



# **BUSINESS CORRESPONDENT SUPERVISOR POLICY**

**BACKGROUND**

Business Correspondent Supervisor policy was put in place to strengthen the bank’s supervisory system by engaging retired bank officers as BC Supervisors. Bank has engaged retired officers on contractual basis as BC Supervisors as per requirement of the Zones. The scheme for engaging BC supervisors was first approved by the Board of the bank in meeting dated 20.11.2010 and subsequently modification in the scheme was done by the board of the bank on 21.10.2012.

A similar policy for engagement of Business Correspondent Coordinator was in place in erstwhile Dena Bank which was approved in the Board meeting dated 31.01.2015 of e-Dena Bank and BC coordinators were recruited and are working and monitoring e-Dena Bank BCs.

A note dated 01.07.2019 was approved by ED (VSK) to retain 26 existing BC Supervisors of erstwhile Dena Bank which consist of young and tech savvy candidates till 30.06.2020 as an interim measure as per approach document finalized for amalgamation process of e-Dena, e-Vijaya with Bank of Baroda. However, we undertook to place the new policy at the earliest.

As of date, total 18247 BCs are working across India. Considering the fact that there is a need of 1 BC supervisor per 25 BCs on an average, the total requirement of BC Supervisors will be 730. As of date we have 95 BC Supervisors. Therefore, there is a gap of 635 BC supervisors. At present we have the following number of BC Supervisors:

- **Bank of Baroda – 75,**
- **e-Dena Bank – 20**
- **e-Vijaya Bank – Nil (No policy for BC supervisor)**

**PROPOSAL:**

As we see benefits in both the structures, we propose to have a mixed structure of BC Supervisor which will include both young candidates as well as experienced retired bankers with below-mentioned requirements.

Policy	Structure
<p><b>Eligibility Criteria</b></p>	<p><b><u>For Retired Bank Employees</u></b></p> <ul style="list-style-type: none"> <li>• Retired officers(including voluntarily retired) of any PSU bank up to the rank of Chief Manager may be appointed for the purpose.</li> <li>• <i>Retired clerks and equivalent of Bank of Baroda having passed JAIB with good track record.</i></li> <li>• All Applicants should have rural banking experience at least 3 years.</li> <li>• The maximum age for continuation of BC supervisors will be 65 years.</li> </ul>

Policy	Structure
	<p><b><u>For Young Candidates</u></b></p> <ul style="list-style-type: none"> <li>• Minimum qualification should be graduate with Computer knowledge(MS Office, email, Internet etc.), however qualification like M.Sc (IT)/ BE(IT)/ MCA/MBA.</li> <li>• Should be in the age group of 21-45 years at the time of appointment.</li> <li>• The maximum age for continuation of BC supervisors will be 65 years.</li> </ul>
<p><b>Geographical location of the candidates</b></p>	<ul style="list-style-type: none"> <li>• The candidates should be selected from the same District where they will be assigned to function and if suitable candidates are not available in the same district, the candidates may be selected from the adjoining districts. Candidate should be proficient in local language &amp; dialect both reading and writing. Under no circumstances the candidates will be selected from other states.</li> </ul>
<p><b>Conflict of Interest</b></p>	<ul style="list-style-type: none"> <li>• While assigning BC agents to a supervisor, it should be ensured that No BC agent is related to the supervisor as a family member, blood relation, close relative or having any business relations.</li> </ul>
<p><b>Other eligibility Criteria:</b></p>	<ul style="list-style-type: none"> <li>• Due diligence should be followed at the time of appointment (Those who are having adverse record, or terminated/ dismissed from past service etc. should not be considered). Regional Office should ensure proper verification of KYC, CIBIL Score, other enquiries etc.</li> <li>• Police verification must be arranged and conducted in respect of each selected applicant before assignment of duty by the Regional Office.</li> <li>• Applicants should be willing and in a position to visit villages in the district for supervision and other activities as and when assigned on periodic intervals.</li> <li>• Should have accommodation near the nodal branch and not in any case outside the district for which selection is to be made.</li> </ul>
<p><b>Period of Contract</b></p>	<p>The contract will be initially for a period of 12 months subject to review after every 6 months.</p>
<p><b>Types of Supervisors</b></p>	<p><u>Category A</u> - BC Supervisors will be allotted maximum 30 BC Agents.</p> <p><u>Category B</u> - BC Supervisors will be allotted maximum 20 BC Agents.</p>
<p><b>Selection and Approval of BC Supervisor:</b></p>	<p>The Regional Offices will collect the applications from the willing candidates.</p> <p>The selection will be held through an interview process by a committee headed by Regional Head. The concerned Regional Head, and the Chief Manager/ officer in-charge of Financial Inclusion in the Region will be the committee members. Based on the recommendations of the committee, the Regional Head would approve the appointment and/ or renew the contract of individual BC Supervisor.</p>

Policy	Structure
<p><b>Review of performance:</b></p>	<p>The BC supervisors will report directly to the <b>FI Coordinators at Regional Offices. Deputy Regional Heads, looking after financial Inclusion activities</b>, will review the performance of the BC supervisors on half-yearly basis. Based on the recommendation of the Dy. Regional Manager and after assessing performance of the BC Supervisors, the Regional Heads will accord approval for further continuation/ termination of the BC Supervisor.</p>
<p><b>Termination of services:</b></p>	<p>Either party can initiate for termination of contract by giving 30 days notice. However, in case of non-satisfactory conduct /misbehavior, bank reserves the right to terminate the contract instantly without any prior notice. The authority for deciding such cases will be Regional Head.</p> <p>Bank should blacklist the Supervisor who has been involved in fraud and a list should be circulated to Zones/Regions at regular intervals to avoid engagement in any other Zone/Regions.</p>
<p><b>Roles and Responsibilities of BC Supervisor</b></p>	<p><u>Each BC supervisor will</u></p> <ol style="list-style-type: none"> <li>1. Monitor either 20 or 30 BCs depending on the category in which he/she is assigned. Category A BC Supervisor will be assigned 30 BC agents and Category B will be assigned 20 BC agents.</li> <li>2. Ensure that banking services are available to the identified villages/ SSAs (Sub Service Areas)/ Non-SSAs including communities in urban/metro areas.</li> <li>3. Educate BCs about their roles and responsibilities.</li> <li>4. Ensure redressal of grievances of customers/BCs and submit feedback to link branch with copy to Regional Office.</li> <li>5. Conduct meetings in the villages/SSAs/Non-SSAs as well as communities in their operational area to encourage villagers/customers for availing of banking services of our bank and submit the report to Regional Manager.</li> <li>6. Visit to allocated villages/ SSAs/ Non-SSAs as well as communities in their operational area and BC points in the district at least once in 15 days and submit the report to Regional Manager.</li> <li>7. Monitor &amp; Control the activities of the BCs in coordination with link branch. BC supervisors must ensure that BCs remain active.</li> <li>8. Ensure that the BCs are operational during the working hours as per extant guidelines of the bank. To ensure that the BCs are available on daily basis and transactions in the BC points are taking place as per prescribed norms/guidelines.</li> <li>9. Ensure that BCs are not doing any type of off-line transactions at BC points.</li> <li>10. Ensure that BCs are engaged in cross selling of our bank's and third party products.</li> <li>11. Ensure that BCs are engaged in recovery of our bank's dues.</li> <li>12. Conduct financial literacy sessions with villagers/communities during his visit to the villages/BC points.</li> <li>13. Ensure that BCs have displayed the Dos &amp; Don'ts board at BC points.</li> <li>14. Ensure that BCs are issuing only system generated slips to customers</li> <li>15. Ensure that BCs are not using any stationary of the bank.</li> <li>16. BC Supervisor must take feedbacks from local customers regarding functioning of the BC agent during his visit and submit the feedback/Report to Regional Office.</li> </ol>

Policy	Structure
	<p>17. Plan and organize camps in consultation with the link branch /Regional Office from time to time for achieving various targets.</p> <p>18. Coordinate with the branch and service provider for appointment of BCs for suitably identified locations. In case of attrition of BCs, coordinated action should be taken for substitution of BCs at the earliest to ensure that continued banking services are available to customers.</p> <p>19. Ensure that the details of field BC and officer visiting the village are displayed in the village.</p> <p>20. Coordinate and interact with link branch, Regional Office and Corporate BCs and submit the suggestions for improvement of BC activities, if any.</p> <p>21. Arrange for locational training programs on technical updates, operational guidelines etc for BCs.</p> <p>22. The BC Supervisor will monitor the performance of each BC through dash board.</p> <p>23. The BC Supervisors will be responsible for fixation of targets and monitoring the progress vis-à-vis target. BC Supervisor will be evaluated based on the performance and achievement of various targets of BC agents.</p> <p>24. Region should allocate village wise monthly targets for business development under financial inclusion to link branches. The BC supervisors would monitor the business development in village vis-à-vis targets. In the case of non-achievement of targets of financial inclusion in case more than 50% of BCs under particular supervisor for consecutive 2 months or any 2 quarters, the performance will be reviewed for continuation of service by Regional Head and if deemed fit, he/she can be discontinued with prior approval of Zonal Head.</p> <p>25. Perform quarterly Verification of Cash with BCs and submit report to the link branch.</p> <p>26. BC Supervisor should submit a monthly report of their performance to Regional FI Coordinator in the prescribed format devised by respective Regional Offices.</p> <p>27. Any other duties assigned by the bank as and when.</p>
<p><b>BC Supervisors As Brand Ambassador of Bank</b></p>	<p>The BC supervisors should act as brand ambassadors of the Bank. They will be provided Badge and other bank stationaries and will be give training to develop sense of belongingness.</p>
<p><b>Remuneration:</b></p>	<p><b>To have a mixed structure of monthly remuneration of BC Supervisor comprising both fixed and variable components.</b></p> <p>The variable components will be ascertained based on the score secured by each BC agent on various parameters.</p> <p>Gist of new payment structure is given below.</p>

**Payment Structure for Business Correspondent Supervisor**

Sr. No	Types of Supervisors	Fixed Component	Variable Component
1	Category A	Rs. 15,000/-	Rs. 10,000/-
2	Category B	Rs. 12,000/-	Rs. 8000/-

### Valuation of Variable Component:

The variable component will be ascertained based on the score secured by each BC agent on various parameters. The scoring will be based on the monthly performance of allocated BC agents under important business/non-business parameters of the Department as under:

Sr. No	Parameter	Category A		Category B		Max Marks	Score
		Criteria	Marks	Criteria	Marks		
1	Adverse reports/Complaints against any BC agents	No	9	No	9	9	
		Yes	0	Yes	0		
2	Status of Active BC Agents	90% - 100%	10	90% - 100%	10	10	
		80% - 90%	6	80% - 90%	6		
		< 80%	0	< 80%	0		
3	No of PMJDY accounts opened (% Growth over previous month)	> 10%	9	> 10%	9	9	
		> 5 % to 10%	6	> 5 % to 10%	6		
		> 1 % to 5%	4	> 1 % to 5%	4		
		NIL	0	NIL	0		
4	Growth in average deposit mobilized in PMJDY accounts over previous month	> 10%	9	> 10%	9	9	
		> 5% to 10%	6	> 5% to 10%	6		
		> 1% to 5%	4	> 1% to 5%	4		
		NIL/Negative	0	NIL/Negative	0		
5	Growth in Micro Insurance policies enrolled over previous month	> 10%	9	> 10%	9	9	
		> 5% to 10%	6	> 5% to 10%	6		
		> 1% to 5%	4	> 1% to 5%	4		
		NIL	0	NIL	0		
6	% of Zero balance accounts opened by BC agents	< 2%	9	< 2%	9	9	
		Above 2% less than 5%	6	Above 2% less than 5%	6		

Sr. No	Parameter	Category A		Category B		Max Marks	Score
		Criteria	Marks	Criteria	Marks		
		Above 5% less than 8%	4	Above 5% less than 8%	4		
		> 8%	0	> 8%	0		
7	Indulgence in round tripping transactions / frauds by agents of CBC	No	9	No	9	9	
		Yes	0	Yes	0		

Sr. No	Parameter	Category A		Category B		Max Marks	Score
		Criteria	Marks	Criteria	Marks		
8	PMJDY OD	>= 25	9	>=15	9	9	
		15 - 24	7	10-15	7		
		5-15	5	5-10	5		
		< 5	0	<5	0		
9	Activation of Dormant Accounts	> 50	9	>35	9	9	
		40-50	8	25-35	8		
		20-40	5	15-25	5		
		10-20	2	5-15	2		
		<10	1	<5	1		
10	Unfreezing of Accounts opened	>90%	9	>90%	9	9	
		>75% - 90%	6	>75% - 90%	6		
		>50% - 75%	4	>50% - 75%	4		
		<50%	0	<50%	0		
11	<b>Customer Satisfaction Index</b> Feedback from BM, FI Coordinators regarding qualitative aspect of BC supervisor such as their behaviour, communication with BC agents & Customers, handling Situations.	Excellent	9	Excellent	9	9	
		V Good	7	V Good	7		
		Good	5	Good	5		
		Satisfactory	3	Satisfactory	3		
		poor	0	poor	0		
<b>TOTAL</b>						<b>100</b>	

If any Branch wants to focus on other parameters given than above depending upon the business opportunity of the area the variable parameters can be reallocated with prior consultation with Regional Office.

The variable component of the commission will be decided as per the slab given below:

Sr. No	Scoring	Variable Component for Category A	Variable Component for Category B
1	>=30 - 39	Rs.4000/-	Rs. 2000/-
2	>= 40 - 49	Rs. 5000/-	Rs. 3000/-
3	>=50 - 59	Rs. 6000/-	Rs. 4000/-
4	>=60 - 69	Rs. 7000/-	Rs. 5000/-
5	>=70 - 79	Rs. 8000/-	Rs. 6000/-
6	>=80 - 89	Rs. 9000/-	Rs. 7000/-
7	>=90 -100	Rs. 10,000/-	Rs. 8000/-

**The migration of the existing BC Supervisors as per modified policy will be done at the time of their review.**

- BC plays a vital role in Financial Inclusion activities and close monitoring of their performance on daily basis is required at micro level. However presently workload in branches have increased and branches face difficulties in proper monitoring of BC activities on regular basis. In order to facilitate the branches for effective monitoring and new business leads there is a need of BC Supervisors.
- By engaging services of BC Supervisors there would be proper monitoring and also prevention of misuse of systems by BCs. We will be able to arrest possibilities of fraud at BC points.
- In view of changing scenario with thrust being given on digital transactions as part of financial inclusion initiative, the BC supervisors need to be more techno-savvy and young candidates are better in handling information & technology infrastructure.
- BC supervisor’s role, responsibility and duties should not be only to monitor the activities of the BCs but also to guide/support them suitably in case they face any operational and technical issues hence the technical qualification/knowledge/background of BC supervisor is very important.
- The mobility and techno savvy of young candidates and experience of retired staff officials will produce the desired results.

**Validity of Policy:** The BC Supervisor Policy will be valid for a period of -3- year i.e. till 31st March 2023.