



BCFI

Financially Including The Excluded

Governance Policy - BCFI



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1. Preamble

Corporate governance and disclosure serve the best long-term interests of members and other stakeholders. Effective corporate governance helps achieving strategic goals and manage risks by ensuring that members can hold directors to account as their representatives, and in turn, directors can hold management to account, with each of these constituents contributing to balancing the interests of the Federation's varied stakeholders.

2. About BCFI

Business Correspondent Federation of India (BCFI) is a not-for-profit apex national federation of the BC sector. The federation has over 45 Corporate BCs (CBCs) who manage a network of over 7.86 lakh Agent BCs (ABCs) who interface and service over 330 million customers across India in promoting the national Financial Inclusion mission through responsible delivery of financial services. BCFI's efforts have been supported by World Bank/IFC, DFID and SIDBI.

Members of the federation serve as Business Correspondents of various banks and help deliver financial services to the citizens. The members are intimately engaged with a huge number of customers, encouraging digitization of payments and enhancing Financial Inclusion. BCFI has also been actively engaged with various Government Authorities, Regulators and Adjacent Institutions for furthering the common agenda of Financial Inclusion.

3. Mission

To be a:

Unified Voice by representing the full spectrum of BCs

Strong Voice by formulating and advocating positions and recommendations on industry indices

Respected Voice by promoting responsible delivery of high-quality service and

Trusted Voice by fostering sustainable viability and growth of the BCs and industry

4. Vision

To promote responsible financial inclusion by systematizing, harmonizing and innovating the delivery of financial services through Business Correspondents.

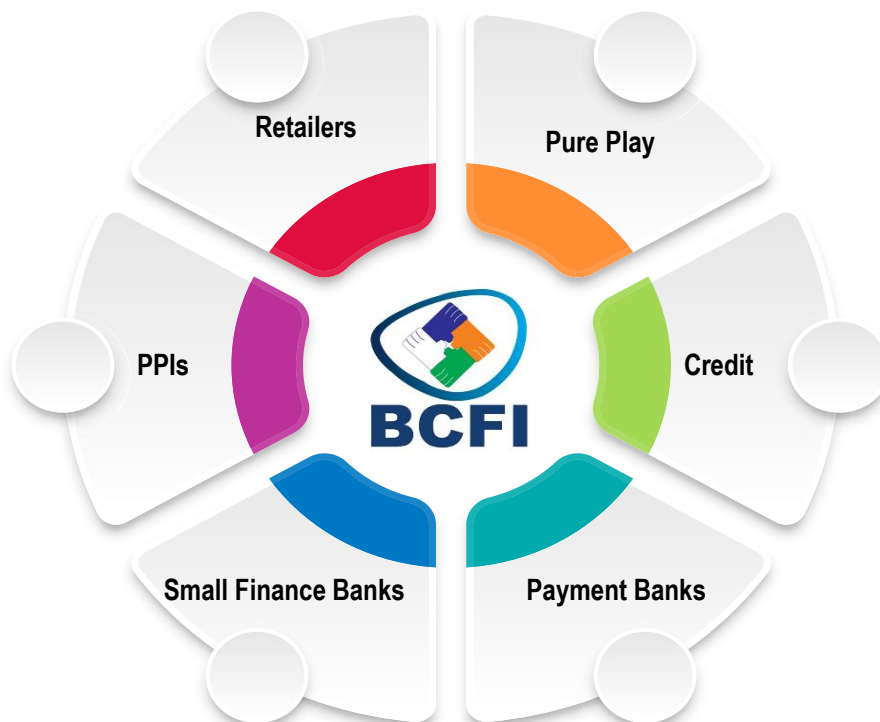
5. Objectives

- a. To create and impart knowledge database regarding the on-going best practices related to business models, standards, mechanisms, code of conduct and pricing in India and from across the world to ensure viable, scalable and self-sustaining business.
- b. To improve the quality and capacities of Agent Business Correspondents (ABCs) through high quality, comprehensive, innovative and cost-efficient training, certification and registry.
- c. To promote responsible financial inclusion through building financial awareness and ensuring customer protection in the BC channel.
- d. To perform data consolidation and analysis across BCs, banks, other financial service providers (insurance, pension, mutual fund etc.), and merchants through a common comprehensive business intelligence system.



- e. To build credibility by playing convening role as the sectoral federation in general and on behalf of ABCs in particular, and to be recognized as a Self-Regulated Organization (SRO) as and when regulatory bodies deem it necessary.

6. Types of Members



7. BCFI Corporate Membership

BCFI Membership will be open to six categories of Companies viz Retailers, Pure Play, Credit, Payments Bank, Small Finance Bank and PPIs who are in BC Business. Any company desirous of becoming BCFI member shall apply on the prescribed “Membership Application Form” given at Annexure ‘A’. BCFI Secretariat will forward the Membership application alongwith documents to Membership Committee. Membership Committee will finalise the approval/rejection of membership within one month from the date of receipt of application. BCFI Secretariat will convey the approval/rejection to the applicant, who in turn will deposit the annual membership fees in BCFI bank account.

a. Membership Fees

BCFI Annual Membership fees is Rs 1,50,000/- . Membership fees will be considered for the Financial Year during which a member has applied. BCFI Corporate Membership fees will be reviewed every year by “Membership Committee” in the month of December and forward its recommendations to BCFI Board by January 31 each year. BCFI Board members will decide the final membership fees to be charged during



the Board Meeting in March each year and convey the same to all members. Revised membership fees shall then be applicable from next financial year i.e. April onwards.

b. Membership Tenure

Annual Membership Fees will be paid by all members in the month of April each year. In case any member joins the federation later during the Financial year, the Membership will remain effective till the end of Financial year. Membership will stand terminated in case a member fails to pay the fees and as mentioned in Articles of Association of BCFI.

c. Voting Rights

Each corporate member shall have right to vote or nominate a person in writing as its representative to attend and vote at every meeting of BCFI.

8. BCFI Board

a. Number of Board Members

BCFI will have 9 members to represent interests of the diverse group. Board will have atleast one member from each group viz Retailers, Pure Play, Credit, Payments Bank, Small Finance Bank and PPIs.

b. Election of Board Members

Board members will be elected through a closed ballot. Each member desirous of becoming Board Member shall apply on a “Board Member Form” given at Annexure ‘B’. BCFI Secretariat will compile all the names and forward the same to Members. Members in turn will cast their vote in writing as per ‘Member Voting Form’ given at Annexure ‘C’. BCFI Secretariat will inform the members as and when a vacancy exists for a Board Member and also circulate the list of members desirous of being on Board. Members will cast their votes within fifteen days from the date of communication.

c. Tenure of Board Members

Board Member will be elected for a period of three years from the date of finalisation.

d. Attendance of Board Meetings in Person

Board Meetings will be organised every quarter as per the policy in vogue. Board Members will attend atleast two meetings in person. Annual General Meeting (AGM) will be held in the month of September each year. Board Members will nominate their senior representative in writing in case they are unable to attend the Board Meeting/AGM.

e. Board Accountability to Members

Boards should take actions recommended in Members proposals that receive a majority of votes cast for and against. If member’s approval is required for the action, the board should seek a binding vote on the action at the next Annual General meeting.

Directors should respond to communications from Member and should seek their views on important governance, management and performance matters. Board should also establish mechanisms by which



member with concerns can communicate directly with all directors. Policies requiring that all director communication go through a member of the management team should be avoided unless they are for record-keeping purposes. In such cases, procedures documenting receipt and delivery of the request to the board and its response must be maintained and made available to members upon request. Directors should have access to all communications. Boards should determine whether outside counsel should be present at meetings with members to monitor compliance with disclosure rules.

All directors should attend the Annual General Meetings and be available, when requested by the Chair, to answer member's questions. During the annual general meeting, members should have the right to ask questions, both orally and in writing. Directors should provide answers or discuss the matters raised, regardless of whether the questions were submitted in advance.

f. Board's Role in Risk Oversight:

The board has ultimate responsibility for risk oversight. The board should

- i. Understand and ensure risk management practices for the Federation.
- ii. Regularly review risks in relation to the risk appetite; and
- iii. evaluate how management responds to the most significant risks. In determining the risk profile, the board should consider the dynamics of the Federation, its industry and any systemic risks. Effective risk oversight requires regular, meaningful communication between the board, members, committees and Working Groups and any outside advisers or consults, about the Federation's material risks and risk management processes. The board should disclose to members, at least annually, sufficient information to enable them to assess whether the board is carrying out its oversight responsibilities effectively.

g. Election of Chairman & Vice Chairman

BCFI Board Members will elect Chairman & Vice Chairman during the Board Meeting in the month of March each year. Chairman & Vice Chairman will be elected for a period of two years. Chairman & Vice Chairman will be elected every alternate year. Vice Chairman will take over as Chairman on completion of two years tenure to ensure continuity. Out- going Chairman may be re-elected after a period of six years from the date of relinquishment.

h. Independent Directors

Independent Directors may be recommended by paid Members to the BCFI Board. Board Members in turn will select the names and nominate 2 to 3 Independent Members to be on BCFI Board. Out of pocket allowances to include fixed remuneration, accommodation & travel will be paid by BCFI.

9. Sources of Funds

- a. Membership Fees
- b. Donor/CSR Funds
- c. One Time Corpus by Members
- d. Training Certification & Registry
- e. Assessment Fees towards Code of Conduct
- f. Staff Secondment
- g. Implementation/Administrative fees included in Projects by Donor institutions



10. BCFI Committees

BCFI Secretariat will circulate the names of BCFI Committees to members in first week of December every alternate year. Members will forward their nomination for respective Committees on “ Form for Filing Nomination For BCFI Committees” as given at Annexure “D”. BCFI Secretariat will forward the nominations to Board Members by January 15. BCFI Board will finalise the names of each Committee during the Board Meeting in March. Committees will formally be communicated and be effective from April onwards. BCFI Committees will function for a duration of two years.

Number and type of Committees may be changed/ added based on the requirement of BCFI. Names of Committees will be finalised during Board Meeting in December.

Following points will be adhered during finalisation of Committees:

- a. A Person will be nominated for only one Chair for each Committee. Co-Chair is not required.
- b. Each committee will have minimum three members.
- c. Chair of a committee may be member of any other committee.
- d. Following committees may be formed:
 - I. Audit & Compliance Committee (ACC) - to include Programme Implementation, Enforcement, Disciplinary & Self-Regulation Organization matters.
 - II. Resource Mobilization & Economic Affair matters Committee (RMEAC)
 - III. Recruitment & Compensation Committee (RCC)
 - IV. Public Policy Affairs Committee (PAC)
 - V. Membership Affairs Committee (MAC)
 - VI. Corporate Communications Committee (CCC)
 - VII. Governance Committee (GC)

11. BCFI Working Groups

BCFI as a group is heterogeneous, because of different business models/regulations. Hence, there is a need to have working groups based on homogenous business models/regulations, so that the issues faced by their respective members could be addressed. It was agreed that such homogeneous groups may be called as Working Groups and also more such groups may be formed as and when required. Each Working Group will nominate a Chair in the month of March every alternate year. Following Working Groups may be formed:

- a. Working Groups PPI BCs
- b. Working Groups - Credit BCs
- c. Working Groups - Pure Play BCs
- d. Working Groups - Fintech BCs
- e. Working Groups - Costing & Pricing



Annexure – A

**BUSINESS
CORRESPONDENT
FEDERATION OF INDIA**

CIN
U74999DL2014NPL27029B

HEAD OFFICE
Enterprise, D-128-129,
Pkhla Industrial Area,
Phase 1, New Delhi –
110020, Delhi NCT

REGISTERED OFFICE
347, Mandirani Enclave Abhinand
New Delhi - 110019
Delhi NCT, INDIA

MEMBERSHIP APPLICATION FORM - MAF



Board of Directors
Business Correspondent Federation of India (BCFI)
New Delhi, Delhi NCT

Dear Sir,

I would like to become a member of BCFI and agree to abide by the terms and conditions stipulated by BCFI from time to time. My application and details are as follows:

Annual Membership Fee	Rs 1,50,000/-		
Payment may kindly be made as follows:		IFSC Code: KKBK-000-0181	
Beneficiary: Business Correspondent Federation of India		Bank: Kotak Mahindra Bank	
Savings Account No: 98117-95457		Branch: G-31 & 32, Sec 18, Noida, UP	
APPLICANT DETAILS			
First Name		Last Name	
Organization Name		Type	Proprietorship Partnership Company Society Trust NGO Government
CIN No		PAN No	
Designation		Email ID	
Mobile		Telephone	
Registered Office		Corporate Office	
City		City	
Postal Code		Postal Code	
State		State	
FOR ORGANIZATIONS DOING/ENTERING BC ACTIVITIES			
Operating Area	Pan India	If States (please specify):	
No of BC Agents		Operating as CBC Since	
Bank(s) Associated CBC			
Would You Like to be Associated with BCFI Activities?	Yes No	If Yes, Please Specify Which?	Operations Affairs Standards & GRM Affairs Communication Affairs Others (specify):
		Public Policy Affairs Membership Affairs Economic Affairs Technology Affairs	
Signature		Date:	
Name			
Designation			

*Associate: organizations that are not doing BC activities but would like to be associated with and contribute to BCFI and its activities

NOTE: Please sign the application and attach the following documents:

1. Proprietorships to submit self-attested copy of Proof of Identity (POI) and Proof of Address (POA)
2. Partnerships to attached registration documents alongwith letter of authority signed by managing partner in favour of the signatory authorizing the person to sign/apply for an on behalf of the organization
3. Board resolution (for companies, societies, trusts etc.) in favour of the signatory authorizing the person to sign/apply for an on behalf of the organization.

Version 030519



Board Member Form

Sl	Particulars	Details
1.	Name	
2.	Designation	
3.	Type of BC Services	
4.	Company	
5.	Address	
6.	City & State	
7.	Mobile & Telephone	
8.	Email Id	
9.	Number of Years with Present Company	
10.	Education Background	

Board Candidate Questionnaire

1. If selected, how do you feel you could contribute towards success of Federation?
2. Are you willing to give time & resources to support the mission of BCFI?
3. Members stay connected to the Federation through attending meetings, Committees, Working Groups, Events and other communications. Do you have the time and resources to be an active Member of the BCFI Board?
4. Are you comfortable soliciting others for membership and funding? _____ If yes, describe any experience(s) in doing so:

Signature of Member

Date:



FORM FOR FILING NOMINATION FOR BCFI COMMITTEES

(On Company Letterhead)

To
Board of Directors
BCFI, New Delhi.

Dear Sir,

I would like to file my nomination for BCFI as per details given below:

SL	PARTICULARS	DETAILS
1	Full Name of Company Nominee	
2	Member Company Name	
3	Mobile No of Nominee	
4	Email ID of Nominee	
5	Name(s) of Committees You Would Like to Actively Participate In (Tick Any 3 Max)	A) <input type="checkbox"/> Audit & Compliance Committee, Programme Implementation, Enforcement, Disciplinary & SRO B) <input type="checkbox"/> Resource Mobilization Committee & Economic Affairs Committee (RMEAC) C) <input type="checkbox"/> Public Policy Affairs Committee (PAC) D) <input type="checkbox"/> Membership Affairs Committee (MAC) E) <input type="checkbox"/> Corporate Communications & Events Committee (CCC) F) <input type="checkbox"/> Governance Committee G) <input type="checkbox"/> Recruitment & Compensation Committee (RCC)
6	Would You Like to Stand for Election as Chair/Co Chair	<input type="checkbox"/> Yes <input type="checkbox"/> No
7	If Yes, Indicate the Name of Committee for Which Seeking Election Ref SI 5	
8	Kindly State the Objectives You Would Like to Achieve During the One Year Tenure as Chair/Co-Chair of Committee in SI 8 (max 150 words)	
9	Any other Information You May Like to Give (max 100 words)	

Date:

Signature

Name of Company's Authorised Signatory:

Designation:

Email ID of Authorised Signatory:

Mobile No of Authorised Signatory: