



# VLE Capacity Building Program

# About HDFC Bank



One stop shop for all financial and payment needs



Strong national network



Healthy balance sheet, focus on asset quality



Socially and environmentally responsible corporate citizen - Parivartan



A digital leader



India's most valued brand



Committed to the highest level of ethical standards, professional integrity, corporate governance and regulatory compliance



Operational Excellence



Customer Focus



Product Leadership



Core Values



Sustainability



People

# Awards & Accolades - India's Most Valued

**Ranked Most Valuable Brand for 7<sup>th</sup> year**  
**2020 BrandZ™ Most Valuable Indian Brands**

**Strongest Bank in India in 2020**  
**The Asian Banker 500 Largest and Strongest Banks Ranking**

**Best Private Bank in India**  
**The Banker**

**Best Bank in India**  
**Asiamoney**

**Best Companies to Work in India**  
**Business Today**

**Marketing and Brand Innovation of the Year Award**  
**ET Innovation Awards 2020**

**Best Bank in India**  
**Finance Asia**

**Great Place To Work Certified:**  
**April 2020 – March 2021**  
**India**



# Financial Inclusion



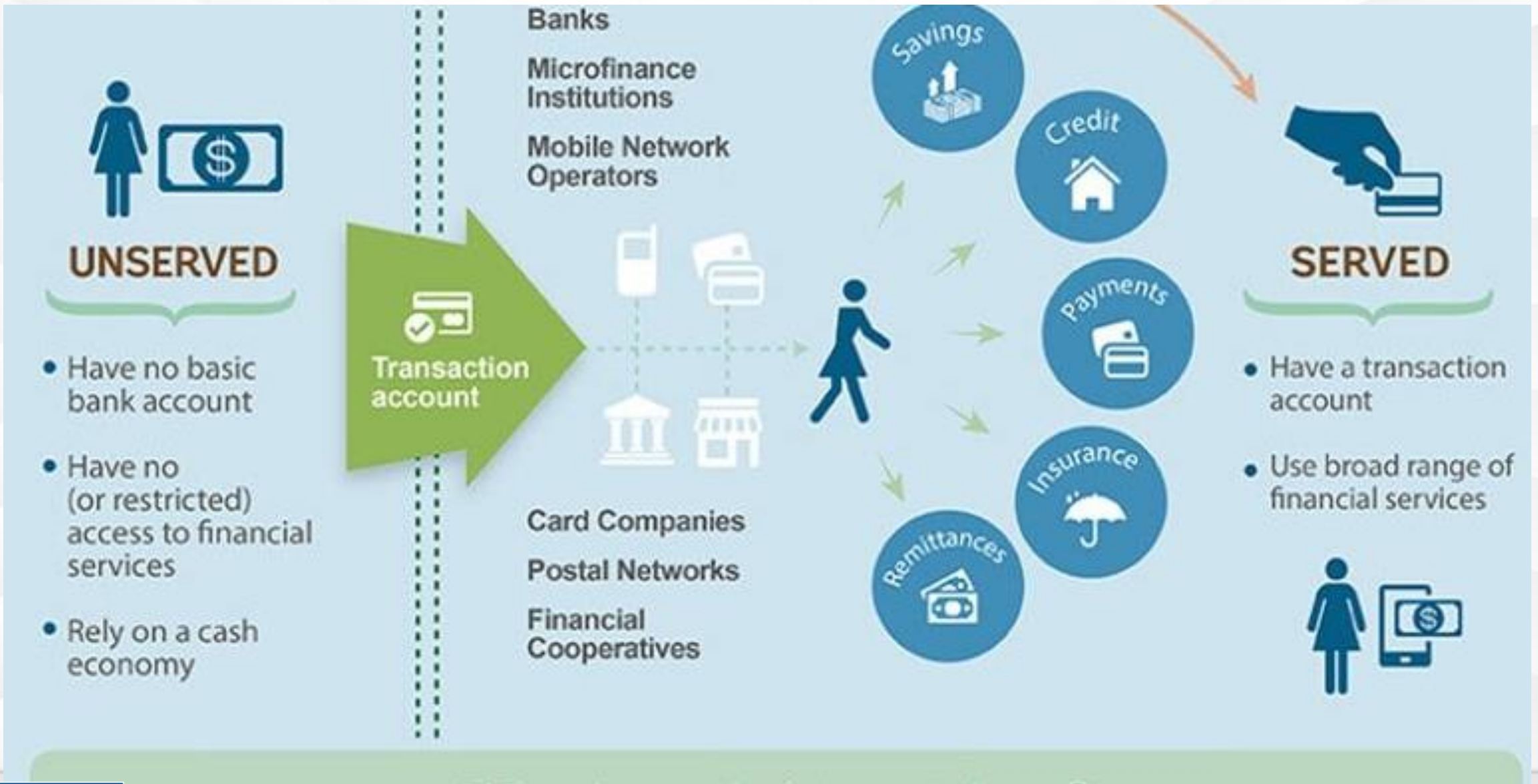
**Financial Inclusion** is described as the method of offering banking and **financial** solutions and services to every individual in the society without any form of discrimination.

The process of ensuring access to **financial** services and timely and adequate credit where needed by vulnerable groups such as **under bank and low- income groups** at an **affordable cost**.

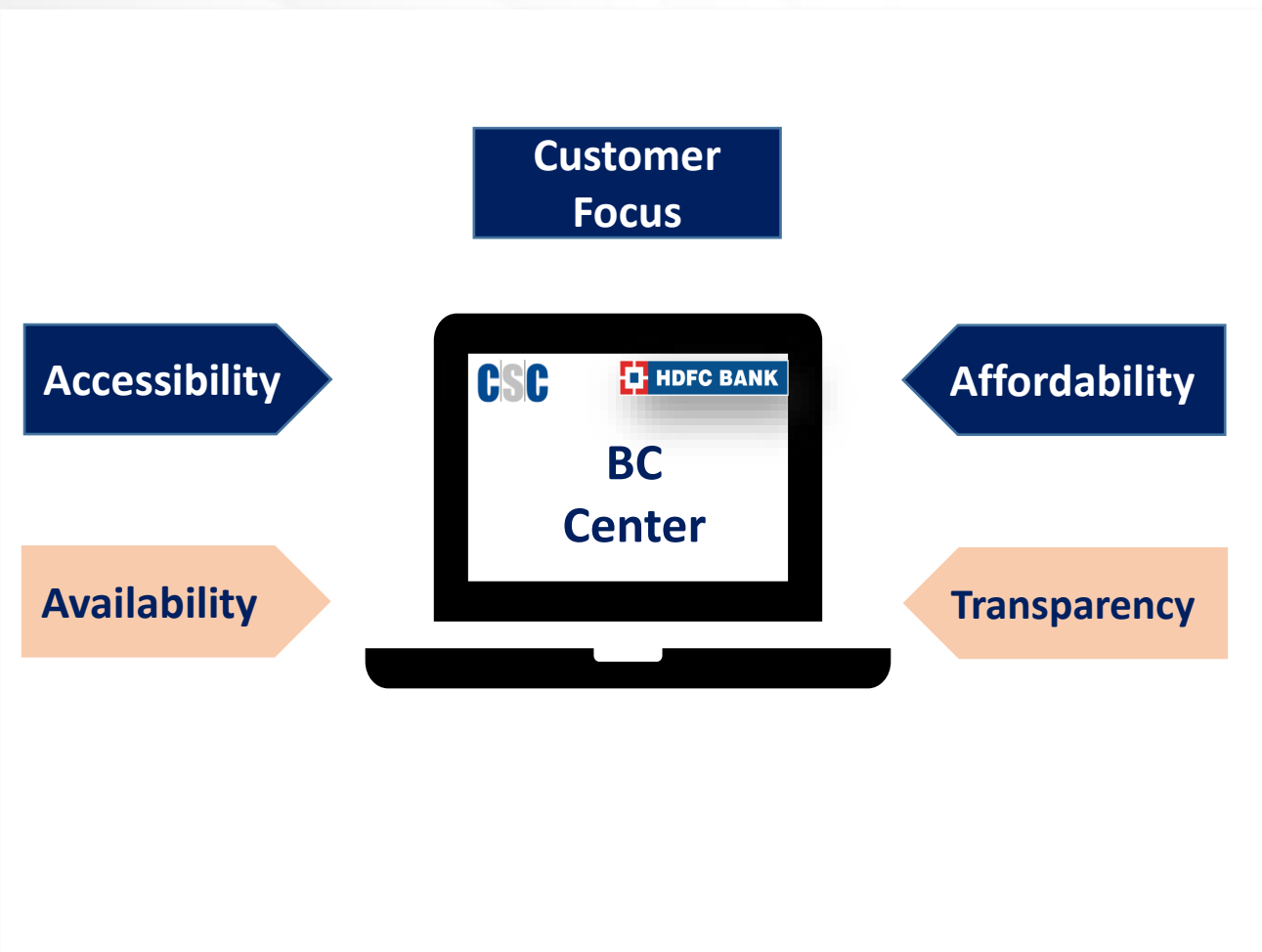
(The Committee on **Financial Inclusion**, Chairman: Dr. C. Rangarajan).



# Financial Inclusion

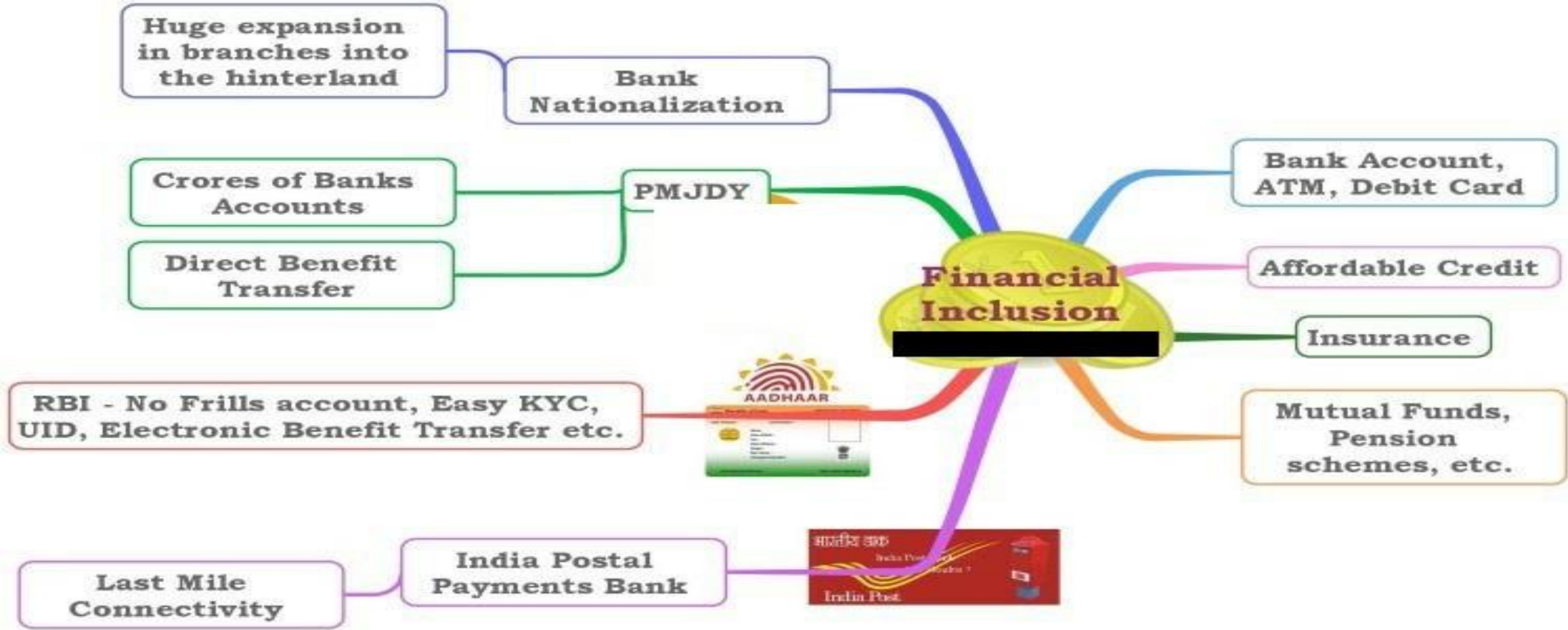


# Business Correspondent – A Change Agent



- ❑ Customer Focus – Products available for all segments
- ❑ Accessibility – Bank in the village
- ❑ Availability – Working hours more than a Bank Branch
- ❑ Affordability – World Class Banking products and services
- ❑ Transparency – Helps in building customer Trust

# Financial Inclusion



# **Business Correspondent Center**



# About Business Correspondent (BC)



One stop shop appointed by the Bank through a Corporate Business Correspondent (CSC E-Gov) for all financial services



BCs ensure Financial inclusion and increase outreach of Banking services, thereby stronger reach



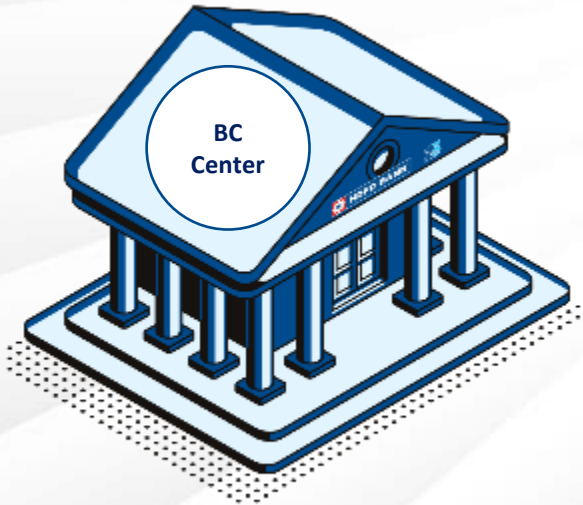
BCs provide banking services in hinterlands



Besides provides Banking services and products, they also promote social schemes floated by the GOI through PMJDY BCs



A complete digital mode for transactions and business in line with GOI digital objectives



# Mandatory Certificate Course by IIBF

- A Business Correspondent is the first point of contact and the front face of the bank branch to the citizens.
- In order to enable the BC Agents to be more effective, they need to be imparted the desired level of knowledge.
- This course is aimed at providing the knowledge inputs and skills set to BC Agents. The structure of the course is, therefore, to provide basic knowledge in banking operations and help the BC Agents in developing an overall understanding of the subject.

## Course Contents

GENERAL BANKING

FINANCIAL  
INCLUSION AND  
ROLE OF BUSINESS  
CORRESPONDENT  
AGENTS

TECHNICAL SKILLS

SOFT SKILLS AND  
BEHAVIOURAL  
ASPECTS

# Business Correspondent – KBS

## HAR DIN LOGIN

Every Business Correspondent must login to KBS daily minimum 4 hours a days / 5 days a week



Banking Point for Customers

Customer Service – Transactions

# Business Correspondent – Transactions- Important Actionables

System generated on-line receipt should be issued to the customer invariably for all transactions carried out by him/ her on behalf of the Bank

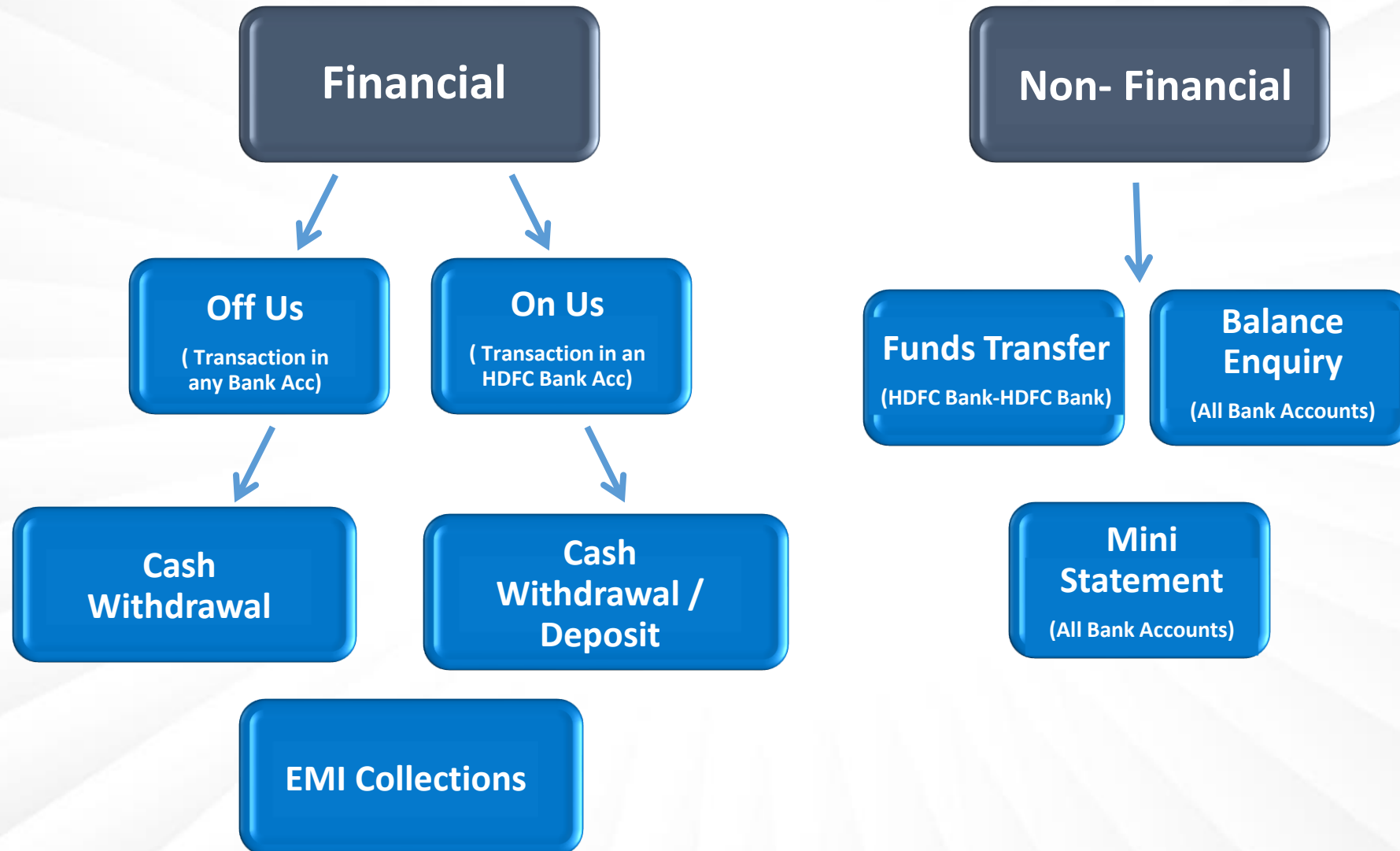


## Important Actionables at Business Correspondent Point for KBS

Ensure the Equipment is sanitized each time a customer uses it

Ensure the terminal is clean, safe and well charged

# Business Correspondent – Types of Transactions





# Mandatory Display at BC Point

# Mandatory Display at BC Point

- ✓ Grievance Redressal Poster
- ✓ Banking Ombudsman poster
- ✓ Service Charges Poster
- ✓ Complaint Book
- ✓ Services Offered Poster
- ✓ Products Posters – Loans and Accounts
- ✓ Registers – Complaint, Visit, Account Opening, Transactions
- ✓ Complaint desk email ID
- ✓ Dos and Donts for Customers

# Basic Banking Principles

- ✓ Trust- Build customer Trust
- ✓ Confidentiality – Maintain customer confidentiality
- ✓ Service – Customer Service is of utmost importance
- ✓ Knowledge of Socio-economic factors

# Importance of KYC

KYC is the means of identifying and verifying the identity of the customer through independent and reliable source of documents, data or information. For the purpose of verifying the identity of:

- Individual customers: Bank will obtain the customer's identity information, address and recent photograph. Similar information will also have to be provided for joint holders and mandate holders.
- Non-Individual customers: Bank will obtain identification data to verify the legal status of the entity, operating address, the authorized signatories and beneficial owners.

Information is also required on the nature of employment/business that the customer does or expects to undertake and the purpose of opening of the account with the bank.

# Key Elements of KYC Policy

Banks generally frame their KYC policies incorporating the following four key elements:

**Customer Acceptance Policy;** Accept only those clients whose identity is established by conducting due diligence appropriate to the risk profile of the client. Where the investor is a new investor, account must be opened only after ensuring that pre account opening KYC documentation and procedures are conducted.

**Customer Identification Procedures;** Banks are required to clearly spell out the Customer Identification Procedure to be carried out at different stages i.e. while establishing a banking relationship

**Monitoring of Transactions:** Transaction Monitoring can be defined as “A formal process for identifying suspicious transactions and a procedure for reporting the same internally”. Monitoring means analysis of a customer's transactions to detect whether the transactions appear to be suspicious from an AML

**Risk Management.** : Effective KYC involves knowing a customers identity, their financial activities and the risk they pose. Also while opening accounts we must ensure to do our Due Diligence.



# Aadhaar Compliance

## 5

### Do's and Don'ts for Aadhaar Compliance

#### Important precautions to be taken while handling customer's Aadhaar.

#### Do's

- 1 Accept Aadhaar only when given **voluntarily** by the customer post offering **alternatives\***
- 2 Inform the customer of the **purpose** of taking Aadhaar, in **local language** understandable to the customer
- 3 Inform & collect **customer's consent prior to voluntary submission** of Aadhaar.
- 4 Aadhaar should be used only for the **purpose informed** to the customer
- 5 Always **ensure privacy** of customer's Aadhaar Data.

#### Don'ts

- 1 **Never share** Aadhaar information of the customer with any **third parties** or **via e-mail, phone etc.**
- 2 **Never store Aadhaar copies** in branch, laptops / desktops, mobile phones or any portable storage device.
- 3 **Never request** customer to give Aadhaar through email or **unsecured social media platforms** like WhatsApp, Facebook, etc.
- 4 **Never obtain additional Aadhaar copies** from customers.
- 5 **Never publish, display, transfer or post publicly** Aadhaar details of the customer.

\* **Note:** KYC Alternatives as per prevalent guidelines should be offered to the customers.

**Each and every Agent / Bank staff / Business Correspondent (BC) / Business Facilitator (BF) is responsible for ensuring Aadhaar compliance – any non-compliance can lead to strict action / penalties.**

# Dos and **Donts** for Business Correspondents

## ✓ Dos

- Identify customers with strict adherence to KYC norms. Interact with the customer, conduct Financial awareness programs, understand his profile and requirement and source quality accounts for the Bank.
- Maintain customer confidentiality and Have knowledge of local area & language.
- Isolate and clearly identify the Bank's customer information, documents, records and assets to protect the confidentiality of the information.
- Issue System generated on-line receipt to the customer invariably for all transactions carried out by him/ her on behalf of the Bank.
- Login himself / herself to KBS system daily, minimum 4 hours a day / 5 days a week.
- Maintain all the registers and display the mandatory posters/certificates prescribed by the Bank carefully.
- Ensure KBS transaction value is matching with the value of cash withdrawal from the HDFC Bank account.

## X Donts

- The BC must not collect any additional service charges directly or indirectly from the customers.
- The BC is not authorized with any powers for sanction of any loan.
- The BC must not be affiliated to any political/ religious organizations.
- The BC must not encourage customers to do multiple or split transactions.
- Must not recommend or mandate alternate products in lieu of delivery of credit. Ex: Force selling Insurance, pension or other products for disbursement of loans
- Shall take special care not to entice customers by offering any incentives or benefits or false hopes beyond the scope of services that the Principal offers
- **The BC must not share his /her Login ID and password to any other outside person.**
- **The BC should not update his/her personal details eg. Email id, Mobile No, Mailing address while account opening for customer.**

# Mandatory Registers to be maintained by Agents

Maintaining Register is **mandatory** for all Agents.

Register works **as proof** in case of any disputes.

The below are the Register formats to be maintained by Agents.

## COMPLAINT REGISTER

Complainant Name	Customer ID	CASA FD/RA/DP Number	Customer Docket Number	Customer Mobile	Contact Number	Email	Acknowledgment Sent	Category	Subcategory	Source of Information	Nature of Complaint	Detailed suggestion	Customer City
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## TRANSACTION REGISTER

Date	Time of Transaction	Name of Customer	A/c No.	Type of Transaction Eg. Cash Deposit or Cash withdrawal	Amount	Name of the Bank	Status of transaction Success/ Reject	RRN Number	Customer Signature
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## VISIT REGISTER

Date	Time	Name of Visitor	Name of Organisation	Designation of Visitor	Feedback	Signature of Visiting Officer	Action Taken on Feedback Received	Date of Taking Action	Signature of BC Agent
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## ACCOUNT OPENING REGISTER

Date of Lead generation	Name of Customer	Customer Contact No.	Lead No.	Type of A/c CA/ SB/Sal	A/c No.	Date of Account Opening Date	Signature of BC Agent
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## FIXED / RECURRING DEPOSIT REGISTER

Sr No	Name of Customer	Masked Acc No	Type of Deposit (FD/RD)	Deposit Amt in INR	Duration of Deposit	Customer Signature
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# Loans For Every Need

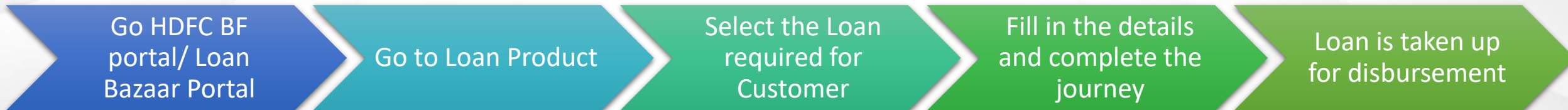
Now All Best in Class HDFC Bank Loans can be availed by Customers through the BC centre.

Total of 16 Products are available for the lead generation for the HDFC BC/BF Agents

## Loan Products

- Two Wheeler Loan
- Car Loan
- Gold Loan
- Home Loan
- Personal Loan
- Business Loan
- Tractor Loan
- Group Loans (Self Help Group/ Joint Liability Group)
- Consumer Durable Loan
- Kisan Gold Card – Agri Card
- Loans for MSME Companies
- Small Agri Business
- Health Care Finance
- Overdraft Facility to Shopkeepers
- Loan Against Property
- Loans for Construction Equipment and Commercial Vehicles

## Process to generate Leads for Loans



# Important instructions on Transactions

## Split/Multiple Transactions

### Multiple Transaction

Transactions which are performed due to system limitation

E.g.: Cash withdrawal of Rs 50,000 broken into more than one transaction ( 5 Transactions of Rs 10,000 each) since the system allows to withdraw Rs 10,000 per transaction

### Split Transactions

Transactions which are split into smaller amounts intentionally/unintentionally without any system limitation

E.g.: Cash withdrawal of Rs 10,000 split into more than one transaction even though the system allows to withdraw as a single transaction

### Important Guidance

**BC Agents must not encourage and carry out multiple and split transactions at their center**



# TDS Waiver for customer cash transactions for BC Agents

## Tax Deduction at Source (TDS) Rule:-

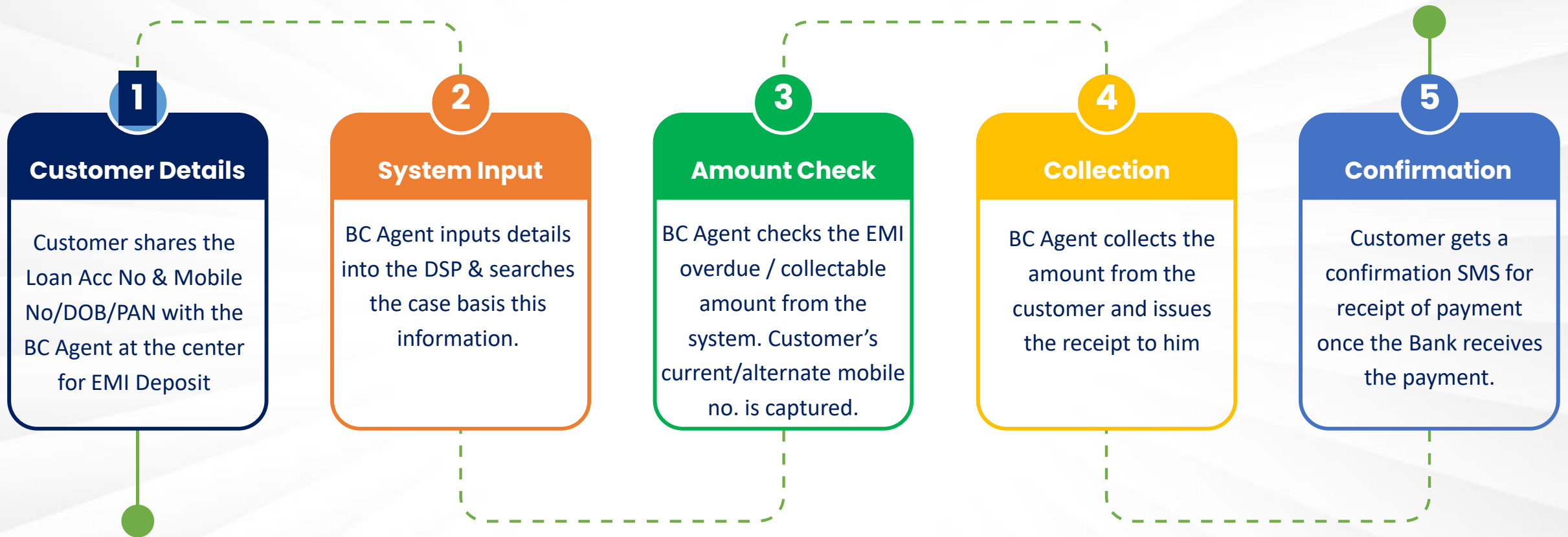
- Effective September 1, 2019, as per Section 194N of the Income-tax Act, 1961, banks are required to deduct TDS on Cash Withdrawal. Further amended w.e.f 1<sup>st</sup> July'20.
- BC Agents cash transactions carried out for customer cash withdrawal / deposit are exempted from TDS
- As per the IT Act, BC Agents are eligible to get waiver on TDS for cash withdrawal only for BC related transactions

## Process of Availing TDS Waiver

- BC Agent must submit the TDS waiver declaration along with a self signed copy of the BC Agent certificate at the beginning of every Financial year at the HDFC Bank branch.



# EMI Collections – Retail Loans & SLI



# Social Security Schemes

The government of India offers a variety of social security schemes including affordable life, accident cover & a guaranteed pension plan

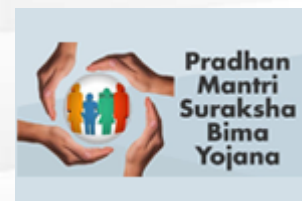
One can invest in them via a HDFC Bank Savings Account

## Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY)



- ✓ Get a life cover of ₹ 2 lacs for a premium of ₹ 330 a year
- ✓ Subscribe through SMS or NetBanking
- ✓ Automatically pay your premiums

## Pradhan Mantri Suraksha Bima Yojana (PMSBY)



- ✓ Pay a premium of just ₹12 per year
- ✓ Get accident insurance cover of up to ₹ 2 lacs
- ✓ Easily pay via SMS or NetBanking

## Atal Pension Yojana

- ✓ Get guaranteed monthly pension at the age of 60
- ✓ Monthly investments can be as low as ₹ 42
- ✓ Choose your pension amount from ₹ 1,000 to ₹ 5,000

# Grooming, Communication & Soft Skills

- ✓ Personal Etiquettes
- ✓ Politeness
- ✓ Maintain personal Hygiene and social distancing at the Center
- ✓ Inter- personal skills
- ✓ Telephone etiquettes
- ✓ E-mail Etiquettes
- ✓ Negotiation/Persuasive skills
- ✓ Analytical Ability

**Thank you**