

Kerala Financial Corporation  
Vellayambalam, Thiruvananthapuram -695033  
Kerala, India; Phone: 0471-2737666  
Web: www.kfc.org, Email: bd@kfc.org

### **NOTIFICATION**

Notification No. KFC/BD/01/2024-25 dated 25.11.2024

#### **Empanelment of retired officers from Scheduled Public Sector Banks and Scheduled Private Sector Banks as 'Direct Selling Agents (DSA) for Sourcing of Applications for Loans to MSMEs**

**1.** Kerala Financial Corporation (KFC), incorporated under the State Financial Corporations Act of 1951, is a trendsetter and path-breaker in the field of long-term finance, playing a major role in the development and industrialization of Kerala. Established as the Travancore Cochin Financial Corporation on 01.12.1953 and renamed as Kerala Financial Corporation consequent to the reorganization of states on linguistic basis in November 1956, KFC has now become a pioneer in industrial financing and is among the best SFCs in the country. KFC is an ISO-certified organization, posting profits continuously, having 16 MCBs and 03 LCBs with its Headquarters at Thiruvananthapuram and Zonal Offices at Kozhikode, Ernakulam and Thiruvananthapuram.

**2.** Retired officers from Scheduled Public Sector Banks and Scheduled Private Sector Banks have the expertise and networks to source loan proposals. Therefore, Kerala Financial Corporation (KFC) plans to engage such retired officers as DSAs to help generate quality loan leads across various segments.

#### **3. Eligibility Criteria of DSA:**

Eligible candidates include retired officers at Scale II and above from Scheduled Public Sector Banks and Scheduled Private Sector Banks (list enclosed). Employees, retired employees and relatives of KFC employees are not eligible. Upper Age Limit: 65 years as on 01.11.2024.

#### **4. Job Profile, Roles and Responsibilities of DSAs:**

(a) DSAs are tasked with generating leads for various loan products offered by KFC. This includes guiding applicants to submit online inquiries, sourcing complete and eligible proposals, assisting with document collection, and supporting applicants in completing the application process in line with KFC's guidelines. Once an application is registered with KFC, follow-up and interactions are managed by KFC officials. DSAs are expected to provide accurate and reliable leads that meet KFC's standards for loan approvals. Proposals that are rejected by other banks or financial institutions shall not be submitted to KFC. The appraisal process is conducted by KFC, and the decision to approve or reject proposals remains at the discretion of KFC.

(b) The empanelled DSAs should understand all the loan Products of KFC and obtain leads on loan requirements of eligible MSMEs from various sources.

- (c) DSAs should only source proposals from MSMEs that are not existing KFC customers. However, proposals from Bar Hotels, Films/ Cinema, Contractors (LOC, GBDS, EBDS) and Crusher projects will be ineligible for commission under this scheme, regardless of Udyam registration. Applications received directly by KFC, proposals from sectors other than MSMEs, or from sectors specified by KFC as ineligible from time to time, will also not qualify for commission. Additionally, proposals submitted under KFC's special Startup schemes are not eligible for commission.
- (d) The DSAs shall source applications from MSMEs with growth potential and good prospects. The DSAs shall not source the MSME loan proposals rejected/rescheduled by other Banks/ FIs or loan accounts in the SMA 2/NPA category.

## 5. Key Terms of Engagement:

- (a) **Commission-based Remuneration:** DSAs will be compensated solely on a commission basis, with no fixed monthly fees or retainership. The commission will depend on the loan amount successfully sourced by the DSA and sanctioned by KFC. No additional remuneration, expenses, or allowances will apply.
- (b) **Operational Setup:** DSAs will operate independently from their place of work, with no space or infrastructure provided by the Corporation. They must have a mobile phone in their own name.
- (c) The Corporation will fix the commissions payable to DSA and will be subject to periodic revision. The minimum loan amount to be sourced by DSAs should exceed Rs.200 lakh.
- (d) The following commissions for DSAs are approved exclusively for canvassing MSME proposals (excluding the ineligible proposals mentioned in 4(c)).

Loan Amount Sanctioned	For MSME proposals (Rs.)*	
	Credit Rating below Band 2	Band 1 & 2 Credit Rated Accounts
>200 lakh upto 500 lakh	10,000	20,000
>500 lakh upto1000 lakh	40,000	60,000
>1000 lakh	80,000	1,00,000

\* The commission stated above shall not exceed the processing fee collected from the customer.

- i. The commission will be paid only after loan's first disbursement.
- ii. DSAs will not be eligible for commission if the customer has directly approached KFC
- iii. DSAs are not eligible for any fees, other than the fees fixed by KFC. DSAs should not accept commissions in cash or kind from applicants, promoters, or their representatives.
- iv. Before effecting payment of fees, a declaration shall be obtained in writing from the applicant by the DSA and be furnished to KFC that no fees or any consideration have been paid by the applicant to them.

- v. All Claims should be submitted on monthly basis to the Business Development Department through the Branch Head concerned.
- vi. Fees will not be payable in cases where KFC is obliged to pay Fee/ remuneration to other persons/ parties under any other arrangement, for the same loan proposal.
- vii. Payment of fees will be made by way of online credit to the specified bank account of the DSA after deducting the applicable taxes at source.

#### **6. Terms / Period of Empanelment:**

- (a) Empanelment is purely temporary and shall be valid for one year only. KFC reserves the right to discontinue the DSA's services at any time without providing reasons.
- (b) The empanelment of DSA with the Corporation is as a service provider only & it does not create any employer employee relationship & the successors or assigns of the DSA will not have any right to claim employment or any other benefit whatsoever from the corporation. DSAs should not present themselves as KFC officials or make commitments on KFC's behalf.
- (c) **The Zonal Manager** will be responsible for verifying the eligibility of applicants and empanelling the DSAs **for branches within the Zone**. Each branch may empanel up to five DSAs at a time. **For TVM, EKM and KKD, the empanelment will be common for MCBs and LCBs**. Once empanelment is complete, the list shall be shared with the Business Development Department and the IT Department will arrange to publish it on KFC's website.

#### **7. Minimum Business Criteria:**

The DSA has to canvass minimum one proposal within the first three months, otherwise the empanelment will be cancelled automatically. Further, a minimum business of one proposal per month is required. If a DSA fails to meet this target in a quarter (excluding the first three months of empanelment), their services will be automatically terminated. The Corporation's decision in this regard shall be final, and the DSA shall not raise any objections. However, they will still receive a commission for proposals they have already mobilized and sanctioned. However the commission will be paid only after loan's first disbursement. BD has to monitor the business canvassed and empanelment of the DSAs. **DSAs can canvass proposals across the State and proposals shall be submitted to BOs as per the jurisdiction.**

#### **8. Contractual Obligations:**

The engagement will be governed by a formal agreement outlining the roles and responsibilities of DSAs, confidentiality, performance standards, and regulatory compliance. DSAs must adhere to KFC's code of conduct, safeguarding the Corporation's reputation.

#### **9. General conditions:**

- (a) Empanelment of DSAs will be purely on a temporary basis.
- (b) KYC compliance of DSAs is mandatory.

- (c) DSAs should not appear in the latest list of CIBIL/ RBI Caution Advice list.
- (d) DSAs should not have been blacklisted or penalized by any bank, FI, or regulatory authority.
- (e) DSAs should follow the code of conduct of RBI or any other codes set by KFC in this regard from time to time.
- (f) KFC will issue a Photo ID card for DSAs to display when visiting prospective clients.
- (g) The DSAs should not have been convicted of any offence and/ or sentenced to a term of imprisonment.
- (h) The applicants should not have been subjected to any disciplinary proceedings or penalties during their tenure with the bank.
- (i) DSAs shall not solicit customers who have directly approached KFC.
- (j) The DSA shall permit KFC, or individuals authorized by KFC, to access the DSA's documents, records, transactions, and any other necessary information provided to, stored, or processed by the DSA within a reasonable timeframe.
- (k) DSA can be terminated by KFC at any time if DSA's performance is found contrary to the KFC's instructions or if he/ she is found to perform any action detrimental to KFC's interest.
- (l) In the event of premature termination/ expiry of empanelment, DSA will have to immediately surrender the Identity Card and any material provided by KFC.
- (m) Extension of the empanelment with KFC will depend upon performance in the activity/ services allotted to him/her and necessity of his/her services to KFC.
- (n) KFC has the right to terminate this empanelment without assigning any reason.
- (o) An attempt to commit fraud or misuse of position enjoyed by DSA is also a ground to terminate the empanelment.
- (p) The DSA should indemnify and keep KFC indemnified against any claims, loss or damages, actions, costs, charges and expenses whatsoever which may be brought or made against or sustained or incurred by KFC (and whatever paid by KFC or not) or which KFC become liable under or in respect of or incidental to or relating to empanelling the DSA.
- (q) The DSA shall ensure the preservation and protection of the security and confidentiality of customer information and data. It shall also ensure that all information provided and documents exchanged with the Corporation are submitted in a timely manner, with no material misrepresentations or omissions.
- (r) The DSA shall not be disqualified by any law in force that prohibits them from entering into an agreement with the Corporation and is not insolvent and no insolvency proceeding are pending against them and no criminal proceedings are pending against them.
- (s) In case of disputes, a meeting shall be requested in writing. Only if the matter remains unresolved after the expiry of 30 days, the DSA may pursue other options, provided the dispute is raised within 15 days of occurrence.
- (t) All cases /proceedings relating to any dispute or claim arising out of this empanelment shall be subject to the exclusive jurisdiction of the court at Thiruvananthapuram.
- (u) Employees of KFC, retired employees of KFC, Employees who worked earlier in KFC and their relatives (relative with the definition given in Companies Act, 2013) will not be eligible for the empanelment.

**10.** Application form placed as **Annexure 'A'** shall be submitted, duly completed in all respect, along with all required documents, by post to the following address, as per the preference of the applicants:

<b>Address</b>	<b>Preference</b>
Zonal Manager, South Zone, Kerala Financial Corporation, Head Office Vellayambalam Thiruvananthapuram - 695033, Ph:0471-2737531	<ol style="list-style-type: none"> <li>1. Large Credit Branch (LCB), Thiruvananthapuram</li> <li>2. MSME Credit Branch (MCB), Thiruvananthapuram</li> <li>3. MSME Credit Branch (MCB), Kollam</li> <li>4. MSME Credit Branch (MCB), Alappuzha</li> <li>5. MSME Credit Branch (MCB), Pathanamthitta</li> </ol>
Zonal Manager, Central Zone, Kerala Financial Corporation, Finance Towers Ist Floor, Kaloor road, Ernakulam - 682017 Ph:0484-2401645	<ol style="list-style-type: none"> <li>1. Large Credit Branch (LCB), Ernakulam</li> <li>2. MSME Credit Branch (MCB), Ernakulam.</li> <li>3. MSME Credit Branch (MCB), Kottayam</li> <li>4. MSME Credit Branch (MCB), Thodupuzha</li> <li>5. MSME Credit Branch (MCB), Kattappana</li> <li>6. MSME Credit Branch (MCB), Perumbavoor</li> <li>7. MSME Credit Branch (MCB), Thrissur</li> </ol>
Zonal Manager, North Zone, Kerala Financial Corporation, IInd Floor, Manuelsons Building, (Near to Hotel Malabar Palace), G.H. Road, Muthalakkulam, Kozhikode. 673 001 Ph:0495-2722779	<ol style="list-style-type: none"> <li>1. Large Credit Branch (LCB), Kozhikode</li> <li>2. MSME Credit Branch (MCB), Kozhikode</li> <li>3. MSME Credit Branch (MCB), Palakkad</li> <li>4. MSME Credit Branch (MCB), Malappuram</li> <li>5. MSME Credit Branch (MCB), Wayanad</li> <li>6. MSME Credit Branch (MCB), Kannur</li> <li>7. MSME Credit Branch (MCB), Kasaragod</li> </ol>

**11.** Last date of receipt of the application: **20.12.2024, 5 PM.** No application shall be entertained if submitted in other modes or received late.

Managing Director

Place: Thiruvananthapuram

Date: 25.11.2024

### List of Scheduled Public Sector and Private Sector Banks

SI No.	Name of Agency Bank
<b>Scheduled Public Sector Banks (post amalgamation)</b>	
1	Bank of Baroda
2	Bank of India
3	Bank of Maharashtra
4	Canara Bank
5	Central Bank of India
6	Indian Bank
7	Indian Overseas Bank
8	Punjab and Sind Bank
9	Punjab National Bank
10	State Bank of India
11	UCO Bank
12	Union Bank of India
<b>Scheduled Private Sector Banks</b>	
13	Axis Bank Ltd.
14	City Union Bank Ltd.
15	DCB Bank Ltd
16	Federal Bank Ltd.
17	HDFC Bank Ltd.
18	ICICI Bank Ltd.
19	IDBI Bank Ltd.
20	IDFC FIRST Bank Ltd
21	IndusInd Bank Ltd
22	Jammu and Kashmir Bank Ltd. *
23	Karnataka Bank Ltd.
24	Karur Vysya Bank Ltd.
25	Kotak Mahindra Bank Ltd.
26	RBL Bank Ltd
27	South Indian Bank Ltd.
28	Yes Bank Ltd.
29	Dhanlaxmi Bank Ltd.
30	Bandhan Bank Ltd.
31	CSB Bank Ltd.
32	Tamilnad Mercantile Bank Ltd.

\*Approved for limited agency business.

Source: <https://www.rbi.org.in>

**KERALA FINANCIAL CORPORATION  
HEAD OFFICE, THIRUVANANTHAPURAM**

Notification No. KFC/BD/01/2024-25 dated 25.11.2024

**Application Form for Empanelment of Retired Bank Officers as DSA for  
Sourcing MSME Loan Applications**

**Zone Selected :**

**Preferred Branch :**

<b>Personal Information:</b>	
1. Name of the Applicant	:
2. Date of Birth (DD/MM/YYYY)	:
3. Age as on 01.11.2024	:
4. Contact Details:	
• Mobile Number	:
• Email Address	:
5. Permanent Address	:
6. Correspondence Address (if different):	:
7. PAN No.	:
8. Aadhaar No.	:
9. GST Registration details	:
10. Branch to which enrolment sought	:
<b>Professional Details:</b>	
11. Name of the Bank Retired From	:
12. Position/Scale at the Time of Retirement (Minimum Scale II)	:
13. Total Years of Service	:
14. Date of Retirement	:
15. Relevant Experience in Loan Sourcing/Processing (Please provide a brief description of your experience and any relevant achievements – Attach separate sheet if necessary):	
<b>Eligibility Confirmation:</b>	
16. Have you ever been employed by KFC, retired from KFC, or are you related (as defined under the Companies Act, 2013) to any current or former KFC employee? (Yes/No):	:
17. Have you ever been subjected to any disciplinary proceedings or penalties during your tenure with the bank?	:
<b>Additional Information (if any):</b>	

**Self-Declaration**

I, \_\_\_\_\_ son/daughter of \_\_\_\_\_, residing at \_\_\_\_\_, hereby declare and affirm the following as part of my application for empanelment as a Direct Selling Agent (DSA) with Kerala Financial Corporation (KFC):

1. I understand and accept that the empanelment as a DSA is purely on a temporary basis and may be terminated by KFC at any time without assigning any reason.
2. I confirm that I will comply with all KYC requirements mandated by KFC.
3. I affirm that my name does not appear on the latest list of CIBIL/ RBI Caution Advice list.
4. I have not been blacklisted or penalized by any bank, financial institution, or regulatory authority.
5. I will adhere to the code of conduct prescribed by the RBI and any other guidelines or codes issued by KFC during my tenure as a DSA.
6. I acknowledge that KFC will issue me a Photo ID card, which I will display during visits to prospective clients.
7. I confirm that I have not been convicted of any offence or sentenced to imprisonment by any court of law.
8. I will not solicit customers who have directly approached KFC.
9. I permit KFC or its authorized representatives to access my documents, records, and transactions related to my role as a DSA within a reasonable timeframe.
10. I understand that my empanelment may be terminated for any performance contrary to KFC's instructions or if my actions are found detrimental to KFC's interests.
11. In the event of termination or expiry of my empanelment, I will immediately surrender my ID card and any materials provided by KFC.
12. I accept that the extension of my empanelment will depend on my performance and KFC's requirement for my services.
13. I agree that any attempt to commit fraud or misuse my position as a DSA is grounds for immediate termination of empanelment.
14. I indemnify and will keep KFC indemnified against any claims, losses, damages, actions, costs, charges, and expenses arising out of my empanelment.
15. I assure the preservation and protection of the security and confidentiality of customer information and data, and I will provide accurate and timely information and documents to KFC.
16. I declare that I am not disqualified by any applicable law, I am not insolvent, and no insolvency or criminal proceedings are pending against me.
17. I declare that I have never been subjected to any disciplinary proceedings or penalties during my tenure with the bank.
18. In case of disputes, I agree to first request a meeting in writing and pursue other options only if the matter remains unresolved after 30 days, provided the dispute is raised within 15 days of occurrence.
19. I agree that all disputes or claims related to this empanelment will fall under the exclusive jurisdiction of the courts at Thiruvananthapuram.
20. I confirm that I am not an employee or retired employee of KFC, nor have I worked for KFC previously. I also affirm that none of my relatives (as defined under the Companies Act, 2013) are/were employees of KFC.

I declare that the information provided above is true and accurate to the best of my knowledge and belief. I understand that any misrepresentation or omission may result in the rejection of my application or termination of empanelment.

**Signature of the Applicant**

Date:



**Documents to be Attached:**

- ID Proof (Aadhaar/Passport /PAN Card/ Voter ID Card /Driving License)
- Proof of Date of Birth (Passport / PAN Card/ Driving License)
- Proof of Retirement (Pension Payment Order)
- Address Proof (Utility Bill/Voter ID)
- GST Registration Details

Please note: Original document should be produced for verification.

**Instructions for Submission:**

- Ensure that all fields are filled accurately.
- Attach the required documents along with this application form.
- Application form shall be submitted, duly completed in all respect, along with all required documents, by post to the following address, as per the preference of the applicants.

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Zonal Manager, Central Zone, Kerala Financial Corporation, Finance Towers, 1 <sup>st</sup> Floor, Kaloor road, Ernakulam - 682 017 Ph: 0484-2401645	1. Large Credit Branch (LCB), Ernakulam 2. MSME Credit Branch (MCB), Ernakulam 3. MSME Credit Branch (MCB), Kottayam 4. MSME Credit Branch (MCB), Thodupuzha 5. MSME Credit Branch (MCB), Kattappana 6. MSME Credit Branch (MCB), Perumbavoor 7. MSME Credit Branch (MCB), Thrissur
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For further queries, contact: Kerala Financial Corporation, Business Development Department, Head office, Thiruvananthapuram (Email: [bd@kfc.org](mailto:bd@kfc.org), Phone: 0471-2737576) or visit the official website [www.kfc.org](http://www.kfc.org) .