



Financial Literacy Centre (Individual Counselor) Policy

01th April 2016

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Document Update History:

Version No	Date	Remarks	Created by
1.0	01.04.2016	Initial Version – Approved vide Board Resolution DBR/PLG/S-333/15-16	Planning & Development Dept.

PART -A. Introduction

Financial Literacy Centres are the building blocks or the basic units that initiate the financial literacy activities at the ground level. RBI vide circular RPCD.FLC.No.12452/12.01.018/2011-12 dated June 6, 2012 and RPCD.FLC.No.7641/12.01.018/2012-13 dated January 31, 2013 has given detailed instructions regarding establishment of Financial Literacy Centres. Based on the RBI directive, SLBC of different states have identified ideal locations at block level for setting up of Financial Literacy Centres and allotted such centers to banks. SLBC Kerala has allotted 12 blocks in the state to our bank and we have sponsored FLC centres in the allotted blocks.

Introduction of PMJDY and opening of accounts on a massive scale has ensured financial inclusion to a great extent. Yet, awareness about the benefits of formal banking products and providers, and the information to make choices that fit the financial needs of the individual are strikingly low, even among educated people. It is in this context, we have decided to strengthen our financial literacy initiatives, by entrusting the activity to individual counselors.

Our FLCs are branded under the name “SIB JYOTHIS”. Financial Literacy Centres sponsored by our bank are functioning in 12 Blocks in the state of Kerala. Efforts are on to make them more efficient, responsive to the needs of the people and a policy document covering all aspects of Financial Literacy Centres has been prepared, giving due consideration to the revised guidelines on FLCs circulated by RBI vide FIDD.FLC.BC.No 18/12.01.018/2015-16 dated 14/01/2016.

PART -B. Major Objectives of FLCs:

1. To provide financial counseling services in a non-intimidating environment using local languages.
2. To advocate advantages of connecting with the formal financial sector.
3. To provide education on financial planning, responsible borrowing, proactive and early savings, debt counseling, micro pension and insurance.
4. To educate about various financial products and services available from the formal financial sector.
5. To take up any other such activities that promotes financial literacy, awareness about banking services, financial planning and amelioration of debt related distress of an individual.

PART -C. Broad guidelines for FLCs:

1. The financial literacy efforts of FLCs will encompass basic issues like the need for saving and starting early savings, making use of bank services, linking borrowing with repayment capacity, timely repayment, insurance and pension.
2. The FLCs will conduct outdoor Financial Literacy Camps / Outreach Programmes with focus on financially excluded people at least thrice in a month. For the purpose, the help of experienced NGOs or other govt. agencies may also be taken.
3. FLC staff will be provided training at our Staff Training College in every quarter, to work as effective counselors. There would also be a system (KAT examination – Refer Clause C (5)) for providing periodic knowledge up-gradation on various banking products and services.
4. FLC Counselor is provided with Toll - Free helpline Service (18008431800 & 18004251809) for seeking solutions to queries raised by customers. FLC Counselor can also contact our banks Customer Care Cell directly.
5. Bank would prepare material on above illustrative topics in local languages using stories and pictorial representations to disseminate information on various products and services along with matters that are of importance to customers. Soft Copies of all Materials would be shared with FLCs through their Registered Mail IDs.
6. FLCs should maintain record in the form of a register containing details (name, gender, age, profession, contact details, whether banked or un-banked, details of services availed etc.) of all the persons visiting the FLC to avail the services and the persons attending the outreach programmes conducted by them. FLCs are also to maintain separate registers for attendance, Outreach programme, Inward & Outward Letters, ensuring compliance to RBI Guidelines.
7. The Head Office / Regional Offices of the bank would be monitoring the financial literacy efforts undertaken by the FLCs through periodic reporting and also by resorting to random on-site visits. They would periodically (at least twice in a year) undertake impact evaluation of their literacy efforts so as to make way for continuous improvement.

PART -D. Modalities for Engagement/ Recruitment of Counselor for FLC (Financial Literacy Centre)

I. Eligibility:

I.1. Essential:

1. Retired Bank/Govt Officer/Teacher or an individual with experience of handling deposits / credit and having worked in environment connected to Financial Sector. Working professionals may not be considered.

2. Graduate / Post Graduate degree from a UGC recognized University.
3. Candidate should have unblemished service record with high integrity and positive attitude having willingness to teach and learn.
4. Candidate should be able to work independently and should have computer knowledge, especially of programmes like MS Word, Power Point, and Excel and should be able to operate internet.
5. Initial engagement of the counselor shall be for 3 year subject to renewal on yearly basis with one year extension subject to satisfactory performance and compliance of guidelines.
6. The extension will be up to the maximum age of 68 years only.
7. Candidate should be well conversant with local language and English. Candidate knowing other languages are of added advantage.
8. Should be resident of the same or nearby district.

I.2. Desirable:

1. Officers with rural development banking background i.e. Agriculture Finance Officer / Rural Development Officer / Agriculture Officers converted to mainstream of banking / Lead District Managers and Faculty leaders / Faculty members of Training Centres / Colleges with specialization in Rural Development etc. shall be preferred

II. Age & Period of appointment:

The candidate shall be appointed on Contract basis for a period of three years, subject to satisfactory performance which shall be evaluated by the department entrusted with the task, currently Planning Department. Renewal may be considered at the sole discretion of the Bank in terms of extant policies and rules.

III. Contract Amount and Incentive Scheme:

The remuneration of the FLC shall be fixed a consolidated amount, within the ceiling prescribed as remuneration to FLC, by the department entrusted with the task, currently Planning Department, from time to time. **No other allowances / reimbursement of expenses will be admissible.** However, Incentives in the form of Non- monetary Benefits may be provided to FLC counselors, if the work performed by them is found to be exceptionally good.

IV. Compliance and its Reporting

The FLC counselor shall have to perform all the tasks as assigned vide guidelines of Ministry of Finance, NABARD and RBI issued from time to time on Financial Literacy. Further any reporting's made or to be submitted shall be provided to the branches (Copy if any reporting's already made) on monthly basis on or before 3th of every month. Reminders on submission of the same would not be entertained by the bank. *Note: Reporting format as per RBI guidelines attached as Annexure – I*

V. Training and Knowledge Assessment

The FLC counselor shall have to attend the two day training session conducted by the bank every quarter at our banks Staff Training College, Thrissur. The details on the sessions would be intimated to counselors through registered mail ID's. Further during training sessions, Knowledge Assessment Tests (KAT) would be held for the counselors ensuring FLC's are updated with current affairs, newly launched Govt Schemes and other happening in Financial Sector. Note: - The Scores of the tests would be a major consideration for renewal or revival of the contract.

VI. Tailored Approach to Financial Literacy and conduct of Special Camps.

FLCs should identify different target groups at the ground level and conduct camps for a homogenous audience so that there could be more focus and in depth transmission of financial education.

The approach of FLCs on conduct of camps shall be as follows:

- a. Special camps for the newly included people in the financial system, including PMJDY account holders: this target group should be encouraged to make meaningful transactions and start using the associated benefits of having a bank account.
- b. *Minimum of one outdoor camp per month by each FLC of bank and rural branches of the bank.* In each camp, efforts may be taken to cover maximum number of participants.
- c. Target group specific camps for the following segments:
 - Farmers
 - SHGs
 - Micro and Small Entrepreneurs,,
 - Senior citizens
 - School children
 - Others (may be identified by the FLCs)

PART -E. Selection Procedure:

- a) The Financial Literacy Counselor shall be selected based on the recommendations received from the Branch and Regional Office which shall be further screened by interview conducted by Planning & Development Department - FIP Cell.
- b) Interview Assessment Mechanism is attached as **Annexure – 1I**. The final score obtained by each candidate shall be disclosed if requested
- c) List of selected Candidate along with its mapped Branch and Block shall be published in our Website for information of all stakeholders.

PART -F. Terms and Conditions:

1. The counselor will be required to sign a consultancy contract on stamp paper valued as per local Stamp Act.
2. The contract period is kept for 3 year (Renewed every year). However, Counselor can be terminated by giving one months' notice from either side.
3. Counselor has to be present at the Centre between 10 A.M. to 5 P.M. on all bank working days of the locality or as directed by Bank from time to time.
4. The Bank may carry out background checks of a counselor on a case to case basis / or for all Counselors at any point of time for its records.
5. Counselors are to refrain from marketing/providing advice regarding investment in insurance policies, investment in securities, value of securities, purchase/ sale of securities, promoting investment in bank's own products.
6. Counselor is NOT to promote the products of the parent bank; he should maintain arms length relationship with the parent bank as well as other bank branches in that district or locality.

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Outreach Programme/FLC Camp Report**Date:**

S.No	Name of the Branch	Name of the counselor	Contact Number of Counselor (Mob)

Number of people participated in outreach program (a)	Out of persons participated (a), no. of persons already having bank account at the time of attending the camp (b)	Out of persons participated (a), no. of persons opened bank account after attending the camp (c)	Number of people participated in Special Camp	Target Group addressed	Date of Conduct of Special Camps

1. Mention the topic discussed in the meeting:
2. Total expenses incurred:
3. Important Suggestions and feedback from the participants:
4. Photo snaps of the training program (shall be annexed to the report)

Signature of the Branch Head/Branch
Official In charge of FLC

Signature of Financial Literacy Counselor
(FLC)

APPLICATION FORM
APPOINTMENT OF FINANCIAL LITERACY COUNSELOR

➤ Name of the Financial Literacy Counselor:

➤ Age:

➤ Address with Block/Panchayat/Ward:

Affix Recent
Photograph
and Sign
across the
photo

➤ Educational Qualification:

➤ Languages Known (Tick the Appropriate):

SR. NO	Language	Reading	Writing	Speaking
1	English			
2	Malayalam			
3	Hindi			
4.	Other (Specify).....			

➤ Work Experience (Previous/Current job):

➤ Computer/Internet Knowledge:

➤ Banking Knowledge:

➤ Bank Relationship if Any (Name of the bank & A/C No):

➤ Availability of space for FLC (seating capacity of minimum 10 members) - Yes/No:

➤ References:

Sr. No	Name	Name of Organization/Institution and its Designation.	Mobile Number
1.			
2.			

Applicant Signature with Date

FLC Interview - Criteria Score Card

Candidate No:	
Total Score	

Rules:

- 3 Dimensional Focuses: Communication, Knowledge, Personality Traits & Family background
- Total Score is out of 100; Each Sub Criteria is provided with Score maximum of 5.
- The Passing Score would be at Banks Discretion; Decision taken by the bank would be final.

- **Dimensional Focuses Evaluation:**

A. Communication Skills:

S.No	Particulars	Score (Max Score 30)
1.	Interaction	
2.	Professional vocabulary	
3.	Language Quality	
4.	Fluency	
5.	Presentation	
6.	Language Known	
	Total	

B. Knowledge & its application:

S.No	Particulars	Score (Max Score 30)
1.	FLC – Subject Matter	
2.	Banking & FLC – Financial Inclusion	
3.	Govt Initiatives/Schemes	
4..	Conceptual ability/ Intellectual thinking	
5..	Banking Knowledge and Background	
6.	Qualification and experience	
	Total	

C. Personality Traits & Family background

S.No	Particulars	Score (Max Score 40)
1.	Openness to Experience (Experience/Challenge Seeking)	
2.	Conscientiousness (Aim/Mission/Objective)	
3.	Agreeableness (Trust/Helpful Nature/Cooperative)	
4.	Extraversion (Positivity/Energy/Social exposure)	
5.	Neuroticism (Emotional Stability – Temper & Impulsiveness)	
6.	Leadership Ability	
7.	Decision Making Ability	
8.	Family Background & Support	
	Total	