



VAKRANGEE KENDRA FREQUENTLY ASKED QUESTIONS (FAQ)

CORPORATE OFFICE:

Vakrangee Corporate House

Plot No. 93, Road No. 16, M.I.D.C., Marol, Andheri (East), Mumbai – 400093, Maharashtra

1. General Questions

Q.1: What is a Banking BC? How do I become a Banker with that?

Answer: A Banking BC means a Business Correspondent of the Bank who can conduct many types of Banking transactions such as Account Opening, Deposit, Withdrawal etc. Within 7 days of joining Vakrangee Kendra and opening of settlement account you will become an official Banking BC and hence a Banker.

Q.2: What are the expenses for setting up a Vakrangee Kendra beyond Rs 9999?

Answer: There is no extra charge after you pay Rs 9999 to get a Vakrangee Kendra Without ATM. Beyond that you have to setup a 40-65 Ft store as per norms laid out by Vakrangee and can be done after you generate income from the various services.

Q.3: Are all the services available from day one or some more work required to get them?

Answer: Banking BC will take a week post opening of settlement account. Amazon service activation can take a few days. Insurance requires you to pass an exam which may take a week or two. All other services are immediately available for Franchisees.

Q.4: What is the average amount of income made by Vakrangee Kendra's Franchisees?

Answer: On an average a good Vakrangee Kendra owner can make around Rs 25,000-1,00,000+ per month.

Q.5: Other similar platforms are giving service free or charging Rs 1000, Why is Vakrangee charging Rs 9999 for its platform?

Answer: We have the most exclusive services such as Demat, Health Services which are not available on any other platform. Hence earning potential is more in a Vakrangee Kendra and that is why we charge a small premium for our outlets.

Q.6: Can I choose the Bank for banking BC, I want UBI, is it possible?

Answer: The Bank can be provided of SBM Bank India only

Q.7: What are the features of a Vakrangee Kendra?

Answer: With Vakrangee Kendra you get to become a Banking BC and get to provide a whole range of services such as Insurance, Demat Account, Health Services, eCommerce and many more services

Q.8: Can you shed some light on SBM bank?

Answer: SBM Bank India is the State Bank of Mauritius and is a licensed Bank by the RBI. SBM is a global Bank having presence in multiple countries. SBM has highly aggressive growth targets and that is why is the best for Banking BC. In SBM you get Rs 40 commission per new account opening which is the highest for any Bank. The transactions of all banks can be conducted at a SBM Banking BC

Q.9: Can one withdraw and deposit money from accounts held in banks other than SBM?

Answer: Yes, all bank transactions can be done with AEPS, DMT and SBM Banking BC

Q.10: Hardly any rural people are involved in equity markets, then what's the point of having a DEMAT account?

Answer: Stock Market investing is slowly becoming a new avenue for rural people to invest. Past few years people investing stock market is consistently increasing and eager to invest in the same. As a Vakrangee Kendra Franchisee you can enable this change to take place in rural and semi urban areas.

Q.10: What is the procedure to apply?

Answer: Just click on the Apply Now button on apply.vakrangeekendra.in and in the next form fill the application form and make the payment for the required model through the payment gateway

Q.11: Can someone handhold me while filling the application?

Answer: The Vakrangee Kendra application process is simple and can be done very easily. For more details: Please call us on – 022-68230111 (10 am to 7 pm - Monday to Saturday)

Q.12: Can the payment be made in installments?

Answer: No, the full payment amount of the respective model needs to be paid before we start the operations for the Franchisee

Q.13: Are there any extra payments beyond 9999 for Vakrangee Kendra without ATM model?

Answer: No further payments are involved beyond Rs 9999.

Q.14: What are the deliverables in 9999 for the Vakrangee Kendra without ATM Model?

Answer: You will immediately get the SBM Banking BC and access to all services inside a Vakrangee Kendra as described in the presentation available on apply.vakrangeekendra.in

Q.15: What are the prerequisites for the 9999 Model?

Answer: There are no prerequisites for the model beyond some requirements such as 12th Standard Pass. We believe this entrepreneurship and self-employment opportunity can be done by anyone with an entrepreneurial spirit

Q.16: Will we be provided with a banner?

Answer: All the designs of the Banners and Posters will be made available through our VKMS (Vakrangee Kendra Management System)

Q.17: How will the card and passbook be issued?

Answer: The debit card will be directly sent to the address mentioned while account opening. Additionally, Digital Passbook will be available to the customer in the future.

Q.18: Can I get BC point for a PSU?

Answer: No, only SBM Bank BC is available as it has better terms than PSU BC as already discussed

Q.19: Is there any monthly rent or maintenance?

Answer: No monthly rent or maintenance is charged in this model

Q.20: Is there a separate portal for SBM?

Answer: SBM Banking BC is accessed through the VKMS portal for which login and password will be shared with Franchisee as soon as the payment is made

Q.21: Is money transfer allowed?

Answer: Yes DMT (Direct Money Transfer) services are included in Vakrangee Kendra

Q.22: Can the account be made instantly?

Answer: SBM Banking Account opening is instant for the customer. He will get the account number immediately after opening the account.

Q.23: Is PAN card necessary for account opening?

Answer: Currently PAN is required for account opening. However, shortly the Bank will allow account opening with only Aadhaar also.

Q.24: Will Aadhar Card with rural address be sufficient to open an account?

Answer: Yes, you can open a Bank Account with only the Aadhaar Card

Q.25: Is there a location level executive available to explain in detail?

Answer: Currently we do not have this available as the volume of new Applicants is very high. But to know more about our business model, you can join live meeting with our Expert team on

- Google Meet Link - <https://meet.google.com/xcc-azyw-beh>
- Timing: 10 am to 5 pm - Monday to Friday

Q.26: What is the Name of the bank (SBM)?

Answer: SBM Bank India has RBI License for a bank which can operate throughout the country

Q.27: How frequently is the commission settled – weekly or monthly?

Answer: The commission is settled monthly.

Q.28: Why SBM bank over other banks?

Answer: SBM bank India has very low dependencies, it just takes 7 days to activate services post opening of settlement account, compared to others which take over 2 to 3 months. Also, the commission structure of SBM bank India is much better than any of its peers. For instance, for opening one bank account you get INR 40 as compared to other Banks where you receive Rs. 10-16.

Q.29: Do we need a GST number?

Answer: Yes, GST number is needed.

Q.30: Can we use saving account for settlement?

Answer: A current account is needed from the nearest bank where you can get TDS exemption under Section 194N, and the Bank does not charge any Cash Withdrawal Charges. Vakrangee will provide Account Opening Letter to the franchisee for the ease of Account Opening.

Q.31: Are there any targets for various services?

Answer: Targets will be regularly communicated to Franchisees to increase the business focus.

Q.32: Where can I see the commission structures for all services?

Answer: Please refer to the presentation available on apply.vakrangeekendra.in, slide numbers 6, 12, and 17.

Q.33: Documents required to open a DEMAT account?

Answer: One requires a PAN card to open DEMAT account.

Q.34: How to add funds to the wallet?

Answer: The franchisee will be given a virtual account. By transferring funds to the virtual account funds are directly added to the wallet.

Q.35: How many wallets are there?

Answer: There would be two wallets one with SBM bank India and other with Vakrangee.

Q.36: Will I be provided training regarding the use of VKMS?

Answer: Yes, a comprehensive training regarding every service will be provided by a Vakrangee executive.

Q.37: How many days does it take to activate the BC point?

Answer: The BC point is activated within 7 days after all the required formalities are completed

Q.38: When does the training start?

Answer: After making the full payment a VKID is generated, the new member of Vakrangee family receives a Welcome call from one of our executives and along with that a Welcome mail is received which has all the details like Log in credentials, Training schedule etc.

Q.39: How to make the payment?

Answer: Vakrangee supports both online and offline payment methods. Click on the Apply Now tab on the page apply.vakrangeekendra.in to reach the application stage where all payment options are available.

Q.40: What are the documents required to apply for Vakrangee Kendra?

Answer: Only basic documents such as Aadhar card and Pan card are required.

2. ATM Related Questions

Q.41: How is the ATM free and how much of my security deposit will I get back?

Answer: There are no extra charges for the ATM model except a Security deposit of Rs 2 Lakh which will be returned after the five years of the contract. If Franchisee exits from the model in the first three years, then Rs 1 Lakh will be deducted from the Deposit. While if the Franchisee withdraws in the fourth or fifth year then Rs 50000 will be deducted from the Deposit. This answer is specifically for the Azaadi ka Amrit Mahotsava Offer.

Q.42: What is the Area required for the ATM to be setup?

Answer: An ATM can be setup in a 40 sqft to 65 sqft enclosure/shop or even less if inside an already existing retail outlet

Q.43: Who funds the working capital?

Answer: The Working Capital for cash loading is the responsibility of the Franchisee.

Q.44: Types of transactions that can be done through the ATM?

Answer: Following type of transactions can be done through ATM.

- Financial Transactions: Cash Withdrawal and Fast Cash
- Non-Financial Transactions: Balance Enquiry, PIN Change, and MINI Statement
- Value Added Services (Transactions): Mobile Banking Registration, Aadhaar Number Seeding, Cheque Book Request, Statement Request, and Card to Card Fund Transfer

Q.45: Can you deposit money?

Answer: Currently, the facility of accepting cash deposit in the ATM is not live. The existing ATMs can provide only cash withdrawal facility along with other Non-Financial Transactions.

Q.46: ATM Machine is from which company?

Answer: Currently we are providing new ATMs of Vortex make.

Q.47: What are the Deliverables that you will deliver to my outlet?

Answer: We would be providing ATM, VPN device, CCTV with NVR and Hard Disk with 90 days back up capacity, and Admin card.

Q.48: Who provides internet connectivity? What is the minimum required speed?

Answer: Internet connectivity is the responsibility of the Franchisee. A stable internet connection of minimum 10MBPS speed is required along with a backup internet connection.

Q.49: Who does the interiors of the Kendra?

Answer: The interior is the responsibility of the Franchisee and design requirements as mentioned in the KDB Manual are to be followed.

Q.50: Any license required?

Answer: Vakrangee has a White Label ATM License from RBI to provide ATM service at the franchisee location. Any licenses required specific to the state or local authority shall be the responsibility of the franchisee.

Q.51: What is the revenue earned from atm?

Answer: The revenue earned from an ATM by the franchisee is

- Overall, Rs. 17 from every financial transaction and Rs 6 for a non-financial transaction. The Franchisee share is mentioned in the table below

| Model Name | Commission for Financial Transaction | Commission for Non-Financial Transaction |
|--|---|--|
| Bronze Model with ATM / Bronze Model – Only ATM | Rs. 10 per Transaction for initial 2,500 Financial Transactions and Rs. 11 per Transaction for Financial Transactions above 2,500 | Rs. 3 per Transaction |
| Azadi Ka Amrit Mahotsav Offer: Vakrangee Kendra with Free ATM / Only ATM Model | Rs. 9 per Transaction | Rs. 2.5 per Transaction |

Q.52: Who's responsible to transport cash from bank to ATM

Answer: The responsibility of transporting the cash from the bank to ATM lies with the Franchisee. Vakrangee will be providing cash in-transit insurance of Rs. 10,00,000 to cover the transit risks.

Q.53: Who will be responsible for cash loading in the ATM?

Answer: This responsibility of cash loading in the ATM lies with the Franchisee and training for the same will be provided by Vakrangee.

Q.54: What happens if the ATM goes cash out on a bank holiday?

Answer: The franchisee is required to maintain a minimum working capital of 3 days. Cash loading should be done in such a way that the ATM does not go cash out on a bank holiday. If any ATM remains cash out for more than 10 hours in a month, RBI has the right to levy a penalty of Rs. 10,000 per ATM.

Q.55: Can the settlement account be opened in any bank?

Answer: Yes, the settlement account can be opened in any nearby scheduled bank as per RBI guidelines.

Q.56: Will an inverter be provided?

Answer: An Inverter is not required as a source of additional power backup to run the ATM. Instead, franchisee is required to purchase a UPS along with batteries for additional power backup arrangement depending upon the power outage in the area.

Q.57: What is the Contract period?

Answer: The Contract period is of five years and would be automatically renewed for a period of another 5 years, unless discontinued by either party.

Q.58: Is there any refund if the 5 years contract is not completed?

Answer:

| Model Name | Applicable Refund |
|--|---|
| Azadi Ka Amrit Mahotsav Offer: Vakrangee Kendra with Free ATM / Only ATM Model | <ul style="list-style-type: none"> • Complete refund of Rs. 2,00,000 is applicable if the franchisee exits after period of 5 years. • Amount of Rs. 1,00,000 will be deducted from security deposit if closure is done within the first 3 years and the remaining amount will be refunded. • Amount of Rs. 50,000 will be deducted from security deposit if closure done in the 4th or 5th year and the remaining amount will be refunded. Taxes will be deducted if applicable. |
| Bronze Model with ATM / Bronze Model – Only ATM | No refund is applicable |

Q.59: How is the Comparison with other competitors?

Answer: Check the Franchisee Presentation available at apply.vakrangeekendra.in on pages 18 and 19

Currently Vakrangee’s ATM Model is the best in the market both for having no initial charges as well as highest commissions per transaction.

Q.60: Who will do the branding?

Answer: The Branding will be the responsibility of the Franchisee while Vakrangee will ensure the Designs are provided to the Franchisee.

Q.61: Can you send someone over so I can discuss personally about the ATM model?

Answer: In order to facilitate the direct interaction with a prospective franchisee, we have a live video conference option where prospective franchisee can join and ask their queries. You can join live meeting with our Expert team on:

- Google Meet Link - <https://meet.google.com/xcc-azyw-beh>
- Timing: 10 am to 5 pm - Monday to Friday

Q.62: Does card of any bank work in the ATM?

Answer: Yes, Card of all banks will work for cash withdrawal at a Vakrangee Kendra ATM.

Q.63: Is the ATM machine on custodian basis or the ownership is transferred?

Answer: The ATM machine along with the VPN Device and CCTV with NVR are all provided on custodian basis for the contract period.

Q.64: Can they take the BC point of another bank with the ATM from Vakrangee?

Answer: In the Vakrangee Kendra with ATM model, the BC Point of SBM Bank India will be provided along with the ATM. SBM Bank India has the highest commission for many aspects of banking such as account opening, Fixed Deposit etc.

Q.65: What will be the revenue earned and how will that be taxed?

Answer: ATM Franchisees earn revenue on a per transaction basis as per the model selected. On franchisee commission 5% TDS is deducted and 18% GST is charged. TDS return can be claimed through ITR and GSTR1 return can be filed quarterly. GST amount is held by Vakrangee, and it is released once the franchisee files the GST return.

Q.66: What is the procedure to open the settlement account and will TDS be deducted when I withdraw cash from bank branch for the ATM?

Answer: Franchisee needs to open a current account (settlement account) in his nearest bank branch from where he / she can withdraw required cash every day for loading into ATM. TDS on cash withdrawn for loading into ATM is exempted by Ministry of Finance vide the Notification No. 68/2019/F. No. 370142/12/2019-TPL dated 18th September, 2019. For the TDS exemption franchisee needs to submit certain documents at the time of opening the current account and a monthly cash reconciliation letter is also required to be submitted in bank branch which will be provided by Vakrangee.

Q.67: What is the ideal location to establish an ATM?

Answer: The ideal location to establish an ATM is:

- High footfall, low penetration locations
- Shops near a Station / Bus Stand.
- High density areas such as College, Hostels & Campuses
- Shops in block town connecting villages with large population.
- Catchment area with a lot of footfalls, such as main market area, large housing societies nearby, commercial / industrial hubs.

Q.68: What is this Kendra Design Manual and how to implement it?

Answer: Kendra Design Manual is a document which describes the entire interiors and design requirement of a full-fledged Vakrangee Kendra (with/without/only ATM). Training will be provided on the same in the Induction Training session.

Q.68: If I have to operate the ATM on my own, who will provide the training and will it be in person or online?

Answer: Training related to ATM tech live procedure, operational procedures and guidelines etc. is provided by Vakrangee during induction training session. Technical trainings such as cash loading into ATM, procedure of changing the safe lock password, general maintenance of ATM etc. is provided physically by the concern ATM engineer who visits the franchisee site for ATM installation and cash live activity. Further, ATM operations team provides regular training through VC to all franchisees on ongoing basis. If a franchisee needs training in any specific area, then he can raise ticket in our portal, and ATM operations team will ensure that required training is imparted to the franchisee.

Q.69: Is ATM installation done by Vakrangee or is it done by ATM company?

Answer: ATM Installation is done by the engineer of concerned ATM manufacturer.

Q.70: Is the ATM and Cash insured and who pays for it?

Answer: Yes, ATM and Cash will be insured, and the insurance charges will be paid by Vakrangee. This insurance includes Cash in-transit and Cash in ATM insurance of up to Rs. 10,00,000 along with ATM hardware insurance.

Q.71: What is ATM Fit currency? How do I ensure the currency is fit for ATM?

Answer: Fit Currency means a note that is suitable for continued circulation and can be loaded into the ATM without being rejected and is fit according to RBI standards. When you withdraw cash from the bank, they have an inbuilt mechanism to check fake and counterfeit currency. Currency notes such as torn notes, soiled notes, notes with any cello tape or any other adhesive and the notes with a PIN attached to it are deemed as unfit for loading in the ATM.

Q.72: What if the Bank denies to give me cash for the ATM?

Answer: Franchisee needs to maintain a good relationship with the branch manager and other concerned staff where he / she has opened the settlement account. Also, franchisee may provide an estimated amount which is required for loading into ATM so that branch can make arrangement for the same. If the Branch is unable to provide required cash, franchisee may open an alternate settlement account in other bank's branch which will be able to provide cash as per franchisee requirement.



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