



PUNJAB & SIND BANK
(A Government of India Undertaking)

पंजाब एण्ड सिंध बैंक

Financial Inclusion & UID Cell, वित्तीय समावेशन व यूआईडी सेल

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TO ALL BRANCHES / CONTROLLING OFFICES

Financial Inclusion: Engagement of Individual Business Correspondents (BCs) through Base Branches/Zonal Office for FI Implementation

Under the Financial Inclusion Plan, bank has been allocated 3192 villages. Government of India and Reserve Bank of India have advised the Banks to extend banking services in all the unbanked allotted villages through:-

1. Existing Bank branches,
2. Opening new brick and mortar branches/USBs
3. Business Correspondent Model.

Bank has already established BC Model by engaging its own Individual BCs through Base Branches/Zonal Offices. The revised policy guidelines for appointment/renewal of BC are enclosed. (**Annexure I to VII**).

- Detail Policy for engagement of Individual BC (Annexure-I).
- Specimen letter to be issued to BC (Annexure-II).
- Details of Remuneration/fee (Annexure-III).
- Application for engagement of individual BC (Annexure-IV).
- Agreement for engagement of individual BCs (Annexure-V).
- Certificate of engagement of BC (Annexure-VI).
- Monthly report of BC (Annexure VII)

All field functionaries are advised to follow the instructions meticulously and appoint/renew the BCs as per the Board approved policy.

Assistant General Manager (FI)

1) Engagement/Renewal of Annual contract of BC.

It may be emphasised that the BCs shall be approved by the Zonal Offices on the recommendations of Branch Managers of base branches. The Branch Managers of base branches shall have to carry out due diligence in engagement of BCs. The application form for engagement of BCs and Draft Agreement to be entered into between Bank and BCs is enclosed as Annexure-IV and V respectively.

A few of the points that need consideration in appointment of BCs are as under:

- a) The person should be permanent resident of one of the villages for which he shall be appointed as BC. In case BC needs to be appointed from village other than allotted villages, prior approval is required from GM (FI).
- b) Minimum 10+2 class pass
- c) Two references of persons having good reputation in village
- d) Ability to understand technology
- e) Positive attitude for Financial Inclusion work
- f) Person should be sincere, honest and have good ethical values
- g) Preference be given to the persons such as Kirana shopkeepers, medical shop owners, retired teachers, retired bankers, retired government employees, Aanganwadi/ASHA workers, SHG members etc.
- h) Announcement regarding engagement of individual BCs be done through local religious places i.e. Gurdwara, Mandir or through Panchayat Bhawan etc. of the villages.
- i) If more than one person be interested in the job of BC, selection be done by a committee of Base Branch Manager, Sarpanch and representative of Zonal Office.
- j) Criminal record of person be checked and police verification be done before appointing him/her as BC.

2) The code of conduct for BCs

- BCs shall ensure confidentiality of customer data. BC needs to maintain fidelity and secrecy.
- BCs should realise that the cash on hand balance held by BCs is customers' money and should not be misused for any other purpose including personal use.
- The BCs will handle their responsibilities with due care, diligence and sensitivity.
- During recovery procedures, BCs will adhere to the extant instructions on Bank's fair practice code for lending. The BCs will refrain from any action that could damage the integrity and reputation of the Bank and observe strict customer confidentiality.
- The BCs will not resort to intimidation or harassment of any kind, either verbal or physical, against any person in their recovery efforts.
- The BCs should adhere to the Code of Conduct in letter and spirit failing which provisions including termination of agreement would be attracted.

3) Roles and Responsibilities of:**(a) Financial Inclusion Cell - Zonal offices**

- Allocation of Monthly business targets to BCs in the region/village(s) /SSA
- Approval of engagement of BCs
- Carryout due diligence before approval of BCs
- Review performance of BCs
- Submit monthly performance of BCs to HO FI & UID Cell latest by 3th of every month along with reasons for low transaction and business by BC (if any during the month). ZOs to ensure that all the BCs login on daily basis and do genuine transactions.
- Resolving Customer grievances
- Guidance to Base branches/BCs on FI
- Monitoring of cash held by BCs
- Organizing Financial Literacy Camps in the villages of BCs
- Publicity Awareness of Functioning of BCs in villages
- Liaison with District/ Lead bank/ Government Authorities

- Renewal of Annual contract of BCs.
- Verify & Sanction all payments to BCs (other than remuneration & conveyance)

(b) Base Branches

- Recommend engagement of BCs to Zonal Manager
- Criminal record of the person to be checked and police verification to be done before appointing BC.
- Since the machine provided to BC is critical piece of infrastructure, Branch to ensure it should be used by only authorized BC through Aadhaar Login only.
- Branch to impose penalty on BC on account of Non-performance/under-performance as prescribed by Head office.
- Branch to ensure that there should not be any case of non denial of services by BC during working hours to Bank customers. In case same is observed Bank can impose penalty on BC as prescribed by Head Office.
- Ensure KYC Compliance before activating the accounts
- Account opening forms obtained by BCs complete in all respect along with photograph of the applicant to be kept in Branch
- Activate the accounts enrolled by BCs.
- Closure of accounts on receipt of account closing application from the customer after knowing the reasons
- Base Branch will process loan applications submitted by BCs, prepare proposal and sanction/ recommend the proposal in accordance with the discretionary powers
- Complete documentation of loan sanctioned by Branch Manager or the higher authority before disbursement of loan
- Disbursement of loan after compliance of terms and conditions of sanction
- Follow up for recovery of instalments/ dues with the BCs. Provide them list for recovery.
- Providing necessary stationary to BCs for opening deposit accounts and sanction of loans
- Guide the BCs on Banking related issues
- Monitor the activities of BCs, utilization of cash etc
- Any dispute between customer and BCs should be resolved by Base Branch in consultation with the FI Cell at Zonal Office.
- Pay remuneration latest by 5th of every month as per guidelines given by HO.
- Calculate & pay commission and other variable charges to BC after getting approval from Zonal Office.
- Maintain a register of at branch level and enter daily details like number of accounts opened, business brought during the day by BCs and other activity performed to reimburse the monthly remuneration/fee and commission to BC

(c) Business Correspondents.

- BC to organise camps and impart financial literacy to existing and new customers.
- Shall mobilise people for opening of Bank accounts and shall ensure that account of all households are opened in the village
- Inform the details of financial services of the bank to the villagers and create awareness about various saving, recurring and terms deposit schemes
- Collect necessary publicity material from the base branch and distribute to people in the village
- Start transactions through AEPS (Aadhaar Enabled Payment System), RuPay card operations on MicroATM Machines.
- Arrange camps in command area of the Branch in consultation with base branch
- Fill up application forms for opening accounts and obtain documents required for opening bank accounts as per KYC Norms
- Filling up of loan application forms for submission to Branch Manager of Base branch.
- Maintain a register of at branch level and enter daily details like number of accounts opened, business brought during the day and other activity performed to claim the monthly remuneration/fee and commission.

- Submit completed account opening forms to Branch Manager of base branch within two days of collection of account opening forms.
- Enter enrolment details of the applicants in MicroATMs machines and transmit the information to FI Server maintained by TCS for opening the account from back end by the Base branch confirming KYC compliance.
- Disburse / receive small value cash through Normal/AEPS/Rupay card transactions as decided by the Bank.
- Provide acknowledgement slips of transactions to the customers
- Holding cash in safe custody, maintenance of cash within limit fixed.
- Get passbooks of account holders updated from the base branch.
- Maintain cash receipt payment register
- Procure GPRS enabled SIM in his/her own name for connectivity with FI server maintained by TCS at Bank Corporate Centre.
- Cover other unbanked villages allotted to Bank
- To clear IIBF certification course for BC within six month of appointment.
- Sale of micro insurance products and mutual fund products
- Help the branch for Aadhaar seeding, Aadhaar authentication, RuPay card issuance/distribution/activation & mobile seeding.
- Any other task to be assigned by Bank as per guidelines for engaging BC.

e) Other terms/ Conditions applicable to BCs

- BC should provide an undertaking to Bank that he/she is not having any criminal record and Bank has the right to do police verification of BC.
- BC to Login in MicroATM machines through Aadhaar verification only.
- The full details of BCs with photo and the specific role of the BCs shall be displayed on the notice Board in the Banking Hall of base branch.
- The BCs to be given letter by the branch as per specimen enclosed.
- In case of any act of omission/ commission on the part of the BCs comes to the knowledge of the branch, it shall be brought to the notice of the Zonal Office who shall suitably examine the matter. In case any act of omission/commission by the BCs puts bank's position in jeopardy in any way, the Zonal Office should arrange to terminate the services forthwith. The details of such delisted BCs shall also be displayed on the notice Board of the Branches which is/are engaging such Correspondents and shall also be published in a widely circulated local news paper, in local language or to be made public by loud speaker in the concerned villages.
- Zonal Office shall inform Head Office about the details of BC whose contract has been renewed/terminated.
- The Nodal Officer nominated by the Zonal Office to look into all the aspects relating to grievances of the customers of the Bank with regard to services outsourced through the agencies engaged. Publicity will be made to inform the customers / public about the BCs and information on Grievance Redressal Mechanism shall be displayed in the Branch. Zonal Offices should take serious note of the representations / complaints of public and act accordingly.
- The complaints should be redressed immediately and in no case the same should be pending with Zonal Office beyond 15 days.
- The base branch shall obtain random feedback annually from the customers /account holders brought by BC. The contract agreement with the BCs shall be subject to annual review.

4) Don'ts for BCs

- The BCs shall refrain from any action that could damage the integrity and reputation of Bank
- BCs will not resort to any kind of harassment against any person while discharging his duties as BC
- BCs shall not directly collect fee from the customers for rendering banking services
- BCs shall not hold cash in excess to the limit prescribed by the Bank
- BCs shall not retain the cheques of customers deposited for collection for more than 24 hours
- BCs shall refrain from publicizing that he is employee of the Bank.
- BCs shall refrain to do multiple transactions in same account to gain financial advantage.

5) Account Opening and Enrollment Process.

The BCs shall obtain any one of the documents as proof of identity and proof of address as specified under the **KYC norms** for opening New Customer Accounts which are reiterated below:

Documents for Proof of Identity of Individuals	Documents for Proof of Address
i) Aadhaar	i) Aadhaar
ii) Passport	ii) Passport
iii) PAN Card	iii) Voter's identity card
iv) Voter's Identity Card	iv) Driving License
v) Driving License with Photograph	v) Telephone Bill
vi) Identity Card/Confirmation from Employer	vi) Electricity bill
vii) Letter from a recognized public authority or public servant verifying the identity and residence of the customer to the satisfaction of Bank	vii) Bank Account Statement
viii) Letter from employer subject to satisfaction of Bank	viii) Letter from Employer subject to satisfaction of Bank
ix) Photo credit card along with current billing cycle	ix) Pension book issued by GOI with photo and full address
x) Pension book issued by GOI with photo and full address	x) Freedom Fighter's pass issued by Home ministry GOI with photo
xi) Freedom Fighter's pass issued by Home ministry GOI with photo	xi) Address certified by Sarpanch/any other public authority known to the Bank
xii) Job Cards Issued by State Government to NREGP beneficiaries	xii) Job Cards Issued by State Government to NREGP beneficiaries

6) Simplified Format with inbuilt Overdraft Facility for opening 'No Frill Account' through BCs.

BCs shall use a simplified format for opening 'No Frill' Account with inbuilt overdraft facility. BCs shall arrange for filling up the form and collection of documents and submit to the Branch Manager of Base branch for records.

7) Overdraft (OD) facility to BCs for Cash management System

1. A separate OD account will be opened by the branch in the name of approved BCs for routing all customer based transactions.
2. In case Branch has more than one BCs, an OD A/c has to be opened for each BC.
3. No interest or any other charges such as folio charges, minimum balance charges etc. should be charged on the OD account.
4. No Cheque book to be issued for the OD account. The cash may be withdrawn through the loose cheque leaves obtained from the Base branch.
5. Transaction will be allowed in online mode only and the Hand Held Device always to be kept on online mode.
6. OD limit with the BCs is fixed at Rs.50000/-. The Hand Held Device (HHDs) will cease to operate if cash with BCs exceeds the upper limit. In that case BCs should remit the cash in the OD account. The BCs will deposit a sum of Rs.10000/- under Bank's Term Deposit with ZERO rate of interest. The Term Deposit Receipt (TDR) duly discharged shall be kept with the Base branch as security under Bank's lien.
7. BCs should remit cash into the OD account at the branch from time to time, but at least twice a week. However, the cash on hand shall not exceed Maximum Limit of Rs.50000/- at any point of time.
8. Branch Manager shall be required to monitor and reconcile the accounts on day to day basis.
9. In case BC wants to enhance OD limit he can do so by given FDR of equivalent amount in Base Branch.

8) Closure of the Account/Death of the Card Holder

The BC has to obtain a letter from the Account holder requesting the Bank to close the account. This letter is to be handed over to the Base Branch and the customer has to approach the Base branch for the closure of the account. The branch should close the account as is done in the case of other SB accounts. . This fact should also be noted in the letter submitted by the card holder as well as the account opening form. The branch should make the payment to the cardholder and balance should be made nil. In case of Death of the card holder the branch should settle the claim as per the manual of instructions on Death claim settlement.

9) Technology Service Provider

M/s Tata Consultancy Services shall continue to provide technology support in implementation of Financial Inclusion in the Bank. HHD's shall be provided by bank against the security of Rs.5000/-.

10) Training to BCs

Zonal Office may coordinate training of BCs through the Bank Trained officers/TSP on technology related issues in a cluster of 15-20 BCs. The infrastructure of RSETI's/ Staff training Centers may be utilized for conducting the trainings.

The training on banking matters may be impacted by local staff having an aptitude of a trainer / Directors of RSETI's/ Faculty at Staff Training Centers. The training contents for BCs are suggested below:

- Information on History and Culture of the Bank.
- Financial inclusion initiatives taken by the Bank.
- Role and responsibility of the BCs. Scope of Outsourcing Agreement
- Know your Customer guidelines/Anti Money Laundering Guidelines
- Various Savings Schemes/Deposit Schemes available from the Bank.
- Types of loans granted in the Bank with particular reference to Agricultural loans.
- Basic procedures for sanctioning of advances/filling up of loan applications and collection of relevant documents.
- Types of Securities taken for the loan.
- Need for timely repayment of loans.
- Recovery measures adopted by the Bank
- Building positive attitude, motivation, and confidentiality of Business transacted, etc.

11) Holding Village Meetings

Branch Managers of Base branch shall hold village meetings and introduce the BCs to villagers and activities to be performed by him. It may be emphasised for opening of account of every house hold in the Bank. The process of opening the account, payment/ receipt of small value cash as per guidelines/policy of the Bank and various schemes of the Bank may also be informed in the meeting

12) Display of Signage with PMJDY Logo

Each BC outlet will post a signage/Display Board indicating their status as service providers for our bank as also disclose the name of the BCs, the telephone number, Allotted villages, time of visit, name of the base Branch/controlling office of the Bank. The signage specimen and the cost approved by Bank have already been informed to Zonal Offices.

13) Internal Monitoring and Control

As per Board approved policy, the BC monitoring mechanism is as under:-

- i) BM must visit at least one location in a month of one BC attached to his branch and submit his visit report (as per performa attached) to ZO by 3rd of the next month.
- ii) ZO/ZM while making half yearly Short visit should visit at least one location of BC attached to the branch and should submit a copy of the report (as per performa) to HO Financial Inclusion Cell by 7th of next month of all the locations visited during the month.
- iii) HO Inspection Deptt Officials during the course of regular inspection should also visit at least one BC location of one BC attached to the branch and should attach copy of the visit report as per performa along with inspection report.

14) Insurance cover for BCs.

Bank has taken insurance cover for cash in transit for BCs including infidelity for Rs.50000/ per BCs.

In case any clarifications are required, the Zonal Offices/Branches may seek guidance from Financial Inclusion Cell, Head office Delhi (email: finuid@psb.co.in, Phone: 011-25756376, 011-25756377)

SPECIMEN OF LETTER TO BE ISSUED TO BC

PUNJAB & SIND BANK
_____BRANCH

Ref:_____

Date:_____

To,
Mr/Ms _____

Sir,

Re: Engaging your service as BC in Village/es

With reference to your application dated _____ we are pleased to inform you that Bank has approved to engage you as BC for village/s

_____ on the terms and conditions specified in the contract agreement to be entered into by you with the Bank. The contract agreement will be initially for a period of one year subject to periodical review.

Please execute the contact agreement with the Bank.

For Punjab & Sind Bank
_____ Branch

Branch Manager

Details of Remunerations

Particulars	Amount
Fixed monthly remuneration/fees	Rs.5,000/- PM (to those BCs only who logged in at least 20 days in a month with at least 200 transactions) Rs.2500/ p.m (to others) The BCs who are not logged on for more than 20 days due to some verifiable technical reasons such as Hardware, Software or Networking issue to get the fixed remuneration of Rs.5000/ after due satisfaction of BM. BM will be final authority for BC remuneration.
Conveyance Charges	Rs.200/- per village with maximum of Rs.500/- PM.
Commission on Insurance policies sourced under PMJJBY PMSBY APY	(To be paid by HO Govt Business Department to BCs) Rs.30 per policy sourced Rs.1 per policy sourced Rs.60 per policy sourced
Transaction/Cash Handling Commission	0.40% of transaction amount with min of Rs.1/. per single transaction of Rs.250 and max of Rs.25/ per single transaction of Rs.6250 and above. Maximum Rs.2000/. per month .
Loan sourced resulting in sanction and disbursal (KCC/GCC/Mudra)	0.50% of the loan amount Maximum Rs.1000/-
Recovery under existing NPA/TWO Accounts	0.50% of recovery amount under existing NPA/TWO Maximum Rs.2500/-
Remittance/Fund Transfer	Rs.10/. per transactions of Rs.2000/. and above
Balance Enquiry	NIL

APPLICATION FORM FOR INDIVIDUAL BC

1. Location (Village / Town) - Location
: _____
- District: _____
- State : _____
- PIN : _____
2. Full Name (IN BLOCK LETTERS) : _____
3. Father's / Husband's Name : _____
4. Date of Birth : _____
5. Gender (Please Tick) - Male Female
6. Marital Status (Please Tick) - Married Unmarried
7. Education (Please Tick) - Class XII Graduate Post Graduate and above
8. Permanent Address
- P.O. Tehsil:
- District:
- State: Pin :
9. Communication Address
- P.O. Tehsil:
- District:
- State Pin :
10. Telephone No. (with STD Code)- Residence
- Office: _____
- Mobile: _____
11. E-mail ID, if any -
12. Currently Banking with (Bank) -
13. Bank Account Number, if any -
14. Cheque Facility (Please Tick) - Available Not Available
15. *Proof of Name (Please Tick) - Driving License PAN Card
(Anyone) - Voter's ID Card Passport
16. *Proof of address (Please Tick) - Electricity Bill (Latest) NSC (Copy)
 Telephone Bill (Latest) LIC Policy
 Letter from landlord
 Gas Connection
17. Present Business / Occupation, if any
18. Computer Literacy: Yes No
19. If yes, nature of qualification: _____

20. If you already own a business or are working your revenue / income per month is :
(please tick the applicable)

Less than Rs.1000 _____
Rs.1000 - Rs.2500 _____ Rs.2500 - Rs.4000 _____
Rs.4000 - Rs.6000 _____ More than Rs.6000 _____

21. Do you have any experience?
in selling financial products?
If yes, give details.

22. Languages known (please write: Fluent / not so fluent)

Language:	Read	Write	Speak
English			
Hindi			
Regional Language (specify)			
Any other (specify)			

23. No. of years of stay in
the town / village

24. Do you have any police records? If yes, give details.

25. Name, address and occupation : 1) _____
of two people to whom reference
can be made.
2) _____

I hereby undertake/declare that:

- i) Aforesaid information furnished by me is correct and true to the best of my knowledge and belief and in case found at any stage that the information given by me/us is wrong, my/our engagement as BC will be cancelled.
- ii) I/we have read the details of the scheme for engagement as BC in the Punjab & Sind Bank, eligibility criteria, terms & conditions, scope of the activity and payment of service charges, etc.
- iii) In case my/our name(s) is/are considered for appointment as BC. I/we will/shall sign the Agreement-cum-indemnity with Punjab & Sind Bank as per the draft shown to me/us and abide by the terms of Agreement-cum-indemnity, rules/norms of the scheme.
- iv) I/we fully agree that submission of this application/Bio-data to the Bank shall not be construed as a right for selection and Bank reserves its right to select/reject the case on merit.

Yours faithfully,

Signature of the applicant:

(Full Name): _____

Place : _____

Dated : _____

Address & ID Proof *

*** May be obtained from Sarpanch /Mukhiya /Gazatted Govt. Servant / Post Master / Tehsildar / Police Inspector / Govt. Teacher**

This is to certify that Mr. / Ms. / Mrs. has been a resident of
(Complete permanent address)
.....

for years and holds a good character in the area. His photograph is herewith
attested and I confirm the same. His date of birth is

(Signature)

Name:

Address:

Designation (with seal):

A G R E E M E N T

(TO BE STAMPED AS AN AGREEMENT AND INDEMNITY
AS PER THE APPLICABLE STATE STAMP ACT)

This agreement made on _____ date of _____.

Between

Punjab & Sind Bank, constituted under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 having its head office at New Delhi hereinafter referred to as "The Bank" which expression shall unless repugnant to the context or meaning thereof shall include its successors & permitted assigns of the First Part

AND

..... (Name of the BC) hereinafter referred to as Business Correspondent (BC) of the Second Part.

WHEREAS the Bank has undertaken to expand its banking operations extensively in accordance with the Guidelines dated..... Issued by the Reserve Bank of India and the related constraints therein, with such further changes as may be initiated by the RBI from time to time, and WHEREAS pursuant to the aforesaid guidelines, the Bank is desirous of availing services of the Business Correspondent (BC) on principal to principal arrangement to facilitate its business growth and the BC has offered to undertake such assignment as may be required by the Bank.

NOW THEREFORE this agreement witnesseth as under.

1. Scope of Services:

The BC agrees to provide the services as detailed hereunder, as per the scope and as may be required by the Bank from time to time.

Nature of Services:

PART 'A'

- (a) Identification of prospective customer / borrowers & fitment of activities.
- (b) Collection and preliminary processing of loan applications including verification of primary data.
- (c) Creating awareness about savings and other products offered by the Bank and education and advice on managing money & debt counseling.
- (d) Processing & Submission of applications to the Bank.
- (e) Promotion, nurturing, monitoring and handholding of Self Help Groups / Joint Liability Groups / Credit Groups and others.
- (f) Post sanctions monitoring in case of advances / loans granted by the Bank.
- (g) Follow up of Recovery.

PART 'B'

- (a) Disbursal of Small Value Credits Strictly as per instructions of the Bank.
- (b) Recovery of principal / interest from the borrowers and prompt deposit of the same with the Bank.
- (c) Collection of small value deposits & prompt deposit of the same with the Bank.
- (d) Sale of Micro / insurance / mutual fund / pension and other third party products as may be decided by the Bank.
- (e) Receipt & delivery of small value remittances / other payment instruments.
- (f) Any other service as may be advised by the Bank in writing to the BC.

BC agrees and confirms that BC :-

- (a) is properly trained to perform the BC's obligations under this agreement, maintain, privacy of customer information and informing the correct terms and conditions of the products offered etc.
- (b) adhere to extant instructions on Fair Practices Code for lending as also their own code for collection of dues or in the absence of such a code at the minimum adopt the IBA's code for collection of dues and repossession of security. It is essential that they refrain from action that could damage the integrity and reputation of the Bank.
- (c) BC shall treat all the customers with dignity and respect. BC shall not resort to intimidation or harassment of any kind either verbal or physical against any person in their debt collection efforts, including acts intended to humiliate publicly or intrude the privacy of the customer's / borrowers' family members, referees and friends, making threatening and anonymous calls or making false and misleading representations.
- (d) BC shall adhere to the performance standards in respect of services and products as detailed in schedule 'A' hereunder written, which forms part & parcel of this agreement. The Bank reserves the right to change / vary / the contents of schedule 'A' by advising the same to BC in writing and upon such advise, the amended Schedule 'A' shall become effective.
- (e) BC is fully aware that failure to observe as above shall attract penal provisions including termination of the agreement without any notice. If any complaint arises from customers of Bank or members of the public against the BC of having used unethical or coercive measures in the process of recovering the dues, BC alone shall be liable and answerable for the same and the Bank shall in addition be entitled to recover such damages or compensation that the Bank may be constrained to pay as per any order of Reserve Bank of India, Courts, Tribunals or Statutory Authorities in this regard.

2. Maintenance of Records by BC & Monitoring / Inspection by the Bank

- a) BC specifically agrees to maintain all records, accounts including registers / documents etc. as per instructions of the Bank from time to time and ensure safe and proper custody of all records, accounts including documents etc. BC shall account for all the monies received and paid by the BC to the Customers. The transactions and cash position shall be reported to the Designated Branch on daily basis. The maximum cash that can be retained by the BC shall be intimated by the Bank and BC shall not retain cash in excess of the said limit. BC shall promptly deposit the cash with the Designated Branch within the time frames stipulated by the Bank.
- b) BC shall not comingle or misappropriate the funds in any manner.
- c) BC specifically agrees that the Bank shall be entitled to inspect and audit the records maintained by BC through its officers/employees or agents / auditors as may be decided by the Bank at its sole discretion and BC hereby undertakes to promptly produce all records and information for the purposes of inspection and audit. BC shall provide access, to the Officers / employees / representatives / agents or auditors of the Bank to the premises / places where such records are kept / maintained. The Bank shall have a right to obtain copies of any audit report, review reports and findings made on the BC in connection with the services performed by BC for the Bank.
- d) Further, BC specifically agrees that it shall allow access to Reserve Bank of India (RBI) or persons authorized by RBI or its employees/officers or other persons to inspect and access the documents, accounts, records of transactions and all necessary information in possession of, or stored or processed by the BC within a reasonable time. The persons authorized by RBI shall have right to obtain copies of the records, information etc. in possession of BC. BC further agrees that in case access is not allowed to the persons authorized by RBI for the purposes of inspection which results in imposition of supervisory fees by RBI upon the Bank, and the Bank is required to pay such supervisory fees to RBI, BC shall be liable to reimburse to the Bank such fees including any penalty, interest levied and recovered by RBI.
- e) BC shall bear all expenses / costs & charges in connection with the inspection and audit either conducted by the Bank or by RBI.
- f) BC specifically agrees that the Bank has full right to monitor and assess the performance of services by BC and wherever the Bank discovers any deficiency or non-performance of the services up to the mark, the Bank shall instruct the BC in writing and BC agrees to rectify the deficiencies or to ensure compliance of the instructions of the Bank.

3. Additional covenants

- a) The BC appreciates and fully understands that his services are not exclusive to the Bank and that it will stipulate the freedom and non-exclusivity of the services of the person working as BC.
- b) BC shall act prudently in accordance with the terms of this Agreement and shall exercise all due diligence in carrying out its duties and obligations under this Agreement. The BC agrees that they will preserve the documents and data in accordance with the legal/regulatory obligation of the Bank in this regard.
- c) BC agrees that they shall always have commitment for social action and capacity building, which shall be non-discriminative, secular, non-exploitative and transparent.
- d) BC is fully aware that public shall have the freedom to use banking facilities by approaching the Bank directly even though the BC is available in their locality. Hence the BC shall not directly or indirectly convey or create an impression among the public that the Bank cannot be approached other than through the BC.
- e) While the BC can act for more than one Bank, BC shall at the point of customer interface or at retail outlet, represent and provide banking services of one bank only. BC shall also ensure that customer data base and accounts details are kept separate and there is no comingling of data.
- f) BC shall not introduce any product/ process without the written approval of the Bank. BC also agrees that the financial services offered by the retail outlets/ sub-agents of the BC shall not be tied to the sale of any product of the BC.
- g) BC shall not adopt any restrictive practice such as offering savings or remittance functions only to its own customers and forced bundling of services offered by the BC. BC shall undertake the activities at places other than the Bank premises/ ATMs.

4. Confidentiality:

- a) BC is aware that all information disclosed to the BC by the Bank and all records, accounts, documents maintained by BC are confidential in nature and having regard to the sensitive nature of the information and records, specifically agrees to maintain secrecy and confidentiality of all the information and records, accounts in respect of the outsourced services in the same manner & degree of care as BC would ensure for its own confidential & sensitive information.
- b) BC agrees to indemnify and hereby keeps the Bank indemnified against all actions, claims, loss, damages, costs, charges, expenses (including Attorney / Advocate fees and legal expenses) which the Bank may suffer or incur on account of breach of confidentiality obligations as per clause 4(a) above by BC. BC further agrees to make good the loss suffered by the Bank upon first demand by the Bank which shall be final, conclusive and binding on BC.
- c) BC specifically agrees that the confidentiality obligations of the BC in terms of this agreement shall survive termination of this agreement.

5. RELATIONSHIP BETWEEN THE PARTIES.

It is specifically agreed that this arrangement is on a principal to principal basis and on a non-exclusive basis and shall not be deemed to be the Agent of the Bank except in respect of the transactions/services which give rise to Principal Agent relationship having regard to the nature of the transactions or by implication. BC shall perform its obligations under this Agreement as an independent party. Neither this Agreement nor the BC's performance of obligations under this Agreement shall create an association, partnership, joint venture, or relationship of principal and agent, principal employer-contractor, master and servant, or employer and employee, between the Bank and the BC.

6. Compliance of Laws

- a) BC hereby agrees and declares that it shall be the sole responsibility of BC to comply with the provisions of all the applicable laws, concerning or in relation to rendering of services by BC as envisaged under this agreement.
- b) BC shall procure and maintain all necessary licenses, permissions, approvals from the relevant authorities under the applicable laws throughout the currency of this agreement.
- c) BC shall be solely liable & responsible for compliance of applicable Labour Laws

- d) The BC shall, on demand by the Bank, produce any document in proof of statutory payment payable by the BC in compliance of the provision of any labour or other statute, and supply copies of the same as may be required by the Bank.
- e) BC hereby represents and warrants that it has full authority to enter into this Agreement and render the services as envisaged under this agreement.
- f) BC shall not violate any proprietary and intellectual property rights of Bank and / or any third party, including without limitation, confidential relationships, patent, trade secrets, copyright and any other proprietary rights.

7. Fees, Taxes Duties & Payments:

- a) BC shall be paid fees and commission in the manner detailed in Schedule ‘B’ hereunder written subject to deduction of TDS thereon wherever required under the provisions of the Income Tax Act, etc. by the Bank.
- b) All other taxes including GST, duties and other charges which may levied shall be borne by the BC and the Bank shall not be liable for the same. No costs / expenses shall be payable/ reimbursed by the Bank against conveyance, traveling expenses, boarding, lodging, out of pocket expenses, liaising etc.
- c) The BC shall not demand, collect/recover any commission/service charges or other monies from the Customers, directly for the services rendered by them.
- d) All expenses, stamp duty and other charges expenses in connection with execution of this agreement shall be borne by BC.
- e) In case of customer complaints, deficiency in service on the part of BC etc., the Bank shall be within its rights to withhold or demand return of the fees, commission paid.

8. General Indemnity and Liability:

- a) BC agrees and hereby keeps the Bank indemnified against all claims, actions, loss, damages, costs, expenses, charges, including legal expenses (Attorney, Advocates fees included) which the Bank may suffer or incur on account of any deficiency in services rendered by BC BC agrees to make good the loss suffered by the Bank on first demand made by the Bank in this regard which shall be final conclusive and binding on BC.
- b) BC shall be liable under the relevant statute, civil and/ or criminal as the case may be, for any malicious acts, negligent acts, wrongful acts, fraudulent acts and/ or offline transactions in the performance of the Services under this Agreement and shall not be deemed to be acting on or behalf of the Bank in any manner whatsoever to the extent of such acts and/or transactions.

9. Security Deposit

The BC shall deposit with the Bank an amount of in lieu of the Security Deposit or any the amount that shall be arrived at mutually, to be given as security as and by way of a deposit or security for the due performance and observance by the BC of all the stipulations, conditions and agreements contained in the Contract.

10. Term & Termination

(A) The agreement shall be valid for a period of **ONE year** from the date of its execution and may be renewed for such further periods as may be mutually agreed between the parties.

The Bank as well as BC shall have right to terminate the agreement by giving a month’s notice in writing to the other party. In the event of termination of the agreement by BC, all records, information including documents, etc., shall be returned by BC to the Bank as per instructions of the Bank.

The Bank shall have a right to terminate the agreement immediately by giving a notice in writing to BC in the following eventualities:

- a) If any Receiver/Liquidator is appointed in connection with the business of the BC or BC transfers substantial assets in favour of its creditors or any orders / directions are issued by any Authority / Regulator which has the effect of suspension of the business of BC.
- b) If BC in the reasonable opinion of the Bank is unable to pay its debts or discharge its liabilities in normal course of business.
- c) If BC is unable to render the services upto the mark as envisaged under this agreement upon a reasonable assessment of the circumstances by the Bank which affect rendering of the services by BC as envisaged under this agreement.
- e) If any officer/employee/director of BC or their relatives as defined in Section 2(77) of the Companies Act, 2013 becomes a director/officer or employee of the Bank

(B) Notwithstanding anything contained herein, the bank reserves it right to terminate the agreement immediately without assigning any reason.

In the event of the termination of the agreement by either party pursuant to clause ___ hereinabove, BC shall be liable and responsible to return all records and information in its possession.

11. Micro ATMs:

(I) Bank will provide the BC with a specific model of Micro ATM where proprietary application of the Bank will be uploaded for undertaking various banking transactions on the terms stipulated hereunder.

(II) All Services stipulated hereunder shall be provided by the BC to the customers solely through the Micro ATM and the BC shall not in any circumstance undertake any off-line transactions. In the event the BC is found and/or discovered doing any such malicious/wrong/fraudulent acts and/or offline transactions, it shall be liable and charged for such civil/penal and criminal acts in terms of any laws in force and will not be deemed to be acting on or behalf of the Bank in any manner whatsoever.

13. Governing Laws & Jurisdiction:

- a) The agreement shall be governed and construed in accordance with the Laws of Republic of India.
- b) The parties agree to submit to the jurisdiction of the appropriate court in India in connection with any dispute between the parties under the agreement. (Mediation & Arbitration can be considered as an alternative to Court remedies)

Notices: Any notice, invoice, approval, advice, report or any other communication required to be given under this Agreement shall be in writing and may be given by delivering the same by hand or sending the same by prepaid registered mail, telegram or facsimile to the relevant address sent forth below or such other address as each Party may notify in writing to the other Party from time to time. Any such notice given as aforesaid shall be deemed to be served or received at the time upon delivery (if delivered by hand) or upon actual receipt (if given by facsimile) or _____clear days after posting.

Address for Notice /
Correspondence
with the Bank

Address for Notice /
Correspondence
for BC

13. Miscellaneous :

- a) Any provision of this Agreement may be amended or waived, if, and only if such amendment or waiver is in writing and signed, in the case of an amendment by each party, or in this case of a waiver, by the Party against whom the waiver is to be effective.

b) No failure or delay by any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

c) This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior written agreements, undertakings, understandings and negotiations, both written and oral, between the Parties with respect to the subject matter of the Agreement. No representation, inducement, promise, understanding, condition or warranty not set forth herein has been made or relied upon by any party hereto.

d) Neither this agreement nor any provision hereof is intended to confer upon any person/s other than the Parties to this Agreement any rights or remedies hereunder.

e) The BC shall execute and deliver such additional documents and perform such additional actions, as may be necessary, appropriate or reasonably requested to carry out or evidence the transactions contemplated hereby.

f) The invalidity or unenforceability of any provisions of this Agreement in any jurisdiction shall not affect the validity, legality or enforceability of the remainder of this Agreement in such jurisdiction or the validity, legality or enforceability of this Agreement, including any such provision, in any other jurisdiction, it being intended that all rights and obligations of the Parties hereunder shall be enforceable to the fullest extent permitted by law.

g) In case of any change in applicable laws in India that has an effect on the terms of this Agreement, the parties agree that the Agreement may be reviewed, and if deemed necessary by the Parties, renegotiated in good faith.

h) The captions herein are included for convenience of reference only and shall be ignored in the construction or interpretation thereof.

i) If this Agreement is signed in counterparts, each counterpart shall be deemed to be an original.

j) The BC shall not assign or transfer all or any of its rights, benefits or obligations under this Agreement without the approval of the Punjab & Sind Bank. The Bank i.e. Punjab & Sind Bank may, at any time, assign or transfer all or any of its rights, benefits and obligations under this Agreement.

k) The BC agrees that they shall not use the logo, trademark, copy rights of other proprietary rights of the Bank in any advertisement or publicity materials or any other written communication with any other party, without the prior written consent of the Bank.

SCHEDULE 'A'

(Details of specific services & products to be rendered by BC be shared under Schedule 'A')

(A) BC activities:

a) Enrollment of customers, including collection of biometric and other details, provide card (ID Card, Debit Card, Credit Card), PIN.

b) Provide transaction facility

(i) Deposit of money in on account with any bank

(ii) Withdrawal of money from on account with any bank

(iii) Remittances from on account with a bank to an account with the same or any other bank

(iv) Balance Enquiry and issue Receipts/ Statement of Accounts.

c) Disbursal of credit facilities to borrowers involving small amounts strictly as per the instructions of the Bank.

(B) Other activities:

a) Identification of borrowers and classification of activities as per their requirements.

b) Collection and primo facie scrutiny of loan applications including verification of primary data.

- c) Creating awareness about savings and other products offered by the Bank and education and advice on managing money & debt counseling.
- d) Preliminary scrutiny of data and submission of applications to the Bank for its review.
- e) Promotion, nurturing, monitoring and handholding of Self Help Groups and/or Joint Liability Groups and/or Credit Groups and others.
- f) Sole or third party financial products with prior approval of the concerned Bank.
- g) PMJDY accounts through MicroATMs
- h) Home loans/ Loans Against Property
- i) Auto Loan
- j) Loans against FDR/NSC/KVP etc.
- k) Gold Loans, MUDRA, SME Loan, Social Security Schemes like PMJJBY, PMSBY, APY etc
- l) GCC/KCC /PMJDY ODs
- m) Current account and Saving Bank account (other than No Frills Account)
- n) Term deposits and Recurring deposits.

Additional products may be added by mutual agreement. Products may be amended from time to time.

SCHEDULE 'B'

Particulars	Amount
Fixed monthly remuneration/fee	Rs.5,000/- p.m (to those BCs only who logged in at least 20 days in a month with at least 200 transactions) Rs.2500/. p.m (to others)
Conveyance fee	Rs.200/- per village with maximum of Rs.500/- PM.
Transaction/Cash Handling Commission	0.40% of transaction amount with min of Rs.1/- per single transaction of Rs.250/- and max of Rs.25/- on per single transaction of Rs.6250/- and above. Maximum Rs. 2000/- per month
Loan sourced resulting in sanction and disbursal (KCC/GCC)	0.50% of the loan amount Maximum Rs.1000/-per case.
Recovery under NPA/Two Account	0.5% of recovery amount or Maximum Rs.2500/-

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement the day and year first hereinabove written.

For BUSINESS CORRESPONDENT /

For Punjab & Sind Bank

*Punjab & Sind Bank,
Head Office, Rajendra Place
New Delhi*

Certificate of Engagement as BC



It is hereby notified that Mr/Ms(Name of BC) has been engaged as BC for Punjab & Sind Bank, He/ She is authorized to source and market banking services and products including authorized third party products from BC outlets in (Name of village) only for Punjab & Sind Bank,

Mr/Ms(Name of BC) has been engaged pursuant to the Agreement executed on..... Between Punjab & Sind Bank and (Name of BC).

*Signature of BC
Name and Address*

*Signature of Branch Manager
Branch Name
Address of the Branch
Tel No -*

Certificate valid up to:

**Annexure VII
PUNJAB & SIND BANK**

.....Branch.....Zone

BC PERFORMANCE FOR THE MONTH OF _____														(AMT IN LACS)		
S.no	Name of BC	Deposit brought	No & amt. Of KCC brought		No & amt of GCC brought		No of FD accts brought	No of RD accts brought	NPA recovery		PMJJBY	PMSBY	APY	Total no. Of trns done	No. Of aadhaar seeding done	No. Of mobile registration done
			NO	AMT	NO	AMT			NO	AMT						
1																
2																
3																
4																
5																