



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA
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January 14, 2016

To Chairman/MD & CEO
Scheduled Commercial Banks
(Including RRBs)

Dear Sir/Madam,

Financial Literacy Centres (FLCs) – Revised Guidelines

Please refer to our [circulars 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](#) issuing operational guidelines for conduct of financial literacy camps by FLCs and rural branches of banks.

Subsequent to the financial inclusion efforts by RBI and opening of accounts by banks through the PMJDY, considerable ground has been covered in the field of financial inclusion. Going forward, the focus is going to be on keeping the already opened accounts active. Financial literacy is central to this in the coming years as it enables consumers to understand the benefits of formal products and providers and to make choices that fit their needs and represent good value for money.

FLCs and rural branches of banks may adopt a tailored approach for different target groups viz. farmers, micro and small entrepreneurs, school children, SHGs, senior citizens etc. There should also be adequate synchronization at the ground level between the different stakeholders viz. LDM, DDM of NABARD, LDO of RBI, District and Local administration, Block level officials, NGOs, SHGs, BCs, Farmers' clubs, panchayats, PACS, village level functionaries etc. during the conduct of financial literacy camps.

In view of the above, the guidelines have been revised to align with the current financial landscape. Accordingly, the revised guidelines for Financial Literacy Centres of Lead Banks and the operational guidelines for the conduct of camps by FLCs and rural branches of banks have been prepared and are **annexed** (Annex I) herewith along with the reporting mechanism to be followed by SLBC Convener banks/lead banks.

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हिंदी आसान है, इसका प्रयोग बढ़ाइए

चेतावनी: रिज़र्व बैंक द्वारा ई-मेल, डाक, एसएमएस या फोन कॉल के जरिए किसी की भी व्यक्तिगत जानकारी जैसे बैंक के खाते का न्यॉर, पासवर्ड आदि नहीं मांगी जाती है। यह धन रखने या देने का प्रस्ताव भी नहीं करता है। ऐसे प्रस्तावों का किसी भी तरीके से जवाब मत दीजिए।

Caution: RBI never sends mails, SMSs or makes calls asking for personal information like bank account details, passwords, etc. It never keeps or offers funds to anyone. Please do not respond in any manner to such offers.



Banks may note that this set of revised guidelines supersede [RPCD.FLC.No.12452/12.01.018/2011-12 dated June 6, 2012](#) on Financial Literacy Centres - Guidelines. The financial literacy guide issued vide [circular RPCD.FLC.No.7641/12.01.018/2012-13 dated January 31, 2013](#) may be utilized by trainers as per requirements ***barring pages iii, iv and v*** that specify the operational guidelines for conduct of camps.

The financial literacy camps will be assessed/evaluated on an ongoing basis by the Lead District Officers (LDOs) of Reserve Bank of India.

Yours faithfully,

Sd/-

(A Udgata)

Principal Chief General Manager

Revised Guidelines for FLCs of banks and Operational Guidelines for conduct of camps

I. Stronger FLC Architecture – Board Approved Policies

Financial Literacy Centres are the building blocks or the basic units that initiate the financial literacy activities at the ground level. Hence banks should provide the minimum basic infrastructure and strengthen the existing FLC Eco-system.

1. The Financial Literacy Counsellor/Director heading the Financial Literacy Centre is the key stakeholder in driving the financial literacy initiatives at the ground level. Banks should immediately put in place board approved policies on the modalities for engagement/recruitment of Financial Literacy Counsellors in FLCs. Some points to keep in mind are:
 - a) The qualifications and the knowledge/skills of the FL Counsellor in conducting camps
 - b) Prior Experience in banking/related fields
 - c) Working knowledge of computers
 - d) Knowledge of the local language
 - e) Maximum Age for FL Counsellors
 - f) Fixed Remuneration at market rates with incentives for better performance
2. Physical Infrastructure: The FLC being a part of the lead bank office or a rural branch should have a separate room/space with a seating capacity of minimum 10 members to address walk in customers.
3. Basic amenities like Computers/laptops and printers and furniture and fixtures to be provided.
4. Vehicular support may be provided for FL counsellors.
5. Each FLC should have a dedicated Help line for addressing grievances of the public in the district and the helpline should be adequately publicized.
6. Skill building of FL Counsellors: RBI will organize a workshop/training program in collaboration with CAB, Pune to train the Financial Literacy Counsellors this year. Regional offices of RBI will hold workshops at state level every year as part of the Financial Literacy Week in each state.

Each SLBC Convenor bank should update the database on Financial Literacy Centres through their SLBC/UTLBC Website on a real time basis with inputs from the LDMs/Sponsor banks ([Format as per Annex II](#)).

II. Tailored Approach to Financial Literacy and conduct of camps

In a diverse country like ours, financial education should be customized to meet the requirements of different target groups, besides the basic financial literacy that every person is expected to know.

In this regard, FLCs and rural branches 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.

Going forward, the approach of FLCs and rural branches of banks on conduct of camps will be as follows:

1. Special camps for the newly included people in the financial system, including PMJDY account holders:



FLCs and rural branches of banks across the country should address this target group on a special footing given that they have recently come into the financial system. They should be encouraged to make meaningful transactions and start using the associated benefits of having a bank account. A sample booklet containing the information to this target group has been prepared and is [enclosed herewith](#). Banks may translate the booklet in the local language and provide to the camp participants.

Target: Minimum of one outdoor camp per month by each FLC and rural branch of banks. The special camps need to be conducted for a period of one year. In each camp, efforts may be taken to cover maximum number of participants.

2. 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)

Target: One camp per month for each target group by each FLC and rural branch of banks. Adequate publicity may be given before the conduct of the camps.

III. Concerted Approach & financial support

FLCs should try to get on board as many stakeholders as possible at the district/panchayat/village level viz. LDM, DDM of NABARD, LDO of RBI, District and Local administration, Block level officials, NGOs, SHGs, BCs, Farmers' clubs, panchayats, PACS, village level functionaries etc. during the conduct of the camps. Adequate publicity should be given before the camps are conducted. Distribution of pamphlets, intimation through panchayat and local administration, media publicity etc. should be considered to make the camps a success.

Currently, NABARD is in the process of preparing a comprehensive policy on funding for setting up of FLCs by all banks. With regard to detail on funding on financial literacy activities from the Financial Inclusion Fund, banks may follow guidelines issued by NABARD.

Reporting Mechanism

SLBC/UTLBCs will submit the enclosed excel sheet ([Annex III- Part A, B and C](#)) on a quarterly basis to the respective Regional offices of RBI within 20 days from the end of the quarter.

Apart from what has been indicated in this circular, FLCs are free to undertake financial literacy activities as deemed necessary, as per local needs.