

GOVERNMENT OF ASSAM
FINANCE (INSTITUTIONAL FINANCE) DEPARTMENT
DISPUR :: GUWAHATI

No. FIF. 126/2020/136

Dated Dispur, the 6th October 2021

REQUEST FOR EXPRESSION OF INTEREST

**FROM PAYMENTS BANKS AS PARTICIPATING ENTITY FOR DISBURSAL OF
DIRECT BENEFIT TRANSFER (DBT) SCHEMES UNDER GOVERNMENT OF ASSAM**

Location:	Assam, India
Date of Publishing:	6 th October, 2021
Last date of Submission of EoI	28 th October ,2021

1. In order to enable beneficiaries of various welfare schemes provided by the State Government through DBT, it has become paramount to explore various payment methods and to allow the beneficiaries to avail these benefits with the financial institution of their choice.
2. Considering the outreach in the far-flung areas, the Payments Banks has been considered as a viable option for the beneficiaries to open their accounts and to receive their benefits especially for remote villages/areas, where proper banking facilities are still lacking.
3. Partnerships with Payments Banks will help set the foundation for a more sound and stable financial ground in the state of Assam, enabling millions of citizens of the state a chance to experience basic banking facilities and be financially secure.
- 4 Through this EoI, Government of Assam (GoA) is requesting submission of interest for entering into a Memorandum of Understanding (MoU) with a Payment Bank to provide basic financial services to the residents of the state of Assam.

5 Detailed scope of the engagement is mentioned in the annexed Terms of Reference (TOR).

6. Interested payment banks should provide information demonstrating that they have the required qualifications and relevant experience to perform the Services. The Qualification Criteria are:

Sl.	Criteria	Documents to be submitted
I	The Payment Bank shall have a valid Banking License.	RBI License Copy
II	The Bank shall have NPCI registration.	Proof of NPCI registration
III	The Bank should have experience of working for at least three years in Assam	Proof of banking operation in Assam
IV	The Bank must have offices/branches in Assam	List of branch/office addresses certified by the GM.
V	The payment bank must have 24/7 Call Centre Support. Customer Helpline should support Assamese language.	Proof of having customer service helpdesk with Assamese language
VI	The Payment bank must provide easy options to know Account Balance via USSD, IVR and Mobile App	Process Flow details of USSD, IVR and App

Compliance Terms:

- Should be in accordance with Reserve Bank of India Guidelines for Licensing of “Payments Banks”, dated November 27th, 2014 and all other directives pertaining to the subject, from time to time, applicable as per all banking norms, rules, guidelines and laws.
- Further, said Payments Banks must not be blacklisted or in dispute or under review/complaint with Reserve Bank of India, their principals/promoters and with clear licenses/certifications as may be applicable, under the laws of the Government of India, as well as all banking norms, laws and rules.

Interested banks may submit their Eols comprising relevant documents, to financeifdepartment@gmail.com latest by 2:00PM on 28th October, 2021. Verification of all licenses, self-certifications, proofs as Sec. 6 hereinabove.

Qualified banks may be asked to deliver a presentation on their technical offering with specific details on payment solutions and qualifications/certifications as mentioned earlier.

Presentations shall be organized post review of the submissions of the Eols and relevant date(s) shall be communicated to the short-listed Payments Banks, accordingly.

TERMS OF REFERENCE (TOR)

BACKGROUND AND OBJECTIVE OF THE ASSIGNMENT

In 2014, the Reserve Bank of India (RBI), through its Committee on Comprehensive Financial Services for Small Businesses and Low-income Households recommended a cost-effective service delivery model envisioned as Payments Banks (PBs). PBs were conceptualized with the main objectives of driving financial inclusion and widening the spread of banking and financial services to serve the unbanked and the under-banked. They aim to provide saving accounts to those who are not able to create a savings account as they are afraid to pay heavy maintenance.

All Payment Bank combined have a network of 5 lakh+ banking access points across districts in India, a country with around 20 lakh ATMs of 96,000 Banks. Four Payment Banks collectively, cater a customer base of 38-40 Crore and have on boarded close to 2.5 Crore offline merchants to create a digital payments network across the country.

Assam currently has 4275 ATMS in the entire state as per reports published by RBI. The state has about 3.8 Crore residents. There is a clear need for a deeper penetration of formal financial services to the people to Assam. Partnership with Payments bank will not only help in providing last mile basic banking facilities to the citizens on Assam, but also promote the overall growth of the state.

Traditional banks find it difficult to set up branches in remote locations and areas and hence their penetration in such areas is low.

SCOPE OF THE ASSIGNMENT

The scope of assignment is to further the Government's intent of financial inclusion. Through partnership, the Government of Assam will be able to provide the citizens of the state with basic formal financial facilities. A partnership with Payments banks also allows the Government to transfer direct benefits to those, that are intended for and provide a seamless experience for the citizens of Assam.

The primary objectives is to provide small savings accounts and payments/remittance services to farmers, tea garden workers, low income households, small businesses, other

unorganised sector entities and other users, by enabling high volume-low value transactions in deposits and payment/remittance services in a secured technology driven environment.

Their branches should be in the nearest Kirana/Merchant shops, closest to the consumer. Service is to be provided by trained business correspondents, equipped to handle all basic banking/financial transactions and other basic financial products.

All account holders in the Payment banks should receive DBT from the state Government into their accounts seamlessly after the bank is listed on the DBT state portal. There will also not be any minimum balance requirement, now or in the future, for all such accounts receiving money from the State DBT portal.