

MINUTES OF THE MEETING OF SPECIAL COMMITTEE OF SLBC TO MONITOR BUSINESS CORRESPONDENTS (BCs) HELD ON 29.06.2018 AT BHOPAL

The first meeting of Special Committee of SLBC to monitor business correspondents and work out the modalities for door step DBT payment to old age pensioners, differently abled, widows, MGNREGA workers etc. by BCs was held on 29.06.2018 at Vallabh Bhawan, Mantralaya, Bhopal under the **Chairmanship of Shri Ashok Shah, Principal Secretary, Social Justice & Differently Aabled Welfare Deptt., Government of Madhya Pradesh. Shri Manoj Govil, Principal Secretary, Finance & Commissioner, Institutional Finance and Shri Rajesh Prasad Mishra, Secretary, Tribal Welfare, Government of M.P. were also present.** The meeting was attended by the State level heads of member Banks/institution. A list of the participants is annexed hereto.

At the outset, Shri Ajay Vyas, Convenor, SLBC & Field General Manager, Central Bank of India welcomed all the participants. Convenor mentioned that old age people have to travel a long distance to get social security pension from banks/BC locations particularly in tribal and remote locations and they face problem in receiving DBT payments. The State Government look forward to provide basic banking services to such beneficiaries, right from the comfort of their home. It was mentioned that some of the particular districts viz. Sidhi, Singrauli, Shahdol, Umaria, Dindori, Madla, Seoni, Chhindwara, Anuppur, Dhar, Khandwa, Khargon, Barwani, Jhabua, Alirajpur and Sheopur, where beneficiaries are facing more difficulties.

Chairman of the Committee mentioned that the state government is operating through “Single Click Scheme” for Elder persons, wherein around 35 lakh beneficiaries are receiving financial assistance from the state government through Direct Benefit Transfer. He mentioned that these people belong to vulnerable group of our society and it is hard to imagine what kind of trouble these peoples are facing day to day due to non-availability of banking services within their reach. He urged upon the bankers to do some efforts towards such people to provide easy access to the banking services at their doorstep. In a bid to implement door step DBT payments, the following action points emanated after the deliberations:

1. Shifting beneficiary’s accounts to Post Offices from Banks

Initially, many accounts of such beneficiaries were shifted to the banks from post offices due to not having core banking facility in post offices. Assistant Director-Postal

Department informed the house that now all post offices, sub-post offices are enabled with core banking solution and there are around 7,000 post offices in the state. It has been decided to again shift accounts from Banks to post office wherever post offices are near the beneficiary's village instead of BC or Bank Branch point.

Action: Social Justice & Tribal Welfare Deptt. Govt. of M.P.

2. Gap analysis- mapping with Gram Panchayats

It was informed that there are 2,681 rural bank branches, 2,307 semi urban bank branches, around 10,000 business correspondents, around 7,000 post offices and 23043 Gram Panchayats in the state. Principal Secretary, Social Justice and Differently Abled Welfare has already sent a D.O letter to all the Collectors to identify such gram panchayats, which is more than 5 km away from either bank branch or BC point (SSA). Principal Secretary, Finance mentioned to map all gram panchayats with bank branch or BC or post office. The Lead District Manager in coordination with district administration will do such exercise and submit a report to SLBC for amalgamation and gap analysis. Such task has to be completed within 10 days. **It was further advised to prepare district map showing locations of bank branches, gram panchayats, villages, post offices and business correspondents.**

Action: District Administration and LDMS

3. Making all BC points functional

There are 11,864 Sub Service Areas (SSAs) and more than 10,000 business correspondents in the state. Banks were requested to submit the list of active BC to SLBC. In case of inactive BCs, they should make active within 10 days.

Action: All Banks having SSAs

4. Criteria for an active BC

It was decided that banks should review the performance of BCs at least once in a quarter. If a BC makes payment of social security pensions, his/her transactions will increase. Banks were requested to submit the criteria, on the basis of which they consider a BC active. Such report would be furnished by SLBC in the next meeting of the committee.

Action: All Banks and SLBC

5. Commission structure of BCs& commission payment

It was flagged that commission structure of BCs varies from bank to bank. Banks were requested to submit commission structure of BC prevailing in respective bank and commission paid to them during previous financial year i.e. 2017-18 to SLBC to assess their earnings and ensure viability.

Action: All Banks

6. Deployment of additional BCs

It was decided that all concerned banks should take steps for deployment of additional BCs in locations not having banking facilities within 5 km and locations wherever it is viable within SSA in conformity with DFS, GOI letter F.No-21(23)//2014-FI (Mission)(347323) dated 17.05.2018. Banks were advised to complete such task within 15 days.

Action: All concerned Banks

The state government has desired to start door step pension payment facility through BC in a pre-determined day of the month from 1st August 2018. Accordingly, all stake holders need to work in tandem. The house decided 18th July 2018 for holding the next meeting of this committee to review the progress.

Meeting ended with a vote of thanks to chair.

(Minutes approved by P.S., Social Justice & Differently Abled Welfare Deptt.)

List of participants

दिनांक 29.06.2018 को आयोजित बैठक कक्ष क्रमांक 216

क्रमांक	नाम	पद / विभाग	हस्ताक्षर	मोबाईल नं.
1	Harshvard	FOM / CBS		9406100134
2	शमेश प्रसाद मिश्रा	सचिव, जन जातीय आयोग		9827041211
3	सतीश कुमार	संयुक्त प्रशासक, सं. वि.		9893072388
4	Biswajit Mishra	Conal Manager BOI		9987379380
5	B.S. Rajput	Chief Manager BOI		9425090011
6	G.K. Banti	S. Manager		7354888177
7	D.K. Jaimini	AGM - SLBC		9644004761
8	Gurtej Singh	IGM, Union Bank of India		9918500555
9	गुरतेज सिंह	IGM, Union Bank of India		9918702102
10	Girish Acharya	Dy. Gen. Manager BOI		0355-4049003
11	Ambel Joshi	Chief Manager BOI		9352410718
12	M.N. Patel	General Manager		8127769700
13	SUNIL SGTAP	DCM ZO.		7715986000
14	C.S. Rayvaidya	J.P.(F) Tribal.		9977983676
15	विश्वनाथ सिंह	अवर संचालक जनजातीय आयोग		9425003526
16	A.K. Gupta	Post. Inspector Postal Dept.		7587598113
17	SANJAY PAGEY	AGM		9425647031
18	DINESH C. MAMGAIN	DCM		9871388158
19	Ashwini K Shukla	GM		7506640399
20	Vishal NIWARE	MANAGER		9893991815
21	Jomy Joseph	Sr. Manager		7898757911
22	Kirshan Goput Tiwari	Director		9424448050
23		Social Justice Dept.		
24	Ashok Shah	PS - Social Justice.		
25	Rajesh Kumar Mishra	Sec - Tribal		
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**MINUTES OF THE 2nd MEETING OF SPECIAL COMMITTEE
OF SLBC TO MONITOR BUSINESS CORRESPONDENTS
HELD ON 20-07-2018 AT BHOPAL**

The 2nd meeting of the Special Committee of SLBC to monitor business correspondents and work out the modalities for door step DBT payment to old age, differently abled and widow pensioners and MGNREGA workers etc. by BCs was held on 20-07-2018 under the Chairmanship of **Shri Ashok Shah, Principal Secretary**, Government of Madhya Pradesh, Social Justice & Differently Abled Welfare Deptt. The meeting was attended by the member Banks/institution and the Government officials. A list of the participants is annexed hereto.

The Convenor, SLBC placed ATR on the points emerged in 1st meeting of the committee held on 29-06-2018. The following action points emanated after the deliberations:

1. Commencing door step pension payment on a pre-determine day

It was informed to the house that the Chairman has already sent a D.O letter along with GAP analysis matrix to all the Collectors to identify such gram panchayats, located at more than 5 km away from either bank branch or BC location. However, the task is yet to be completed. Joint Director, Directorate of Institutional Finance mentioned that during PMJDY campaign, all villages in the state were mapped with each sub service area consisting of 1000-1500 households, hence banking facility is available to all villages within a distance of 5 kms radius. In spite of all these, if any village is more than 5 km away from bank branch/BC location/kiosk/Post Office, it will be identified after the gap analysis. The Chairman requested banks to issue necessary guidelines to respective LDM for expeditious completion of gap analysis.

The Chairman mentioned that we cannot withhold the government's initiative to provide door step pension payment till completion of the gap analysis. It was requested that banks should start such facility in some districts on pilot basis, where BCAs are already present.

The committee decided to start pension payment to the beneficiaries through Bank branches, BCAs, Kiosks etc. from **7th August 2018** in 8 districts namely Alirajpur,

Datia, Khandwa, Mandla, Satna, Sidhi, Umaria and Seoni and would be monitored by the lead banks of these districts namely; Bank of Baroda, Punjab National Bank, Bank of India, Central Bank of India, Allahabad Bank, Union Bank of India, State Bank of India and Postal Department respectively. Thereafter, such facility will be extended in other districts. Convener, SLBC would prepare a Standard Operating Procedures to start such facility as mentioned below.

- 1.1. The District administration will identify the location for distribution in respective district.
- 1.2. The Lead District Manager will map such locations with respective banks servicing the area.
- 1.3. District administration will arrange to bring the beneficiaries to the respective bank branch, BC, kiosk etc. if the location is situated within 5 km radius.
- 1.4. Social Justice and Disability Welfare department of the State government will share village wise data of the beneficiaries getting social security pension in above mentioned districts by 20th July 2018 with SLBC.
- 1.5. Postal Department agreed to start such facility in Seoni district from 9th August, 2018.
- 1.6. Respective Lead Bank of the district will monitor the progress and share number of transactions done by BCs with SLBC.
- 1.7. District Administration will fix-up a day for payment to such beneficiaries and concerned base branch of the BCA/Kiosk etc. will make necessary arrangement of availability of the cash and disbursing person at predetermined place, which would be preferably Gram Panchayat premises.

2. Criteria for an active BC

The Chairman during last meeting, wanted to know the criteria for considering a BC active or inactive. Based on information received from banks, the Convenor placed such criteria prevailing in the banks. It is observed that there is no parity among banks for considering a business correspondent active. Some banks consider a BC active, when he/she does a single transaction even in 90 days.

The Chairman wanted to know about the guidelines issued by RBI/DFS on this score. The Convenor said that there is no guideline in this matter and individual

banks follow the policy guidelines issued by their corporate office. In order to draw conclusions about the effectiveness of business correspondents, it was suggested that the issue may be taken up with the DFS. Further, the committee was of the view that around 100 transactions in a month should be done by BC to be reckoned as effective BC outlet. Banks were requested to provide data of such BCs, who are doing more than 100 transactions in a month to SLBC.

3. Data on BC transactions

The Chairman desired to know the information on the number of transactions done by a BCA on daily basis. He mentioned that sustainability of the BC model critically depends on the volume of transactions. In order to assess the effectiveness/sustainability of the BC, banks were requested to share data on this score for financial year i.e. 2017-18 latest by 23rd July, 2018.

4. Gap analysis by Postal department

SLBC has compiled the list of Gram panchayats with their respective villages and shared the format in excel with social justice and the postal department. However, progress was not yet observed on this score. Postal department assured that they will complete this task by 23rd July 2018.

5. Appointment of additional BCs

It was observed that some banks had already appointed additional BC outside their sub service areas. In conformity with DFS, GOI letter F.No-21(23)//2014-FI (Mission)(347323) dated 17.05.2018 on deployment of additional BC, the committee was of the view that it would be scientific and practical to deploy additional BCs by banks after getting the report on gap analysis.

The committee decided that the next meeting will be held on 30th July 2018 to review the progress of pension distribution for 7th August as well as appointment of new BCAs.

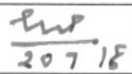
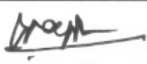

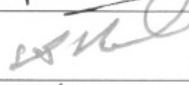

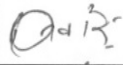
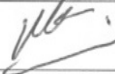

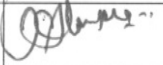
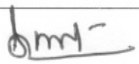



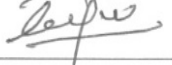


Meeting ended with a vote of thanks to chair.

(Minutes approved by PS, Social Justice & Differently Abled Deptt.)

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LIST OF PARTICIPANTS

दिनांक 20.7.2018 को आयोजित स्पेशल एस.एस.बी.सी की बैठक।

क्र	नाम	पद/विभाग	मोबाइल नं.	हस्ताक्षर
1	S. S Rajput	AD (Tech/PMU) DOP. No. CPMG M.P. Bhopal	7587598116	
2	B. S. Rajput	Chief Manager Bank of India	9425090011	
3	B. Mishra	Regional Manager Bank of India	9987379380	
4	S. K. Verma	AGM, SBI	8435300532	
5	Deepak Dubey	DGM SBI	9669201802	
6	Alka Shrivastava	Addl. Secretary	9425044775	
7	VISHAL NIWARE	MANAGER PHB	9893991815	
8	M. P. Lel	C.M. UBI	9918702102	
9	Vikas Dwan	ACM UBI	747119699	
10	Sushil Kumar Sharma	Sr. Mgr. BOB	8989417332	
11	N. K. Srivastava	AGM, RBI	9780259856	
12	Jatin Rawal	GM, RBI	8959099444	
13	D. K. Jain	AGM, SLBC	9664004761	
14	Praveen Kumar	P.A. DOP, DakBhan	7587598137	
15	B. K. Banti	SM / SLBC	7354888177	
16	Shailesh	CM, Allahabad Bank	9793602281	
17	Samuel Murg	SM / Allahabad Bank	9926886804	
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19				