

Sampoorn Vittiyea Samaveshan – A Booster to Vakrangee

The Government of India has recently come out with a new holistic plan called “Sampoorna Vittiyea Samaveshan” (Comprehensive Financial Inclusion Plan) to not only give access to banking to 51% unbanked population in this country but also give access to insurance and pension product to all of them. Vakrangee, which has been successfully running more than 5,500 “Fixed BC Outlets” for various Banks in 15 states has the first mover advantage to leverage this move to the fullest.

The new plan has the following salient features which has been a great booster to Vakrangee for speedy execution of this massive project across the country:

- **Universal Banking Access in both Rural/Urban India**
- **In-built Insurance and Credit Facility**
- **Comprehensive Financial Literacy**
- **Micro-Insurance Product Sale**
- **Pension Product Sale**
- **On-Line Monitoring**
- **Stake Holder Management**
- **Comprehensive Media Campaign**

Vakrangee Limited has been a leading player in the last mile banking since 2011-12 with its first mandate from various PSU Banks and its Regional Rural Banks (RRBs) as “Common BC” in the states of Maharashtra, Rajasthan and Delhi to set up and run “Fixed BC Outlets” in approximately 20,000 Sub-Service Areas. (A sub-service area of banking operation covers 1,000-1,500 households so that every habitation has access to banking services within 5 km distance.) Also, Vakrangee has tied up with various PSU Banks and their RRBs through “National BC” arrangement to set up and run another 30,000 “Fixed BC Outlets in 12 more states namely Uttar Pradesh, Madhya Pradesh, Chhattisgarh, Bihar, Jharkhand, Punjab, Haryana, UT Of Chandigarh, Himachal Pradesh, Uttarakhand, Goa & Gujarat.

These Fixed Outlets are Brick and Mortar Branches of the respective Public Sector banks / Private Banks/RRBs with exclusivity to one Bank presence in One SSA only. These outlets are equipped with Vakrangee in-house application as well as bank prescribed IT/Non-IT hardware including Micro-ATM with authentication through Aadhar as well as Card and V-SAT for real-time connectivity with respective Bank back end to run the day-to-day banking operation. These Outlets are integrated with the core banking solution (CBS) of these Banks so that the customers of the Bank can, on real time, do transaction like account opening, cash deposit, cash withdrawal, fund transfer, Direct benefit transfer (DBT) etc. In addition Vakrangee also facilitates Loan disbursement, fixed deposit, Credit card issuance activities etc. to the customers of these Banks at these outlets. In a nutshell, these advanced feature of paper less banking, real time banking and inter-operable banking along with e-KYC enabling at these outlets are unique features of Vakrangee outlets and critical to success of last-mile banking. Vakrangee has been enhancing the profitability of these outlets by selling the life insurance products from LIC as well as non-life insurance products from New India Insurance after taking corporate agency license from both of them. Vakrangee has been also selling various government to citizen (G2C) services and business to citizen (B2C) services at these outlets like mobile /DTH recharge, Utility Bill collection etc. Vakrangee

urban/semi urban branches are also furnished with full-fledged ATM after Vakrangee got the WLA license from reserve bank of India for setting up and running minimum 15,000 WLA ATMs across the country since January 2014.

Currently, the rollout status is as follows:

TARGET

Out of total **50,000** outlets to be set up and run by Vakrangee by March 2017,

35,000 outlets are in rural areas in around 5,000-population area (Tier-VI /V Locations)

And **15,000** are in semi-urban or Urban areas

- with approximately 12,000 outlets are in 20,000-50,000 population (Tier-III/IV locations) and
- the balance 3,000 outlets are in more than 50,000 populations (Tier-I/II locations).

Financial Year (Cumulative Figures)	Rural		Urban		Total	
	Target	Achieved	Target	Achieved	Target	Achieved
FY 2013 - 2014	3985	3838	15	15	4000	3853
FY 2014 – 2015*	11000	5642	5000	316	16000	5958
FY 2015 - 2016	22000		10000		32000	
FY 2016 - 2017	35000		15000		50000	

* As on 9th Aug,2014

Currently, our roll-out run rate is around 100 per day and 10,424 rural outlet and 4,376 urban outlets are already in advanced stage of getting the commencement certificate from the respective banks. We expect the roll-out target for the financial year 2014-15 shall be achieved much before the year end because of the support of all the stakeholder on war footing basis.

This focused drive by the new central government along with unstinted support from other stake holders like PSU Banks, IBA, State governments, District Administration and other regulatory bodies like Reserve Bank of India, IRDA and PFDRDA shall help us not only in executing the project speedily & successfully but also help attain significant CASA generation for the banks, holistic economic and financial growth of rural India as well as making the direct benefit transfer a great success in our country.