



BASIX
Equity for Equity

Business Correspondent Model Our Experience

PUNE, 15th MAY 2009

WHY BC Business?



- In line with our Vision and Mission; helps achieve sustainable livelihoods
- Enter Urban Space -Understand better the financial needs of Urban Poor
- In particular understand the potential for savings and remittance products.
- Work with reputed partners like Banks and Technology Providers and understand how mobile banking works
- Look for fee earning opportunities to grow income
- Scale up our activities and extend reach

Move from Financial Inclusion to Inclusive Growth

How did we begin?



- First Technology Providers sought our support; then we approached RBI and Banks
- In June 2007 we signed up with AXIS Bank and ALW
- Started Pilot in August,2007 in Delhi and started Muzaffarpur operations in November,2007
- Main offering was Savings and Remittance facility and then micro-insurance and micro-credit.
- Teething problems- poor had to be persuaded to trust their deposits with us; card and technology related issues; remittance services stabilized late
- Opened over 8000 accounts between Delhi & Muzaffarpur
- Viability issues; income from micro-credit activity/value added services is the solution
- We are now in dialogue with AXIS Bank for revisiting technology & terms for capex and opex

The Customer has accepted both the BC model and Mobile Banking

Our BC initiatives to reduce cost/improve viability



1. **PP Partnership model in Rajasthan State**
 - Enrolled 4.1 million Households in 45 days; world's largest & fastest FI
 - Capex borne by Govt. and Opex shared by Bank and Technology Provider
 - Project on hold
2. **BC of Local Area Bank in Karnataka & AP**
 - Win-Win for both Bank and BC
 - Simple Technology and Card-less operations
3. **Be both a BC and Technology Provider**
4. **Try some innovative savings products**
5. **Add more products/services to improve viability**
6. **Collaborate with CSC Promoters**
7. **Partner Governments**
8. **Seek Policy approval for NBFC as BC**

Bank, Technology- Vendor & BC can together make this a Success

BASIX.. Bringing Smiles across Miles



THANK YOU