Booster</td>
<td>4000</td>
<td>RRBs- 80% of actual cost</td>
</tr>
<tr>
<td>2</td>
<td>FIF support per Power Bank</td>
<td>2000</td>
<td>Commercial Banks - 60% of actual cost</td>
</tr>
<tr>
<td>3</td>
<td>Total cost per Unit (1+2)</td>
<td>6000</td>
<td></td>
</tr>
</tbody>
</table>

4. Duration of Support

Banks may ensure that the installation of Boosters at the SSAs is completed by 31 March 2019 and claims submitted by 30 April 2019.

5. Sanctioning and claim Procedure

The following procedure of sanction will be followed:
a) Banks have to submit the lists of SSAs in the grey areas where the existing solar V-SAT sanctions remain unutilized with an undertaking that in place of solar powered V-SATs, mobile boosters will be deployed in these SSAs. Format to be submitted to NABARD for availing sanction under the scheme is enclosed as Annexure I.

b) The bank will keep the respective SLBC informed about the SSAs for which support is being sought under FIF.

c) Claim format is given at Annexure- II.

d) All the bills/ receipts may be preserved by the banks for any future requirement relating to audit and inspection.

e) The claims should be submitted in accordance with the Circular No. 87/DFIBT-11/2018 dated 25 April 2018 on “Applicability of GST and Treatment of Input Tax Credit (ITC) while settling the claims”.

f) In case of sanctions granted under FIF after 15th June 2018, the banks have to execute a one-time General Agreement(GA) as per the new format enclosed.
The Chief General Manager,
NABARD_________ Regional Office,
_____________ State

Dear Sir,

**Sanction-Deployment of Mobile Signal Booster in Sub-Service Areas- Support under FIF**

Please refer to Circular No. 287/ DFIBT- 53/ 2017 dated 19 December 2017 issued by NABARD in respect of support from FIF for setting up Mobile signal boosters as a replacement for unutilized sanctions under Solar powered V-SAT scheme for Sub-Service Areas with intermittent connectivity. In this connection, we hereby approach NABARD for support from FIF for setting up of Mobile signal boosters in the state of ________________.

We enclose here the following:
i. We enclose a list in Annexure I, and containing details of SSAs allotted to us having intermittent connectivity (grey area). We also certify that we have taken sanction from NABARD for deployment of V-SAT in these ____ (indicate number) SSAs.

Yours faithfully,

Authorised Signatory
Designation
Encl: As above
Support for Mobile Signal Booster in Sub-Service Areas: Support under FIF - Claim format

Reference circular No.287/DFIBT-53/2017 dated 19 December 2017)

1. Name of the Bank:
2. Name of the Mobile signal booster vendor (enclose list if necessary)
3. Details of In-principle sanction letter from NABARD.
4. No of SSAs where the mobile boosters have been deployed:
5. Cost per booster:
6. Cost of power bank (if any):
7. Total cost
8. Any other details of the claim for Mobile signal booster Connectivity

We request you to kindly reimburse an amount of Rs............................ (Rupees.............................) towards expenditure incurred in this connection. We certify that bills/receipts in this regard will be preserved and held on behalf of NABARD.

Place:
Seal and Signature of the Authorised Official
Date:
Encl: as above
28. Support for Deployment of 20 lakh BHIM Aadhaar Pay Devices (for CBs)

Promotional Scheme for Deployment of 20 lakh BHIM Aadhaar Pay Devices (for Commercial Banks)

The digital transactions in India are rising. However, to give further impetus it is essential that payment acceptance infrastructure is strengthened. A scheme for supporting deployment of 2 lakh PoS/ mPoS devices in 1 lakh tier 5 and 6 centres was announced on 06 December 2016 and is in operation. Now, it has been decided to provide support to banks under Financial Inclusion Fund (FIF) for deployment of another 20 lakh BHIM Aadhaar Pay devices including merchant on-boarding for merchant transactions. The details of the scheme are as under:

1. **Scheme**

   The Scheme will be known as “Promotional Scheme for Deployment of 20 lakh BHIM Aadhaar Pay Devices including merchant on-boarding for merchant transactions”.

2. **Eligible Institutions**

   All banks providing BHIM Aadhaar Pay services for merchant transactions are eligible for support under the scheme.

3. **Extent of Support**

   Banks deploying BHIM Aadhaar Pay devices including merchant on-boarding for merchant transactions will be extended support of maximum Rs. 1,800/- per device as an incentive in the following way:

<table>
<thead>
<tr>
<th>Sr No.</th>
<th>Period of deploying BHIM Aadhaar Pay devices including merchant on-boarding for merchant transactions</th>
<th>Maximum amount of incentive per device both for Capex and Opex Model*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>01 April 2017 – 30 September 2017</td>
<td>Rs. 1,800/-</td>
</tr>
<tr>
<td>2</td>
<td>01 October 2017 – 31 December 2017</td>
<td>Rs. 1,200/-</td>
</tr>
<tr>
<td>3</td>
<td>01 January 2018 – 31 March 2018</td>
<td>Rs. 750/-</td>
</tr>
</tbody>
</table>

* maximum Rs. 150/- per month or actuals, whichever is less, maximum for 2 year period after the deployment of PoS devices w.e.f. 1 April 2017. The maximum support will be available to the extent given in above table depending on the date of deployment.

4. **Duration of Scheme**

   i. The scheme is open for devices deployed from 01 April 2017 till 31 March 2019.

   ii. For CAPEX model- The claims can be lodged with NABARD till 30 April 2018 in maximum of two instalments.
iii. For OPEX model- The claims may be submitted for operational cost of upto two years upto 31 March 2020 in maximum of four instalments. At least one claim for the devices is to be submitted by the Bank by 30 April 2018 under Opex model.

5. Other Conditions

i. The scheme covers Biometric sensor devices and not the Mobile phones.

ii. The devices will comply with the STQC standards and any other standard prescribed by UIDAI and NPCI from time to time.

iii. Devices supported under the scheme should display “Supported by NABARD” by putting a sticker at the side of the device/other means.

iv. The banks may consider passing some benefit to the merchants to incentivize them to onboard BHIM Aadhaar Pay.

v. The support sought under the scheme should not be for the devices covered under the earlier scheme “Deployment of PoS/ mPoS Terminals in Tier 5 and 6 Centres” announced on 06 December 2016.

vi. Support, if any received from any other agency for deployment of these devices, will be excluded from the claim.

vii. Deployment of BHIM Aadhaar devices for Rural Cooperative banks will also be governed by RBI Circular No.DCBR.RAD (PCB/RCB) Cir.No.4/7.12.001/2016-17 dated 28 April 2017.

viii. There has to be a provision of providing written transaction receipt in addition to the SMS. Alternately a receipt may be issued by the merchants. Banks will comply with regulatory requirements in this regards.

ix. The Bank will execute a Memorandum of Agreement with NABARD.

x. The Bank will facilitate any monitoring/evaluation of the project to be taken up by NABARD through its own officers or some other agency.

xi. At the time of submission of the claim the Bank may reconcile the date of deployment of BHIM Aadhaar Pay device including merchant on-boarding with NPCI.

xii. Commercial Banks proposing multi-state projects will have to forward their proposal to the Department of Financial Inclusion and Banking Technology (DFIBT) at Head Office of NABARD directly at dfibt@nabard.org followed by a hard copy.

xiii. The Bank may send the proposal for sanction as per the format given in Annexure-I along with Appendix-I.

xiv. The Bank may submit the claim for reimbursement as per format given in Annexure-II.

xv. The claim will be submitted to NABARD after payment is made to the vendors.
xvi. The Bank will accept the terms and conditions of sanctions to be enumerated in the sanction letter.

xvii. The Bank is required to preserve the original invoice, receipts, agreements etc. related to the procurement for any future requirement by NABARD.

xviii. The Bank will maintain the location and the merchant details of the deployed devices including latitude and longitude, serving branch, Acquiring Bank ID, Terminal ID and Merchant ID (as per NPCI format). It will be made available as and when required by NABARD.

xix. The Bank will follow due diligence while procuring hardware/ awarding contracts and comply with statutory and regulatory guidelines on outsourcing.

6. The scheme is on “first come, first serve” basis. As such, the sanctions will be closed as and when the mark of 20 lakh BHIM Aadhaar Pay devices is reached.
Dear Sir,

Promotional Scheme for Deployment of 20 lakh BHIM Aadhaar Pay Devices including Merchant onboarding for Merchant Transactions: Application for Sanction

Please refer to your Circular No. __________________ dated __________ on the captioned subject. In this connection, we confirm our participation in the “Promotional Scheme for Deployment of 20 lakh BHIM Aadhaar Pay Devices including Merchant Onboarding for Merchant Transactions”. We propose to install ........................* devices under .................. ** model.

The details of BHIM Aadhaar Pay devices installed / to be installed are given at Appendix I.

You are, therefore, requested to convey sanction of Rs…………..@ for installing ................* BHIM Aadhaar Pay Devices including Merchant On-boarding. The claim in respect of the devices deployed will be submitted in terms of the abovementioned circular. Support, if any received from any other agency for deployment of these devices, will be excluded from the claim.

Yours faithfully,

Signature of authorized officer

Name:

Designation:

Encl. : Appendix-I

*No. of devices ** Capex/ Opex
@ Amount of grant support sought (in Rs lakh)

Claim, also to be forwarded by email to dfibt@nabard.org

ON BANK’S LETTERHEAD

ANNEXURE-II
Dear Sir,

 CLAIM NO. ____*  

Promotional Scheme for Deployment of 20 lakh BHIM Aadhaar Pay Devices  
Including Merchant onboarding for Merchant Transactions Claim No. ********* *

Please refer to your sanction letter No. _________________________ dated ________ conveying sanction for deployment of ____ BHIM Aadhaar Pay Devices. In this connection, we request you to release an amount of Rs. ___________ (Rupees ________________) being reimbursement towards deployment of ____ BHIM Aadhaar Pay Devices including merchants on-boarding for merchant transactions under ........*.** model. This is the ..........* claim submitted by us. The earlier claim/s was/ were submitted vide our letter no........... dated.............., and letter no.......... dated................

The details of the deployment are given in four tables given below :

Table I. Details of the BHIM Aadhaar Pay Devices installed including merchants on-boarded for merchant transactions from 01 April 2017 to 30 September 2017

<table>
<thead>
<tr>
<th>Sr. No</th>
<th>State</th>
<th>No. of BHIM Aadhaar Pay Devices installed including merchants onboarded</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Metro Centres** * Urban Centres** * Semi-urban Centres*** Rural Centres***</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>......</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(i)</td>
<td></td>
<td>Number of BHIM Aadhaar Pay devices deployed including merchant on-boarding for merchant transactions in the present claim</td>
<td></td>
</tr>
<tr>
<td>(ii)</td>
<td></td>
<td>Expenditure (in Rs. Lakh) for the present claim</td>
<td></td>
</tr>
<tr>
<td>(iii)</td>
<td></td>
<td>Amount sanctioned (in Rs. Lakh) for the present claim</td>
<td></td>
</tr>
<tr>
<td>(iv)</td>
<td></td>
<td>Grant support sought (in Rs. Lakh) for the present claim</td>
<td></td>
</tr>
</tbody>
</table>

Table II. Details of the BHIM Aadhaar Pay Devices installed including merchants on-boarded for merchant transactions from 01 October 2017 to 31 December 2017
<table>
<thead>
<tr>
<th>Sr. No</th>
<th>State</th>
<th>No. of BHIM Aadhaar Pay Devices installed including merchants onboarded</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Metro Centres**</td>
<td>Urban Centres**</td>
</tr>
<tr>
<td>(i)</td>
<td></td>
<td>Number of BHIM Aadhaar Pay devices deployed including merchant on-boarding for merchant transactions in the present claim</td>
<td></td>
</tr>
<tr>
<td>(ii)</td>
<td></td>
<td>Expenditure (in Rs. Lakh) for the present claim</td>
<td></td>
</tr>
<tr>
<td>(iii)</td>
<td></td>
<td>Amount sanctioned (in Rs. Lakh) for the present claim</td>
<td></td>
</tr>
<tr>
<td>(iv)</td>
<td></td>
<td>Grant support sought (in Rs. Lakh) for the present claim</td>
<td></td>
</tr>
</tbody>
</table>

Table III. Details of the BHIM Aadhaar Pay Devices installed including merchants on-boarded for merchant transactions from 01 January 2018 to 31 March 2018

<table>
<thead>
<tr>
<th>Sr. No</th>
<th>State</th>
<th>No. of BHIM Aadhaar Pay Devices installed including merchants onboarded</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Metro Centres**</td>
<td>Urban Centres**</td>
</tr>
<tr>
<td>(i)</td>
<td></td>
<td>Number of BHIM Aadhaar Pay devices deployed including merchant on-boarding for merchant transactions in the present claim</td>
<td></td>
</tr>
<tr>
<td>(ii)</td>
<td></td>
<td>Expenditure (in Rs. Lakh) for the present claim</td>
<td></td>
</tr>
<tr>
<td>(iii)</td>
<td></td>
<td>Amount sanctioned (in Rs. Lakh) for the present claim</td>
<td></td>
</tr>
<tr>
<td>(iv)</td>
<td></td>
<td>Grant support sought (in Rs. Lakh) for the present claim</td>
<td></td>
</tr>
</tbody>
</table>
Table IV. Summary of the Present Claim: BHIM Aadhaar Pay Devices installed including merchants on-boarded for merchant transactions from 01 April 2017 to 31 March 2018

<table>
<thead>
<tr>
<th>Sr. No</th>
<th>State</th>
<th>No. of BHIM Aadhaar Pay Devices installed including merchants onboarded</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Metro Centres**</td>
<td>Urban Centres**</td>
</tr>
<tr>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>......</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(i)</td>
<td></td>
<td>Number of BHIM Aadhaar Pay devices deployed including merchant on-boarding for merchant transactions in the present claim</td>
<td></td>
</tr>
<tr>
<td>(ii)</td>
<td></td>
<td>Expenditure (in Rs. Lakh) for the present claim</td>
<td></td>
</tr>
<tr>
<td>(iii)</td>
<td></td>
<td>Amount sanctioned (in Rs. Lakh) for the present claim</td>
<td></td>
</tr>
<tr>
<td>(iv)</td>
<td></td>
<td>Grant support sought (in Rs. Lakh) for the present claim</td>
<td></td>
</tr>
</tbody>
</table>

The above details are given in four separate sheets in the attached Excel file.

We certify that:

i. the number of devices indicated in the above tables have been actually deployed and merchant on-boarding for merchant transactions have been completed.

ii. claim has been made for biometric sensor devices and does not include any cost for Mobile phones.

iii. the BHIM Aadhaar Pay devices deployed by us comply with the STQC standards and other standards prescribed by UIDAI and NPCI from time to time.

iv. we have accepted the terms and conditions of sanctions as enumerated in the NABARD’s sanction letter.

v. we have executed a Memorandum of Agreement with NABARD on .................

vi. we have followed due diligence while procuring hardware / awarding contracts and complied with statutory and regulatory guidelines on outsourcing.

vii. we have preserved the original documents/ invoice, receipts, agreements etc. in connection with procurement, deployment of devices including merchant on-boarding, for which claim has been made, for a period of three years and will be made to available to NABARD as and when required.
viii. we will facilitate any monitoring /evaluation of the project taken up by NABARD through its own officers or some other agency.

ix. we have made a provision of providing written transaction receipt in addition to the SMS. Alternately a receipt is being issued by the merchants. Bank has complied with all the regulatory requirements in this regard.

x. we have reconciled the date of deployment of BHIM Aadhaar Pay device including merchant on-boarding with NPCI.

xi. we are submitting the claim for reimbursement after making payment to the vendors.

xii. The support sought in this claim is not in duplication of the devices covered under the scheme “Deployment of PoS/mPoS Terminals in Tier 5 and 6 Centres”, announced on 06 December 2016.

xiii. The location and the merchant details of the deployed devices, including latitude and longitude, servicing branch, Acquiring bank ID, Merchant ID and Terminal ID (as per NPCI format), is being maintained by us. It will be made available to NABARD as and when required.

xiv. No support for deployment of the devices has been received by us / Support of Rs ______ (Rupees ____________) received by us from ____________________ (name of agency to be indicated), has been excluded from the amount of claim.

The details of our bank account, type of account, branch name, branch address and IFSC Code for remittance of the due grant support are given in the Annexure.

Yours faithfully

Signature of authorized officer
Name:
Designation:

*I/II/III/IV
**Capex/Opex
***As per RBI Guidelines
29. On-boarding to Public Financial Management System Platform (for RCBs)

Support to Licensed Rural Co-operative Banks (RCBs) for on-boarding to Public Financial Management System Platform

The Public Financial Management System (PFMS) is a financial management application administered by Controller General of Accounts (CGA) in the Department of Expenditure, Finance Ministry, Govt. of India and is an end to end solution for processing payments, tracking, monitoring, accounting, reconciliation and reporting. With a view to improve financial management in implementation of central plan schemes the Government of India is progressively moving on Public Financial Management System (PFMS) for disbursement under various subsidies and welfare schemes.

2. In tune with GoI’s directive on universalization of PFMS, NABARD advised all RCBs to on-board PFMS vide its circular No. 36 / DFIBT- 04 / 2018 dated 28 February 2018 (Ref. No. NB.DFIBT/24282-24677/DFIBT-23/2017-18). To further facilitate this process, and to ensure that the account holders of RCBs are not denied of their share of government support, it is proposed to provide a onetime grant assistance to eligible StCBs and DCCBs for on-boarding PFMS.

3. The details of the scheme are as under:

(i) **Scheme Name:** The scheme will be known as “Support to RCB’s for on-boarding Public Financial Management System”.

(ii) **Objective:** The objective of the scheme is to provide one time grant assistance as reimbursement towards software development and implementation charges for on-boarding PFMS.

(iii) **Eligible Institutions:** The scheme is open to all CBS enabled licensed State Cooperative Banks (StCBs) and District Central Cooperative Banks (DCCBs) which are willing to on-board or have on-boarded PFMS.

(iv) **Extent of Support:** A one-time grant support of maximum Rs.2.75 lakh or 90% of the total cost, whichever is lower (for all Regions except North Eastern Region and Hilly Areas) for each bank. For States in North Eastern Region and Hilly Areas (Sikkim, Jammu & Kashmir,
Uttarakhand, Jharkhand, Himachal Pradesh, Chhattisgarh, and Andaman & Nicobar Islands), the maximum support is limited to Rs.2.75 lakh or 100% of total cost whichever is lower.

**v) Duration of Scheme:** The scheme is open to all RCBs which have either on-boarded PFMS or will on-board PFMS before 31 March 2019.

4. Other terms and Conditions

a) The Banks shall claim grant support after on-boarding the PFMS.

b) The assistance may be utilized towards one-time cost incurred for software development and implementation for on-boarding PFMS.

c) The claims will be settled on reimbursement basis i.e. after the payment is made to the vendor.

d) The claim will be submitted in a single instalment as per format given in Annexure-II. The last date for submission of claim is 30 April’2019.

e) The scheme will function on the principle of ‘First come First serve’, until the allocated budget is exhausted or last date of sanction is reached, whichever is earlier.

f) The financial Support, if any, received from any other agency for on-boarding to PFMS platform may be excluded from the claim.

g) The Bank will execute a Memorandum of Agreement with NABARD, as per the format attached, if not executed earlier.


i) The Bank will facilitate any monitoring /evaluation of the project to be taken up by NABARD through its own officers or some other agency.

j) The Bank may send the proposal for sanction as per the format given in Annexure-I.

k) The Bank will accept the terms and conditions of sanctions to be enumerated in the sanction letter.

l) The Bank is required to preserve the original invoice, receipts, agreements etc. related to the procurement for any future requirement by NABARD.

m) The Bank will follow due diligence for procurement / awarding contracts and comply with statutory and regulatory guidelines on outsourcing.

Encl. : as above
Annexure I

(Format for submission of proposal by the StCBs / DCCBs - on Bank’s letterhead)

The Chief General Manager
NABARD
........ Regional Office

Dear Sir

Proposal for Support to Rural Co-operative Banks for on-boarding to Public Financial Management System (PFMS) Platform from Financial Inclusion Fund (FIF)

Please refer to your circular number ___ dated ___ 2018 on the captioned subject. In this connection, we request you to sanction grant of Rs. ______ for on-boarding to the PFMS platform. The total estimated expenditure for the captioned project is Rs. ____ . The details are as following:

<table>
<thead>
<tr>
<th>S.No</th>
<th>Particulars</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Name of Bank</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>State</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Is the Bank licensed ?</td>
<td>Yes / No</td>
</tr>
<tr>
<td>4</td>
<td>Is CBS operational ?</td>
<td>Yes / No</td>
</tr>
<tr>
<td>5</td>
<td>Whether the Bank has on-boarded APBS (Aadhaar Payment Bridge System)</td>
<td>Yes / No</td>
</tr>
<tr>
<td>6</td>
<td>Whether the Bank has on-boarded RTGS/NEFT</td>
<td>Yes / No</td>
</tr>
<tr>
<td>7</td>
<td>Date of Board approval for opting to on-board PFMS</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Date of application for on-boarding PFMS to PFMS</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Project Office, Office of Controller General of Accounts, Ministry of Finance, GoI</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Details of proposed expenditure:</td>
<td></td>
</tr>
</tbody>
</table>

Details of proposed expenditure:

<table>
<thead>
<tr>
<th>S.No</th>
<th>Item</th>
<th>Cost/ Fee (Rs)</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i)</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>(ii)</td>
<td></td>
<td></td>
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<td>---</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Total financial outlay of the project</td>
<td>Rs.</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Support received from other agency</td>
<td>Rs.</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Total support sought under FIF (less support received from other agency)</td>
<td>Rs.</td>
<td></td>
</tr>
</tbody>
</table>

We certify that:

x. The above mentioned amount will be incurred for on-boarding the PFMS platform administered by Controller General of Accounts, Ministry of Finance, Govt. of India.

xi. Bank will claim grant support after on-boarding the PFMS.

xii. The expenditure involves the cost for software development and implementation charges for on-boarding PFMS and not for any other purpose.

xiii. Support from State government or any other agency, has not been availed./ of Rs.…… has been availed* for this purpose in the Bank and the same has been excluded from the proposal.

xiv. The decision for on-boarding to PFMS has been / will be approved by the Board.

xv. The Bank will execute a Memorandum of Agreement with NABARD as per Circular No. 52/ DFIBT-05/ 2018 dated 20 March 2018, if not executed earlier.


xvii. The Bank will facilitate any monitoring/evaluation of the project to be taken up by NABARD through its own officers or some other agency.

xviii. The claim for reimbursement (after the payment is made to the vendor ) will be submitted in single instalment as per prescribed format. Last date for submission of claim is 30 April 2019.

xix. The claims will be made within the stipulated time failing which the sanction may be treated as withdrawn.

xx. The Bank will accept the terms and conditions of sanctions to be enumerated in the sanction letter.

xxi. The Bank shall preserve the original invoice, receipts, agreements etc. related to the procurement for any future requirement by NABARD.

xxii. The Bank will follow due diligence for procurement / awarding contracts and comply with statutory and regulatory guidelines on outsourcing.

Signature of Authorised Person
Designation
Encl:

* strike out whichever is not applicable

Annexure II
The Chief General Manager  
NABARD  
........ Regional Office

Dear Sir

Claim for Support to Rural Co-operative Banks for on-boarding to Public Financial Management System (PFMS) Platform under Financial Inclusion Fund (FIF)

Please refer to your sanction letter number _____ dated ____ 2018 on the captioned subject. In this connection, we request you to reimburse Rs. ______ for on-boarding PFMS by the Bank. The total expenditure for the captioned project was Rs.______.

The details are as following:

<table>
<thead>
<tr>
<th>S.No</th>
<th>Particulars</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Name of Bank</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>State</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Date of on-boarding PFMS</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Date of approval of the Board for onboarding PFMS</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Name of Service Provider (Vendor)</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Details of Expenditure:</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>S.No</th>
<th>Item</th>
<th>Cost/ Fee (Rs)</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(ii)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>.....</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

7. Total financial outlay of the project  
8. Total claim under FIF (less support received from other agency)

We certify that:
xi. The above mentioned amount has been incurred for on-boarding the PFMS platform administered by Controller General of Accounts, Ministry of Finance, Government of India.

xii. Bank has claimed grant support after on-boarding the PFMS.

xiii. The expenditure involves the cost for software development and implementation charges for on-boarding PFMS and not for any other purpose.

xiv. Support from State government or any other agency, has not been availed./ of Rs....... has been availed* for this purpose in the Bank and the same has been excluded from the claim.

xv. The decision for on-boarding to PFMS has been approved by the Board.

xvi. The Bank has executed a Memorandum of Agreement with NABARD as per Circular No. 52/DFIBT-05/2018 dated 20 March 2018 on ................. (date).

xvii. The treatment of GST has been made as per Circular No. 87/DFIBT-11/2018 dated 25 April 2018.

xviii. The Bank will facilitate any monitoring/evaluation of the project to be taken up by NABARD through its own officers or some other agency.

xix. The claim for reimbursement (after the payment is made to the vendor) has been submitted in single instalment as per prescribed format.

xx. The claim has been submitted to NABARD after payment to the vendors. The claims has been made within the stipulated time.

xxi. The Bank has accepted the terms and conditions of sanctions to be enumerated in the sanction letter.

xxii. The Bank will preserve the original invoice, receipts, agreements etc. related to the procurement for any future requirement by NABARD.

xxiii. The Bank has followed due diligence for procurement / awarding contracts and comply with statutory and regulatory guidelines on outsourcing.

Signature of Authorised Person
Designation

Encl:
* strike out whichever is not applicable
30. Support for on-boarding to BHIM UPI Platform (for RRBs and RCBs)

Grant assistance under Financial Inclusion Fund (FIF) for on-boarding of RRBs and RCBs to BHIM UPI Platform (for RRBs and RCBs)

Government of India has accorded high priority to financial inclusion for bringing the excluded population in far flung areas into the fold of formal banking so as to usher in faster economic development. Digital payment infrastructure based on JAM trinity (Jan dhan accounts, Aadhaar Number and Mobile phone) is considered to be a promising and effective means to achieve the objectives of financial inclusion. The Regional Rural Banks (RRBs) and Rural Cooperative Banks (RCBs) are largely servicing rural population and encouraging Mobile based banking using Bharat Interface for Money (BHIM) and Unified Payment Infrastructure (UPI) platform would be quite appropriate.

It has been, therefore, decided to support RRBs and RCBs in on-boarding BHIM UPI Platform to better service rural population possessing mobile phones for conduct of banking transactions like transfer of money and payments to various products and services digitally through BHIM App. BHIM App enables simple, easy and quick payment transactions using the UPI platform.

The scheme to support RRBs and RCBs for on-boarding to BHIM UPI platform under FIF envisages that the Banks having mobile banking license from RBI, could provide select banking services on mobile phone through BHIM UPI without the need for its own Mobile Banking App. The scheme details are as follows:

1. **Name of the Scheme:** The scheme will be known as “On-boarding of RRBs and RCBs to BHIM UPI Platform”.

2. **Objective:** To provide one-time cost of the software development and implementation, to RRBs and RCBs for on-boarding to the BHIM UPI platform, related security audit and three years maintenance charges.

3. **Institutions eligible for support:** RRBs and RCBs having Mobile Banking license from RBI and have on-boarded to BHIM UPI platform from 01 April 2017 onwards.

4. **Extent of Support:**
i. Support for actual expenditure incurred by the bank up to a maximum of Rs.5.00 lakh per bank.

ii. The support to the RRBs and the RCBs for on-boarding to BHIM UPI platform will be as under:

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Agency</th>
<th>Extent of Support</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>RRBs</td>
<td>80% of total expenditure or Rs. 5.00 lakh (whichever is lower) per bank</td>
</tr>
<tr>
<td>2</td>
<td>RCBs</td>
<td>90% of total expenditure or Rs. 5.00 lakh (whichever is lower) per bank</td>
</tr>
<tr>
<td></td>
<td></td>
<td>100% of the total expenditure or Rs. 5.00 lakh (whichever is lower) per bank, for eligible institutions in North Eastern Region, Sikkim, Jammu &amp; Kashmir, Uttarakhand, Himachal Pradesh, Chhattisgarh, Jharkhand and Andaman &amp; Nicobar Islands.</td>
</tr>
</tbody>
</table>

5. Sanction and Claim process:
   i. For on-boarding to BHIM UPI with security audit and maintenance for three years; Banks may incur the related expenditure in following three ways: one-time charge only, monthly charges only or a mix of one-time and monthly charges.

   ii. The scheme is open for eligible banks which have on-boarded to BHIM UPI platform from 01 April 2017 onwards.

   iii. The Bank may send the proposal in the prescribed format for sanction (Annexure – I) and claim (Annexure II) to the respective Regional Office (RO) of NABARD. Claim may be made in a maximum of three annual installments, on reimbursement basis (after the payment is made to the vendor). The last date for submission of final claim is 30 June 2022.

6. Security Aspects:
In view of the Customer protection guidelines limiting the liability of customers on account of unauthorized transactions, the Bank may ensure that all the security aspects of maintaining and on-boarding BHIM UPI are taken care of adequately. The Bank seeking grant support would be required to undertake audit of security aspects of the application by an authorized security audit agency.
7. **Other terms and Conditions:**

i. The assistance may only be utilized towards cost for on-boarding BHIM UPI platform developed by NPCI. It includes one-time cost of software development, related security audit and implementation along with maintenance charges for three years.

ii. The on-boarding to BHIM UPI and its operation should conform to the standards and guidelines mandated by NPCI and any other agency in this regard.

iii. The decision for on-boarding to UPI platform to be approved by the Board of the Bank.

iv. The financial support, if any, received from any other agency/agencies for on-boarding and maintaining BHIM UPI platform, including related security audit, may be excluded from the claim.

v. The Bank will accept the terms and conditions of sanctions to be enumerated in the sanction letter.

vi. The Bank will execute a Memorandum of Agreement with NABARD, as per the format attached, if not executed earlier.


viii. The Bank may preserve the original invoice, receipts, agreements, etc., related to the procurement for any future requirement by NABARD.

ix. The Bank will facilitate any monitoring /evaluation of the project to be taken up by NABARD through its own officers or some other agency.

x. The Bank will follow due diligence for procurement / awarding contracts and comply with statutory and regulatory guidelines on outsourcing.

Encl: As above
(Format for submission of Proposal by RRB/RCBs - on Bank’s letterhead)

The Chief General Manager
NABARD
........ Regional Office

Madam/ Sir,

Grant assistance under Financial Inclusion Fund (FIF) for on-boarding of RRBs and RCBs to BHIM UPI Platform – Proposal for Sanction

Please refer to your circular number ….. dated ….. July 2018 on the captioned subject. In this connection, we request you to sanction an amount of Rs. ………….. for on-boarding to BHIM UPI platform, related security audit and three years maintenance charges. The total estimated expenditure for the captioned project is Rs. ______. The details are as follows:

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Particulars</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Name of Bank</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>State</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Date of Board approval/ will be submitted to Board for approval* for opting to on-board BHIM UPI</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Date of applying/ obtaining* Mobile Banking license from RBI</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Date of applying/ obtaining* BHIM UPI on-boarding confirmation from NPCI?</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Details of proposed expenditure:</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Item</th>
<th>Cost/ Fee (Rs.)</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i)</td>
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<td>(ii)</td>
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<tr>
<td>......</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Total financial outlay of the project</td>
<td>Rs.</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Support received from other agency/ agencies</td>
<td>Rs.</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Total support sought under FIF (less support received from other agency/agencies)</td>
<td>Rs.</td>
<td></td>
</tr>
</tbody>
</table>

We hereby certify the following:
i. The assistance will be utilized towards cost of on-boarding BHIM UPI platform developed by NPCI. It includes one-time cost of software development, related security audit and implementation along with maintenance charges for three years.

ii. The on-boarding to BHIM UPI and its operation should conform to the standards and guidelines mandated by NPCI and any other agency in this regard.

iii. The decision for on-boarding to BHIM UPI platform will be / has been* approved by the Board of the Bank.

iv. The Bank will submit the claim in the prescribed format in a maximum of three annual installments, on reimbursement basis (after the payment is made to the vendor) within the stipulated deadline.

v. The Bank has undertaken necessary audit of security aspects of the application by an authorized security audit agency.

vi. The financial support, if any, received from any other agency/ agencies for on-boarding and maintaining BHIM UPI platform, including related security audit, will be excluded from the claim.

vii. The Bank will accept the terms and conditions of sanctions to be enumerated in the sanction letter.

viii. The Bank will execute a Memorandum of Agreement with NABARD as per Circular No. 52/DFIBT-05/2018 dated 20 March 2018, if not executed earlier.


x. The Bank will preserve the original invoice, receipts and agreements etc., related to the procurement, for any future requirement by NABARD.

xi. The Bank will facilitate any monitoring /evaluation of the project to be taken up by NABARD through its own offices or some other agency.

xii. The Bank will follow due diligence for procurement / awarding contracts and comply with statutory and regulatory guidelines on outsourcing.

*Strike out whichever is not applicable

Yours faithfully,

Name of authorized Officer:
Designation:
Name of the Bank:
Date:
Annexure-II

(Format for submission of Claim by RRB/RCB - on Bank’s letterhead)

The Chief General Manager
NABARD
....... Regional Office

Madam/ Sir,

**Grant assistance under Financial Inclusion Fund (FIF) for on-boarding of RRBs and RCBs to BHIM UPI Platform – Claim for Reimbursement**

Please refer to your sanction letter number ..... dated ....2018 on the captioned subject. In this connection, we request you to reimburse an amount of Rs. ............... for on-boarding to BHIM UPI platform, related security audit and three years maintenance charges. The total expenditure for the captioned project is Rs. _____. The details are as per the following:

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Particulars</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Name of Bank</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>State</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Date of Board approval for opting to on-board BHIM UPI</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Date of obtaining Mobile Banking license from RBI</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Date of on-boarding BHIM UPI as confirmed by NPCI</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Details of expenditure:</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Item</th>
<th>Cost/ Fee (Rs)</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(ii)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>.....</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Total financial outlay of the project</td>
<td>Rs.</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Support received from other agency/agencies</td>
<td>Rs.</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Total grant support sought on reimbursement basis under FIF (less support received from other agency/agencies)</td>
<td>Rs.</td>
<td></td>
</tr>
</tbody>
</table>
We hereby certify the following:

i. The assistance has been utilized towards the cost for on-boarding BHIM UPI platform developed by NPCI. It includes one-time cost of software development, related security audit and implementation along with maintenance charges for three years.

ii. The on-boarding to BHIM UPI and its operation conform to the standards and guidelines mandated by NPCI and any other agency in this regard.

iii. The decision for on-boarding to UPI platform has been approved by the Board of the Bank.

iv. The Bank has submitted the claim in the prescribed format and it is the I / II / final* annual installment, on reimbursement basis (after the payment is made to the vendor) within the stipulated deadline.

v. The financial support, if any, received from any other agency/ agencies for on-boarding and maintaining BHIM UPI platform, including related security audit, has been excluded from the claim.

vi. The Bank accepts the terms and conditions of the sanction as enumerated in the sanction letter.

vii. The Bank has executed a Memorandum of Agreement with NABARD as per Circular No. 52/ DFIBT-05/ 2018 dated 20 March 2018.

viii. The treatment of GST is as per Circular No. 87/ DFIBT-11/ 2018 dated 25 April 2018.

ix. The Bank will preserve the original invoice, receipts, agreements etc. related to the procurement for any future requirement by NABARD.

x. The Bank will facilitate any monitoring /evaluation of the project to be taken up by NABARD through its own offices or some other agency.

xi. The Bank has followed due diligence for procurement / awarding contracts and complied with statutory and regulatory guidelines on outsourcing.

*Strike out whichever is not applicable

Yours faithfully,

Name of authorized Officer:
Designation:
Name of the Bank:
Date
31. Setting up of Aadhaar Enrolment and Update Centers (for Scheduled CBs and RRBs)

Support for setting up Aadhaar Enrolment and Update Centers (AECs) in Banks (for Scheduled Commercial Banks & RRBs)

The UIDAI vide its notification dated 14 July 2017 has directed Scheduled Commercial Banks to provide Aadhaar Enrollment and Updation facilities to their customers in at least 10% of the branches. Consequent to this, centers were opened in bank branches. In order to support the initiative of Banks to open Aadhaar Enrollment and Update Centre the scheme is being launched.

The details of the Scheme are as under;

1. Scheme

The scheme will be known as ‘Support for setting up Aadhaar Enrolment and Update Centers (AECs) by Banks’.

2. Eligible Institutions

All Banks which have set up AECs in their branches on or before 31 March 2018 are eligible for the grant support under the scheme.

3. Extent of Support

i. The eligible Bank will be provided a onetime grant support as stated below towards cost of setting up the AECs.

<table>
<thead>
<tr>
<th>Sr No.</th>
<th>Period of setting up of AEC</th>
<th>Grant assistance available per AEC under the Scheme</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Till 30 November 2017</td>
<td>Rs. 1,00,000/-</td>
</tr>
</tbody>
</table>
ii. Only one AEC per branch will be eligible for support and a total of 12,000 AEC (1000 opened before 30 November 2017 and remaining 11,000 opened before 31 March 2018) will be supported under the scheme on a “first come first serve basis” or till the allotted budget is exhausted.

### 4. Duration of Scheme

The scheme is open for AECs set up in Bank branches before 31 March 2018. The interested banks can submit their claims for sanction and release of eligible support in a single instalment as per the attached format (Annexure-I) before 31 March 2019.

### 5. Other Terms and Conditions

i. The assistance is towards cost of AEC set up in Banks’ branch.

ii. The Banks shall claim grant support only with respect to one AECs per branch set up before 31 March 2018 and continue to operate as on date of submission of claim.

iii. The AEC set up should conform to the standards and guidelines mandated by UIDAI.

iv. The Bank may send the proposal for sanction and claim in a single instalment as per prescribed format on reimbursement basis (after the payment is made to the vendor). The last date for submission of claim is 31 March 2019.

v. The financial support, if any, received from any other agency for setting up AEC may be excluded from the claim.

vi. The Bank will accept the terms and conditions of sanction in its forwarding letter.

vii. The Bank will execute a Memorandum of Agreement with NABARD, as per the format attached, if not executed earlier.


ix. Bank may maintain locational details of the AEC opened under the scheme and preserve the original invoice, receipts, agreements etc. related to the procurement for any future requirement by NABARD.
x. The Bank will facilitate any monitoring /evaluation of the project to be taken up by NABARD through its own officers or some other agency.

xi. The Bank will follow due diligence for procurement / awarding contracts and comply with statutory and regulatory guidelines on outsourcing.
Claim, also to be forwarded by email to dfibt@nabard.org

ON BANK’S LETTERHEAD

The Chief General Manager
NABARD
Regional office............... (in case of single State proposal)/
Head Office (in case of multi State proposal)

Dear Sir,

**Support for setting up Aadhaar Enrolment and Update centers in Banks**

Please refer to your Circular No. ________________ dated __________ on the captioned subject. In this connection, we confirm our participation in the “Support scheme for setting up Aadhaar Enrolment and Update centers in Banks”. The Bank has opened ____ Aadhaar Enrolment and Update Centers (AEC) in its branches as per details given below:

<table>
<thead>
<tr>
<th>S.No</th>
<th>Period of installation</th>
<th>No of AECs</th>
<th>Support per AEC under the scheme</th>
<th>Total eligible support under the scheme (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a)</td>
<td>(b)</td>
<td>(c)</td>
<td>(d)</td>
<td>(e) = (c) x (d)</td>
</tr>
<tr>
<td>1</td>
<td>Till 30 November 2017</td>
<td></td>
<td>Rs.1,00,000/-</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>01 Dec 2017 to 31 March 2018</td>
<td></td>
<td>Rs.75,000/-</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Total</td>
<td></td>
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</tr>
</tbody>
</table>

The state-wise list of AECs in operations on the date of claim is attached at Appendix I. We request to sanction and release Rs.________ as one time grant assistance towards setting up AECs centers in our branches.
We certify that:

i. The assistance is sought towards reimbursement of cost (after making the payment to the Vendor) for setting up of AEC in Banks’ branch.

ii. The Bank has claimed grant support only with respect to one AECs per branch set up on or before 31 March 2018 and which continue to operate as on date of submission of claim.

iii. The AEC set up conforms to the standards and guidelines mandated by UIDAI.

iv. The financial support, received from any other agency for setting up AEC has been excluded from the claim.

v. The Bank has executed a Memorandum of Agreement with NABARD as per Circular No. 52/DFIBT-05/2018 dated 20 March 2018.

vi. The treatment of GST has been done as per Circular No. 87/DFIBT-11/2018 dated 25 April 2018.

vii. The Bank has maintained locational details of the AEC opened under the scheme and preserved the original invoice, receipts, agreements etc. related to the procurement for any future requirement by NABARD.

viii. The Bank will facilitate any monitoring/evaluation of the project to be taken up by NABARD through its own officers or some other agency.

ix. The Bank followed due diligence for procurement/awarding contracts and complied with statutory and regulatory guidelines on outsourcing.

The details of our bank account, type of account, branch name, branch address and IFSC Code for remittance of the grant support are as follows:-


Yours faithfully

Signature of authorized officer
Name:
Designation:

Encl.: As above.

APPENDIX –I
State-wise number of Aadhaar Enrolment and Update Centers (AEC) set up by the Bank

Name of the Bank:

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Name of the State</th>
<th>No. of Aadhaar Enrolment and Update Center set up on or before 31/03/2018 and in operation as on date of submission of claim</th>
</tr>
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<tbody>
<tr>
<td></td>
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32. Dual Authentication at BC points for SHG transactions (for CBs & RRBs)

Dual Authentication at BC points for SHG transactions – Grant Support to SCBs and RRBs under Financial Inclusion Fund (FIF)

Business correspondents (BCs) provide financial and banking services such as deposits, remittance and insurance to people living in far-flung rural and unbanked areas, and are a critical part of the government’s financial inclusion initiative. At present the Business Correspondents (BC) are providing the above services to sole account holders with single authentication. Even though SHGs have become a noteworthy link between 1/3 of the poor families and the formal banking system, the SHG accounts are operated jointly by two authorized members and these SHGs are conducting their banking transactions only at the bank branches even though BC are providing similar services close to their door steps.

NABARD has conducted successfully a Pilot project viz., “Bank Sakhi” in two RRBs in Uttar Pradesh and Madhya Pradesh on ‘Dual Authentication’ feature which makes it feasible for SHGs to transact at the BC point. Dual authentication involves development of a software patch both at CBS of the banks and microATMs at the BCs. It has been decided to provide financial support for making such changes in the banking software.

Thus, to provide an enabling eco-system for the SHGs to seamlessly operate at BC points with the proposed ‘Dual Authentication’ feature, the scheme under FIF to support Scheduled Commercial Banks (SCBs) and Regional Rural Banks (RRBs) for enabling Dual Authentication option in the microATMs for SHG transactions is being launched.

The details of the scheme are provided below:

6. **Scheme Name:** The scheme will be known as “Dual Authentication at BC points for SHG transactions – Grant Support to SCBs and RRBs”.

7. **Objective:** To provide one time grant assistance towards development of software patch and its installation on microATM for a maximum of three Technical Service Providers (TSPs) of SCBs and a maximum of two TSPs of RRBs.
8. **Components of the ‘Dual Authentication’ Application**

The software application integrating SHG Account opening and operations may include the following components:

i. **SHG Account opening Process**: briefly involves validating details of individual members, validation against CBS database, recording of authorised signatories and creation of Account.

ii. **SHG Migration Process**: validates finger prints and photographs of existing SHG members through SHG Migration module.

iii. **Change in Customer Creation Process**: enables addition of fields related to additional details like occupation / education etc.

iv. **SHG Transaction Process**: module for enabling financial transactions.

9. **Institutions eligible for support:**

SCBs and RRBs which have employed BCs and have ‘Dual Authentication’ feature enabled in the microATMs provided by their TSPs.

10. **Extent of Support:**

i. The extent of support to the SCBs and the RRBs will be as under:

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<tr>
<th>Sr. No.</th>
<th>Bank</th>
<th>Extent of Support</th>
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<tr>
<td>a)</td>
<td>SCBs</td>
<td>60% of total expenditure or Rs. 7.00 lakh (whichever is lower) per TSP for maximum of 3 TSPs per Bank</td>
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<tr>
<td>b)</td>
<td>RRBs</td>
<td>80% of total expenditure or Rs. 7.00 lakh (whichever is lower) per TSP for maximum of 2 TSPs per Bank</td>
</tr>
</tbody>
</table>

100% of the total expenditure or Rs. 7.00 lakh (whichever is lower) per bank per TSP, for eligible institutions in North Eastern Region, Sikkim, Jammu & Kashmir, Uttarakhand, Himachal Pradesh, Chhattisgarh, Jharkhand and Andaman & Nicobar Islands.

ii. Support is limited to the development of software patch and its installation on micro ATM. Other OPEX, if any, will be borne by the Bank.
11. **Sanction and Claim:**

i. The scheme is open for eligible banks which have employed BCs and have ‘Dual Authentication’ feature enabled in the microATMs provided by their TSPs on or after 01 April 2017. The proposals for sanction (as per format in Annexure-I) may be submitted to NABARD Regional Office (RO) for a single State and to Head Office (HO) for multiple States, up to 31 March 2019.

ii. The claims (as per format in Annexure-II) may be submitted by the Bank to NABARD RO/ HO on or before 30 June 2019 in single installment.

12. **Other Conditions:**

i. The Bank shall claim grant support after all the microATMs provided by TSPs taking support under the scheme are ‘Dual Authentication’ enabled as indicated at point 3 above and all the SHGs formed/ linked by the Bank in such areas are able to transact at these micro ATMs. The claims will be made on reimbursement basis (after the payment has been made to the vendor).

ii. The assistance may be utilized towards cost incurred for development of software patch and its installation on microATMs.

iii. The ‘Dual Authentication’ facility should conform to the guidelines mandated by NPCI, UIDAI or any other such agency.

iv. The scheme will function on the principle of ‘First come First serve’, until the allocated budget is exhausted or last date of sanction is reached, whichever is earlier.

v. The financial support, if any, received from any other agency/agencies for ‘Dual Authentication on microATMs’ may be excluded from the claim.

vi. The Bank will accept the terms and conditions of sanctions to be enumerated in the sanction letter.

vii. The Bank will execute a Memorandum of Agreement with NABARD as per Circular No. 52/ DFIBT-05/ 2018 dated 20 March 2018, if not executed earlier.


ix. The Bank will maintain locational details of the BC points supported under the scheme and facilitate any monitoring /evaluation of the project to be taken up by NABARD through its own offices or some other agency.

x. The Bank is required to preserve the original invoice, receipts, agreements etc. related to the procurement for any future requirement by NABARD.
xi. The Bank will follow due diligence for procurement/awarding contracts and comply with statutory and regulatory guidelines on outsourcing.

Encl: As above
Annexure-I

(Format for submission of Proposal by SCBs/ RRBs - on Bank’s letterhead)

The Chief General Manager
NABARD
........ Regional Office/ Head Office

Madam/ Sir,

**Dual Authentication at BC points for SHG transactions – Grant Support to SCBs and RRBs**

Please refer to your circular number ..... dated ... July 2018 on the captioned subject. In this connection, we request you to sanction an amount of Rs. ............... for Dual Authentication feature at BC points for SHG transactions. The total estimated expenditure for the captioned project is Rs. ............... . The details are as follows:

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<tr>
<th>S.No</th>
<th>Particulars</th>
<th>Details</th>
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<tbody>
<tr>
<td>1</td>
<td>Name of Bank</td>
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<td>2</td>
<td>Detail of Technology Service Provider (TSP)</td>
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<tr>
<th>S.No</th>
<th>Name of TSP</th>
<th>No. of District Covered</th>
<th>Approximate No. of microATMs covered</th>
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3 Details of proposed expenditure:

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<th>S.No</th>
<th>Item</th>
<th>Cost/ Fee (Rs)</th>
<th>Remarks</th>
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<td>(i)</td>
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4 Total financial outlay of the project Rs.

5 Support received from other agency/agencies Rs.

6 Total support sought under FIF (less support received from other agency/agencies) Rs.

7. We certify the following:
i. The Banks will claim grant support after all the microATMs provided by TSPs taking support under the scheme are ‘Dual Authentication’ enabled as indicated at point 3 of the Circular No. 172/ DFIBT-28/ 2018 dated 06 July 2018 and all the SHGs formed/ linked by the Bank in such areas are able to transact at these micro ATMs. The claims will be made on reimbursement basis (after the payment has been made to the vendor).

iii. The assistance may be utilized towards cost incurred for development of software patch and its installation on microATMs. Other OPEX if any, will be borne by the Bank.

ii. The ‘Dual Authentication’ facility should conform to the guidelines mandated by NPCI, UIDAI or any other such agency.

iii. The financial support, if any, received from any other agency/agencies for ‘Dual Authentication on microATMs’ will be excluded from the claim.

iv. The Bank will accept the terms and conditions of sanctions to be enumerated in the sanction letter.

v. The Bank will execute a Memorandum of Agreement with NABARD as per Circular No. 52/ DFIBT-05/ 2018 dated 20 March 2018, if not executed earlier.


vii. The Bank will maintain locational details of the BC points supported under the scheme and facilitate any monitoring /evaluation of the project to be taken up by NABARD through its own offices or some other agency.

viii. The Bank will preserve the original invoice, receipts, agreements etc. related to the procurement for any future requirement by NABARD.

ix. The Bank will follow due diligence for procurement/ awarding contracts and comply with statutory and regulatory guidelines on outsourcing.

x. The claims (as per format in Annexure-II) will be submitted by the bank to NABARD RO/ HO before 30 June 2019 in single installment.

Yours faithfully,
Name of authorized Officer:
Designation:
Name of the Bank:
Date:

Annexure-II
(Format for submission of Claim by SCBs/RRBs - on Bank’s letterhead)

The Chief General Manager
NABARD
......... Regional Office/ Head office

Madam/ Sir,

**Dual Authentication at BC point for SHG transactions – Grant Support to SCBs and RRBs**

Please refer to your sanction letter number ..... dated ... ...2018 on the captioned subject. In this connection, we request you to reimburse an amount of Rs. ................. for Dual Authentication feature at BC point for SHG transaction. The total expenditure for the captioned project is Rs. ......... . The details are as per the following:

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<th>S. No.</th>
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<td>Name of Bank</td>
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<td>Detail of Technology Service Provider (TSP) <em>(Details given in Appendix 1)</em></td>
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<th>S. No.</th>
<th>Name of TSP</th>
<th>No. of District Covered</th>
<th>No. of microATM covered</th>
<th>No. of SHGs covered</th>
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3. Details of proposed expenditure:

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<th>S. No.</th>
<th>Item</th>
<th>Cost/ Fee (Rs)</th>
<th>Remarks</th>
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4. Total financial outlay of the project | Rs.

5. Support received from other agency/agencies | Rs.

6. Total support sought under FIF (less support received from other agency/agencies) | Rs.

2. We certify the following:
i. The Bank has claimed grant support after all the microATMs provided by TSPs taking support under the scheme are ‘Dual Authentication’ enabled as indicated at point 3 of the Circular No. 172/ DFIBT-28/ 2018 dated 06 July 2018 and all the SHGs formed by the Bank in such areas are able to transact at these micro ATMs. The claim is made on reimbursement basis (after the payment has been made to the vendor).

ii. The assistance has been utilized towards cost incurred for development of software patch and its installation on microATMs. Other OPEX has been borne by the Bank.

iii. The ‘Dual Authentication’ facility conforms to the guidelines mandated by NPCI, UIDAI or any other such agency.

iv. The financial support, if any, received from any other agency/agencies for ‘Dual Authentication on microATMs’ has been excluded from the claim.

v. The Bank accepts the terms and conditions of sanctions enumerated in the sanction letter.

vi. The Bank has executed a Memorandum of Agreement with NABARD as per Circular No. 52/ DFIBT-05/ 2018 dated 20 March 2018, if not executed earlier.

vii. The treatment of GST has been made as per Circular No. 87/ DFIBT-11/ 2018 dated 25 April 2018.

viii. The Bank has maintained locational details of the BC points supported under the scheme and will facilitate any monitoring /evaluation of the project to be taken up by NABARD through its own offices or some other agency.

ix. The Bank will preserve the original invoice, receipts, agreements etc. related to the procurement for any future requirement by NABARD.

x. The Bank will follow due diligence for procurement/ awarding contracts and comply with statutory and regulatory guidelines on outsourcing.

Yours faithfully

Name of authorized Officer: 
Designation: 
Name of the Bank: 
Date:
District wise details of microATM with Dual Authentication supported under the scheme “Dual Authentication at BC point for SHG transactions – Grant Support to SCBs and RRBs”

Name of the Bank:

NABARD Sanction letter no. and date

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<th>S N</th>
<th>State</th>
<th>District</th>
<th>(1) Technology Service Provider : Name</th>
<th>No. of microATM at BC point with Dual Authentication feature</th>
<th>No. of SHGs covered</th>
<th>(2) Technology Service Provider : Name</th>
<th>No. of microATM at BC point with Dual Authentication feature</th>
<th>No. of SHGs covered</th>
<th>(3) Technology Service Provider : Name</th>
<th>No. of microATM at BC point with Dual Authentication feature</th>
<th>No. of SHGs covered</th>
<th>Total No. of microATM at BC point with Dual Authentication feature</th>
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Sub Total

Grand Total
33. General Agreement For Grant Assistance to be signed between BANK & NABARD

Format For Grant Assistance (NEW FIF)

(to be stamped as an agreement as per the rates prescribed by the local revenue authority)

THIS GENERAL AGREEMENT FOR GRANT ASSISTANCE executed at ............... on ....................... day of Two thousand AND .................

BETWEEN

National Bank for Agriculture and Rural Development, a Statutory Corporation established under the National Bank for Agriculture and Rural Development Act, 1981 and having its Head Office at Plot No. C-24, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai-400051, AND ONE OF ITS Regional Offices at .............................................. represented by its.................................................. Shri ................................................................. hereinafter referred to as “NABARD” (which expression shall, unless repugnant to the context or meaning thereof, includes its successors and assigns) OF THE FIRST PART

AND

................................................................., a Banking Company/Regional Rural Bank/Co-operative Bank /....................... incorporated/established/Registered under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970/ State Bank of India Act, 1955/ The State Bank of India (Subsidiary Banks) Act, 1956/Regional Rural Banks Act, 1976/The Companies Act, 1956/............... State Cooperative Societies Act, .......... and having its registered office/Head Office at .............................................. hereinafter referred to as “...............(Name of Bank etc.)” (which expression shall, unless repugnant to the context or meaning, includes its successors and assigns) OF THE SECOND PART

NABARD and ......... (Name of Bank) shall hereinafter, where the context permits, be referred to individually as “Party” and collectively as “Parties”.
WHEREAS

1. Government of India (GoI) in the year 2007 – 2008 had announced and created Financial Inclusion Fund (FIF) and financial Inclusion Technology Fund (FITF) with a corpus of Rs. 500 crore each with funding from GoI, Reserve Bank of India (RBI) and NABARD in ratio of 40:40:20 with a view to securing greater financial inclusion.

2. In the year 2015-2016 Government of India has merged Financial Inclusion Fund (FIF) and Financial Inclusion Technology Fund (FITF) into a single Fund “Financial Inclusion Fund” with an overall corpus of Rs. 2000 crore created with “interest differential” in excess of 0.5% on Rural Infrastructure Development Fund (RIDF) and Short Term Cooperative Rural Credit (STCRC) deposits on account of shortfall in priority sector lending kept with NABARD by banks. The new FIF created with objectives to support “developmental and promotional activities” including creating of FI infrastructure across the country, capacity building of stakeholders, creation of awareness to address demand side issue, enhanced investment in Green information and Communication Technology (ICT) Solution, research and transfer of technology, increased technological absorption capacity of financial service provider /user with a view to securing greater financial inclusion. (hereinafter referred to as “financial inclusion programme”).

3. Pursuant thereto, the Financial Inclusion Fund is established in NABARD, inter-alia, to provide financial assistance to eligible institutions engaged in financial inclusion programme as prescribed under the Financial Inclusion Fund Guidelines (hereinafter referred to as “guidelines”) for implementation of Financial Inclusion programme. Copy of the guidelines is annexed herewith as “Annexure I” and shall be read as part and parcel of this Agreement.

4. (Name of Bank etc.) having extensive experience and expertise in the matter of conceptualization and implementation of Financial Inclusion Programme approached NABARD with a request to sanction to it grant assistance for implementing financial inclusion programme on the terms and conditions to be mutually agreed upon.

5. NABARD is agreeable to sanction to (Name of Bank etc.) grant assistance for the aforesaid financial inclusion programme on the terms and conditions hereinafter appearing
together with the terms and conditions as mentioned in the sanction letter(s) to be issued by NABARD from time to time.

**NOW IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:**

1. NABARD may, in its absolute discretion but without any obligation on its part so to do, sanction / sanctioned financial assistance to ...............(Name of Bank)................. by way of grant for implementation of Financial Inclusion programme within the overall framework mentioned in the guidelines. The said guidelines shall be observed and followed by both the parties subject to such modifications or amendments as may be made by NABARD in consultation with the Advisory Board, an apex level policy making body under FIF.

2. The financial assistance by way of grant shall be released in instalments as per requirement subject to the progress of work in proportion of the grant assistance utilized by (Name of Bank etc.). The schedule of instalment/disbursement to be stipulated by NABARD in its respective letter/s of sanction (hereinafter referred as “the said letter/s of sanction”). NABARD shall reserve its right to vary the said schedule of instalment/disbursement from time to time.

3. **ROLE OF (Name of Bank etc.),**

   (i) (Name of Bank etc.)’s application shall constitute the basis of this General Agreement to provide grant assistance by NABARD and (Name of Bank etc.), hereby confirms the correctness of each and every statement and particulars therein set forth.

   (ii) (Name of Bank etc.), further agrees/undertakes:

   a) to carry out each and every condition contained in the application submitted/shall be submitted by (Name of Bank etc.), for availing the grant assistance.

   b) that the grant assistance made by NABARD shall be utilized for the purposes and in the manner set forth in its application read with sanction letter/s issued by NABARD from time to time and for no other purpose.

   c) to be bound by the terms and conditions of this General Agreement for Grant Assistance in toto and other special terms and conditions as mentioned in the particular/specific sanction letter issued by NABARD, from time to time.
d) to execute / cause to execute such documents as required by NABARD to carry out its obligations under this General Agreement for Grant Assistance and sanction letter(s) issued by NABARD from time to time.

e) to enter into an agreement with agency/institution through whom it is implementing the project and such agreement shall contain the following:

   e.i. to furnish to NABARD all such information as NABARD may require from such agency/institution as well as from (Name of Bank etc.) from time to time and also submitting necessary financial data and/or statements as required by NABARD.

   e.ii. to allow NABARD to verify /inspect such agency/institution’s as well as the (Name of Bank etc.) books of accounts, vouchers, papers, documents, etc. and any other financial document/s pertaining to the project.

   e.iii. it would endeavor to follow principles of sustainable development to prevent negative impact on environment and society keeping in view the norms and regulations stipulated by Government of India or its representatives from time to time.

   e.iv. The ------ (Name of the Bank) agrees that it would endeavor to enhance women’s participation and thereby reduce gender disparities and also endeavor to promote awareness and knowledge among its staff and sensitize them to gender issues relating to its business and functioning.

4. In the event of any misutilisation of funds or utilisation of funds for the purposes not specified in the sanction letter/s of NABARD, NABARD shall reserve the right to suspend disbursements of grant assistance and demand refund of amount so misutilised from the(name of the bank).

5. (Name of Bank etc.) agrees to provide all assistance and cooperation to take up jointly with NABARD for monitoring of the projects. The monitoring of projects could be every quarter or at periodicity as may be mutually agreed by NABARD and (Name of Bank etc.).

6. Notwithstanding anything contained in this General Agreement for Grant Assistance, it is expressly agreed by and between the parties hereto that NABARD shall have full right to terminate the contract forthwith if (Name of Bank etc.) commits breach of any of the terms and
conditions of this General Agreement for Grant Assistance and sanction letter/s issued by NABARD from time to time.

7. The decision of NABARD that (Name of Bank etc.) has committed breach of any of the terms and conditions of this General Agreement for Grant Assistance and sanction letter/s issued by NABARD from time to time shall be conclusive, final and binding on (Name of Bank etc.)/any other agency or institution participating in the programme and they shall not question the same in any court, tribunal etc.

8. The account of (Name of Bank etc.) will be got audited by an outside Auditor annually and the Audit report will be presented to NABARD within ...... month/s of the close of books in March.

9. The rights and interests of (Name of Bank etc.) hereto shall not be transferred or assigned without the prior consent in writing of NABARD and any transfer or assignment without the consent of NABARD is not binding on it.

10. The data, processes and systems of the Financial Inclusion Programme shall remain the exclusive property of NABARD and shall not be shared / divulged in any form by (Name of Bank etc.) or the agency/institution unless specifically permitted in writing by NABARD.

11. The (Name of the Bank) shall pay all dues, charges, penalties and taxes as may be levied from time to time by any Government Authority or in accordance with the Applicable Law pertaining to or in respect of the Grant and Grant related transactions.

12. The grant assistance shall not be utilized for any illegal, unlawful or immoral purposes or activities at any time.

13. The (Name of the Bank) shall indemnify NABARD against all claims in respect of intellectual property rights, or other protected rights in respect of innovations used for or any other material in connection with the works or temporary works and from against all claims, demand, proceedings, damages, costs, charges and expenses whatsoever in respect thereof from Third Party or in relation thereto in the implementation of the project sanctioned. The (Name of the Bank) shall defend all actions arising from such claims, before any court/tribunal/authority for such infringement and receive NABARD’s permission to proceed, and shall itself pay all royalties, damages, costs and charges of all and every sort that may be legally incurred in respect thereof. The (Name of the Bank) shall also indemnify NABARD against damages, loss or other claims caused due to the negligence, omission or commission, of its employees, contractors or agent.
14. NABARD shall not be held liable for any financial, non-financial commitments or any other commitments made by the -------- (Name of the Bank) to third parties which are not approved by NABARD or which do not form a part of the project / programme.

15. NABARD may form an internal or external committee for reviewing the performance of the project and/or ------ (Name of the Bank) and reserves the right to suspend or terminate the funding under this Agreement, in case of irregularities or unsatisfactory performance. The --- ----- (Name of the Bank) shall extend necessary co-operation and make available records / documents as required by the monitoring team.

16. **Applicable Law and Jurisdiction**
   This Agreement shall be governed by, and construed in accordance with the laws of India. This Agreement shall be subject to the exclusive jurisdiction of the Courts in Mumbai.

17. The general terms and conditions contained in this General Agreement for Grant Assistance shall be in addition to the terms and conditions to be specified by NABARD in the letter/s of sanction.

18. Any notice required to be given under this General Agreement for Grant Assistance shall be served on the party at their respective addresses given below by hand delivery or by registered post.

NABARD ........................................................................................................................
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(Name of Bank etc.) ............................................................................................................
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19. AMENDMENTS

No amendment, supplement, modification or clarification to this Agreement shall be valid or binding unless set forth in writing and duly executed by NABARD and ------ (Name of the Bank).

20. SEVERABILITY

Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of prohibition or unenforceability but shall not invalidate the remaining provisions of this Agreement or affect such provision in any other jurisdiction.

21. SURVIVAL

This Agreement shall be in force until all the dues payable under the Agreement have been fully and irrevocably paid in accordance with the terms and provisions hereof.

22. TERMINATION

(a) This Agreement may be terminated by one Party after giving a ONE month’s notice to the other Party.

(b) NABARD shall have the right to terminate this Agreement and / or recall the Grant amount and other charges or any part of the same, with immediate effect, in the event the --------- (Name of the Bank) commits a breach or default of terms and conditions of sanction. The ------ (Name of the Bank) shall be deemed to have committed an act of default on the happening of inter-alia, any one or more of the following events:

(i) The ------ (Name of the Bank) commits breach or default of any of the terms and conditions and / or covenants herein or any misrepresentation to NABARD; or

(ii) The ------ (Name of the Bank) fails to furnish any information or documents that may be required by NABARD; or

(iii) The ------ (Name of the Bank) is utilizing the Grant or any part thereof for a purpose other than the purpose for which the Grant has been sanctioned; or
(iv) If the ------ (Name of the Bank) commits an act of insolvency or makes an application for declaring itself an insolvent or an order is passed against the ------ (Name of the Bank) declaring it as insolvent; or

(v) There exists any other circumstance, which, in the sole opinion of NABARD, jeopardizes NABARD's interests.

The parties hereto have caused this General Agreement for Grant Assistance and a duplicate hereof to be signed on their respective behalf by their duly authorised officials on the date and place first herein above mentioned.

SIGNED AND DELIVERED for and on behalf of NABARD by the hand of its duly authorized official

Shri …………………………………

this ........... day of ........... 20...

In the presence of :-

1)

2)
SIGNED AND DELIVERED for and on behalf of (Name of Bank etc.) by the hand of its duly authorized official

Shri …………………………………

this ........ day of ........ 20...

In the presence of: -

1)

2)
FINANCIAL INCLUSION FUND - GUIDELINES

1. Constitution of the Fund

1.1 After the completion of the initial five years, it has now been decided to merge both the Financial Inclusion Fund & Financial Inclusion Technology Fund into a single Fund viz. Financial Inclusion Fund (FIF).

1.2 The overall corpus of the new FIF will be Rs. 2000 crore- Contribution to FIF would be from the "interest differential" in excess of 0.5% on RIDF and STCRC deposits on account of shortfall in priority sector lending (as notified by RBI from time to time) kept with NABARD by banks.

1.3 All the assets and liabilities of the erstwhile FITF as well as prior commitments from FITF for projects already sanctioned, which falls within the scope of the erstwhile funds, will be transferred to/reimbursed from FIF.

1.4 The Fund shall be in operation for another three years or till such period as may be decided by RBI and Government of India in consultation with other stake holders.

2. Objective of FIF

The objectives of the FIF shall be to support "developmental and promotional activities" including creating of FI infrastructure across the country, capacity building of stakeholders, creation of awareness to address demand side issues, enhanced investment in Green Information and Communication Technology (ICT) solution, research and transfer of technology, increased technological absorption capacity of financial service providers/users with a view to securing greater financial inclusion. The fund shall not be utilized for normal business/banking activities.

2.1 RBI has always advocated the policy of considering financial inclusion as a business proposition. It has, therefore, encouraged banks to see cost involved in the FI effort as a long term investment which would help banks in broadening its base for future business expansion. At the same time RBI has also realized the need for intervention from the regulatory and government side which would help creating an eco-system that would support banks
investment in this area. It is with this objective in mind that the creation and continuation of the Financial Inclusion Fund is justified.

2.2 Based on the policy announcements of RBI, banks have in a big way adopted the ICT-BC model as a mode for expanding banking operations in the unbanked areas. While the ICT-BC model is a low cost business model in comparison with the traditional model i.e. the brick & mortar model for providing banking services, there is still a significant investment required to be done for further facilitating investments from banks and other financial institutions.

2.3 During the past five years banks have invested heavily in creating an infrastructure, which has resulted in a large number of business correspondents being appointed for expanding banking in the unbanked areas and a large number of basic bank accounts being opened for first time customers of banks. However, these accounts are yet to see any significant transactions happening and banks have also not started making any significant profits from the investments. This has led to many instances of attritions of BCs citing lack of business opportunities and sufficient income. Some of the issues that are hampering scaling up of the BC model include infrastructure issues like lack of proper connectivity, lack of training facilities for BCs, evolution of an appropriate business model, etc. The objective of the new FIF should be towards addressing these key concerns which would help scaling of our FI efforts.

2.4 All these have led to the reasons for a fresh thinking on the nature of, activities that needs to be funded out of the Financial Inclusion Fund.

3. Eligible Activities/Purposes

3.1 Support for funding the setting up and operational cost for running Financial Inclusion & Literacy centers. The setting up of such centers are in sync with the objective of GoI for setting up Financial Literacy centers upto the block level under the PMJDY. The cost of technical manpower employed by banks for running the Financial Inclusion & Literacy centres (as banks have manpower shortages) will be funded from the fund. The scope of activities to be carried out by these centers would be as follows:-

a. Providing financial literacy training to all individuals/households of the area
b. Providing counseling services for opening of bank accounts and for operating banking and other financial products and services.
c. Providing training to BCs about various banking other financial products and services and also for training them in use of technological devices so as to ensure smooth servicing of customers.
d. Redressal of customer grievances by attending to customer complaints, if necessary, by taking up with banks and other institutions.

3.2 Setting up of Standard Interactive Financial Literacy Kiosks in Gram Panchayats and any other financial literacy efforts under taken by banks in excluded areas.

3.3 Support to NABARD & Banks for running of Business & skill Development centers including R-SETIs (to the extent not provided by state Governments) which will help in imparting skill sets necessary for undertaking income generating activities and for providing
forward linkages for marketing activities. Grant will be in the form of one time capital cost and working capital for undertaking skill development activities for a maximum period of 3 years. NABARD and Banks will have the discretion to enter into partnerships with other entities like corporates, NGOs, etc. involved in the running of such Centers, however, proposal for seeking funding support from the FIF will be entertained only from Banks or NABARD.

3.4 Support to pilot projects for development of innovative products, processes and prototypes, for financial inclusion. Proposals for such products and prototypes will have to be submitted through any of the implementing banks.

3.5 Financial assistance to authorized agencies for conduct of surveys for evaluating the progress under financial inclusion.

3.6 Sharing the cost of Government projects in connection with laying of last mile fibre optic network, funding of other technological or infrastructure related projects involved in improving or creating network connectivity, etc; in excluded areas.

4 Eligible Institutions

4.1 Financial Institutions, viz., commercial Bank, Regional Rural Bank, cooperative Banks and NABARD.

4.2 Eligible institutions with whom banks can work for seeking support from the FIF:

- NGOs
- SHGs
- Farmer's Clubs
- Functional Cooperatives
- I.T. enabled rural outlets of corporate entities.
- Well functioning Panchayats
- Rural Multipurpose kiosks / Village Knowledge Centers
- Common Services Centres (CSCs) established by Service Centre Agencies (SCAs) under the National e-Governance Plan (NeGP).
- Primary Agricultural Societies (PACs).
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