
OPPORTUNITY INFRASTRUCTURE

Bank Branch (for Financial Access)

WHAT THIS INSTITUTION IS

A bank branch — whether State Bank of India, a regional rural bank, or a district cooperative bank — is where a young person's financial identity begins. Pradhan Mantri Jan Dhan Yojana (PMJDY) accounts, Direct Benefit Transfer payments for scholarships and wages, savings accounts, Mudra loans, and basic financial services all flow through bank branches. The Lead District Manager (LDM), appointed by the Lead Bank of the district (which is in turn designated by the Reserve Bank of India), coordinates financial inclusion across all banks in the district. In villages without branches, Bank Mitras (Banking Correspondents) provide last-mile banking using Aadhaar-linked devices. Bank Mitras are not bank or government employees — they are local agents appointed by the bank on a contract basis.

WHY THIS MATTERS TO YOU

If you need to open a zero-balance bank account, receive your scholarship or VB-G RAM G wages through Direct Benefit Transfer (DBT), apply for a Mudra loan to start a small business, or access any government financial benefit, a bank branch is where it happens.



GOVERNANCE

LAW / POLICY	SCOPE
Banking Regulation Act, 1949	Governs bank operations and licensing
Lead Bank Scheme (RBI, 1969, revised)	Designates one bank as lead for each district for financial inclusion
PMJDY Guidelines	Zero-balance accounts with RuPay card and insurance
Pradhan Mantri Mudra Yojana (PMMY) (Mudra Yojana) Guidelines	Collateral-free micro-enterprise loans in four categories
Priority Sector Lending Guidelines (RBI)	Mandates bank lending to underserved sectors

- **Centre:** RBI → SLBC (State Level Bankers' Committee, convened by the lead bank of the state; quarterly; all banks, RBI, National Bank for Agriculture and Rural Development (NABARD), state government). The Lead Bank Scheme was last comprehensively reviewed in 2009 (Usha Thorat Committee); the operative guidelines are consolidated in RBI's April 2025 LBS Master Circular, with a draft revision issued for public comment in February 2026.
- **District:** District Consultative Committee (DCC), chaired by the District Collector and convened by the LDM; members include the Lead District Officer (LDO) of RBI (RBI's district-level representative), all banks in the district, NABARD DDM, District Industries Centre (DIC) General Manager and other line-department officers; meets quarterly to review priority-sector lending, PMMY, Prime Minister's Employment Generation Programme (PMEGP), financial-inclusion performance and any successor of Stand-Up India. District Level Review Committee (DLRC) — chaired by District Collector, convened by LDM, quarterly; MPs, MLAs and Zilla Parishad chiefs are invited; reviews implementation of LBS programmes. Block Level Bankers' Committee (BLBC) — chaired by the LDM; members include all banks operating in the block (including SFBs), the BDO, and block-level extension officers for agriculture, industries and cooperatives; NABARD's District Development Manager (DDM) is expected to attend.
- **Branch:** Branch Manager handles all operations; Financial Inclusion Officer / MUDRA desk officer in larger branches; Business Correspondent supervisor coordinates village-level BCs
- **Village:** Bank Mitras / Banking Correspondents provide last-mile Aadhaar-based banking
- **Funding:** Banks are commercial entities; financial inclusion mandates are part of RBI requirements

KEY POSITIONS

POSITION	RESPONSIBILITY
Branch Manager	All operations — account opening, loans, customer service
Lead District Manager (LDM)	Financial inclusion coordinator for the district (at lead bank's main branch); employed by the Lead Bank, not RBI
Lead District Officer (LDO)	RBI's district-level representative; sits on the DCC; provides regulatory oversight of the LBS in the district
Bank Mitras / Banking Correspondents	Last-mile banking agents using Aadhaar-linked micro-ATMs in villages; engaged by the bank on contract, not bank or government employees
Financial Literacy Counsellor at the Financial Literacy Centre (FLC)	Supposed to exist at block level under SLBC guidelines



MANDATED SERVICES

- Open PMJDY zero-balance savings accounts with RuPay debit card and Rs 2 lakh accident insurance (for accounts with RuPay card used at least once every 90 days), plus overdraft facility up to Rs 10,000
- Process DBT receipts: VB-G RAM G wages, scholarships, pensions, PM-KISAN
- Disburse Mudra loans under PMMY: Shishu (up to Rs 50,000), Kishore (Rs 50,000-5 lakh), Tarun (Rs 5-10 lakh), Tarun Plus (Rs 10-20 lakh for repeat Tarun borrowers)
- Extend collateral-free loans up to Rs 20 lakh to all Micro and Small Enterprise (MSE) borrowers (RBI Master Direction, effective April 1, 2026); banks may extend the threshold to Rs 25 lakh on the basis of internal policy and track record
- PM-SVANidhi (launched 2020; restructured by Cabinet on 27 August 2025; extended to 31 March 2030) – collateral-free working capital loans to street vendors in three tranches of Rs 15,000, Rs 25,000 and Rs 50,000; vendors who have repaid the second loan become eligible for a UPI-linked RuPay credit card (limit per the operative MoHUA scheme guideline)

LINKED SCHEMES

- **PMJDY** – zero-balance savings account, RuPay card, accident insurance, overdraft facility
- **Mudra Yojana (PMMY)** – collateral-free loans: Shishu (up to Rs 50,000), Kishore (up to Rs 5 lakh), Tarun (up to Rs 10 lakh), Tarun Plus (up to Rs 20 lakh)
- **Stand-Up India** – original scheme ended March 31, 2025; a revamped version was announced by the Union Finance Minister on March 16, 2026 but had not been launched as of guide publication
- **Atal Pension Yojana (APY)** – guaranteed pension of Rs 1,000-5,000/month for citizens aged 18-40
- **Sukanya Samridhi Yojana** – girl child savings account with tax benefits

HOW TO LOCATE

Portal: rbi.org.in – Bank Branch Locator section; search by district for all branches

Also: Search "[your district] lead bank" to identify the LDM; ask at the block office for the nearest Bank Mitra

KEY FACILITIES

A functioning bank branch should have: adequate space for customer transactions, core banking system connectivity, a customer service counter, and (for larger branches) a working ATM. For Bank Mitras in villages, the minimum is a working micro-ATM device with Aadhaar biometric authentication.

WHAT A FUNCTIONING BANK BRANCH LOOKS LIKE

- A young person can open a PMJDY account in a single visit
- The branch is processing Mudra loans – applications are accepted and tracked
- The Bank Mitra in a nearby village has a working device and is available during regular hours
- DBT payments (scholarships, VB-G RAM G wages) are reaching accounts on time
- A financial literacy centre at the block level has conducted camps in the last 6 months

GRIEVANCE REDRESSAL

During service delivery. The first point of contact is the Branch Manager. For DBT-credit failures, the Customer Service Officer is the front-line. For Bank Mitra / Business Correspondent (BC) service denials,



the BC supervisor at the parent branch is the first responder. The LDM also convenes quarterly public meetings across the district (in coordination with the RBI's LDO) for awareness, feedback and grievance redressal.

After service. Escalation is to the bank's Nodal Officer for Customer Service (typically at zonal office) and then the Banking Ombudsman. The Lead District Manager (LDM) handles financial-inclusion gaps at district level.

External. From July 1, 2026, the Reserve Bank – Integrated Ombudsman Scheme (Reserve Bank Integrated Ombudsman Scheme (RB-IOS)), 2026 (issued January 16, 2026) supersedes the RB-IOS, 2021. It covers every scheduled commercial bank, regional rural bank, and non-banking financial company of specified size, accessible at cms.rbi.org.in. The RBI helpline is 14448. Centralised Public Grievance Redress and Monitoring System (CPGRAMS) (pgportal.gov.in) handles Ministry of Finance / Department of Financial Services complaints. For PMJDY account-opening denials, Financial Inclusion complaints go through the SLBC. The Banking Codes and Standards Board of India (BCSBI) also handles customer-service grievances.

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