पंजाब नैशनल बैंक
punjab national bank

ZO SHIMLA, CART ROAD , SHIMLA-171001

MINUTES OF SUB COMMITTEE MEETING TO REVIEW BC MODEL IN HIMACHAL PRADESH

Dated : 05.11.2019

A meeting was held on 24.10.2019 to deliberate the comparative study of Business Correspondent (BC) Model operational in the state at PNB, Zonal Office Shimla. The meeting was presided over by Zonal Manager of PNB, attended by Deputy Zonal Manager of PNB, Special guest Mr Avineshwar Singh, AGM from RBI and members of Sub Committee from SLBC, SBI, UCO Bank and HPGB.

The Terms of references and views discussed in the meeting were as under:

1. All members of Sub Committee shared their views on Comparative Study of BC models and also suggested some additional parameters in the study done by PNB.
2. In this meeting, the issue of remuneration paid to BC was discussed in Sub Committee meeting and it was suggested there should be fixed sustainable remuneration of Rs 5000/- with a maximum Cap of Rs.25000/- should be considered by all banks.
3. A provision of training to BC for Capacity building should be made by all banks whereas in PNB it is already implemented. For taking the maximum output from BC as they are the extended arms of Branch, workshops should be conducted for rural branch heads for effective outputs from BC.
4. A check should be maintained for the defunct BC by monitoring them on regular basis. PNB has already follow up mechanism at all level i.e. at Branch, Circle and Zonal Office level by visit and conducting Steering Committee meeting.
5. RBI has suggested that as remuneration is based on transaction per day limit, so there must be a check in the system for controlling the duplicity in the transaction or multiple transactions.
6. It was also suggested by RBI that alternate avenues for income generation should be made available to BC like NEFT, RTGS and other bill payments.
7. HPGB has added that NABARD is providing subsidy for purchasing of M-ATM to BC, so it was suggested by Sub Committee to ask NABARD for the reimbursement of the same to all the banks.
8. It was also decided by all the members of Sub Committee to add on the parameter of BC progress review/progress through Branch Heads.
9. It was added by RBI to give additional incentive for micro pension scheme of government to widespread the social security in the population.
10. In order to provide technical assistance to BC for better working special IT member should be deployed for smooth and speedy assistance at regional level and Controlling Offices.
11. Members had also discussed regarding reimbursement of fees for BC certification and Courses and also to recommend it to NABARD for providing financial assistance.

The Meeting was concluded with address of Dy. Zonal Manager of Punjab National Bank.

BC MODEL	
Parameters	**BANK**
Account opening	Rs.20/- per account
Remittance/Transfer/Transaction	0.40% of the transaction amount with max. of Rs. 50/- per account per day ,maximum upto Rs.25000/- ,this is same for Indo Nepal transaction, IMPS, Inter Sol transaction.
Adhar Seeding	Rs 5/- per seeding
Opening of RD Accounts	Rs.15/- per account ,on minimum deposit of Rs 50/-
Opening of FD Accounts	Rs.20/- per account
3rd Party Financial products like Insurance (life and non life),pension etc	APY - Rs.110/- PMSBY - Rs.1/- PMJJBY - Rs.30/- Additional incentive is proposed for a fixed no of enrollment per month for social security and micro pension scheme in sub-committee of BC model.
Cash Handling Charges at base Branch	No Cash Handling charges for base branch.
Cash Handling Charges for intersol branches	0.40% of the total amount of cash handled subject to a maximum of Rs 50/- per account per day.
SHG and JLG Formation	Not exceeding Rs. 1,000 per SHG/ JLG formed and credit linked with the Bank in stages as under. For stationary and overhead expenses after saving linkage of SHG -Rs.300/- 4 months after saving linkage of SHG- Rs.300/- Immediately after credit linkage of SHG Rs.400/-
Fixed amount to BCA for contract period	Fixed amount of Rs.5000/- per month.
Recovery	It is proposed that the remuneration which is provided to recovery agency is also to be provided to BC agent as per respective bank scheme.
Monitoring	Steering Committee Meeting should be conducted at all tier like Branch, Circle and Zonal level for monitoring the functioning of BC .Branch should made visit once in a week. At Circle level monthly meeting should be done with BC and at Zonal level quarterly with Corporate BC.
Check Points	In order to avoid the duplicity in the transaction in order to increase no of transaction per day by BC, a check point should be maintained in CBS for controlling the same.