



**Baseline Assessment of Mein Pragati in Rajasthan  
(District – Udaipur and Baswara)**  
CRISIL Foundation



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## List of Abbreviations

ATM	Automated teller machines
AYP	Atal Pension Yojna
BPL	Below Poverty Line
CAGR	compound annual growth rate
CRISIL	Credit Rating Information Services of India Limited
CSR	Corporate Social Responsibility
DBT	Direct Benefits Transfer
FD	Fixed Deposits
FGD	Focus Group Discussion
FI	Financial Inclusion
FQ	Field Questionnaires
GP	Gram Panchayat
HH	Household
IP	Implementing Partner
IRDA	Insurance Regulatory and Development Authority of India
JAM	Jan Dhan, Aadhaar, and Mobile
JLG	Joint Liability Group
KII	Key Informant Interview
KYC	Know your customer
MFI	Microfinance Institutions
MGNREGA	Mahatma Gandhi National Rural Employment Guarantee Act
NCFE	National Centre for Financial Education
NEFT	National Electronic Funds Transfer
NFBS	National Family Benefit Scheme
NMBS	National Maternity Benefit Scheme
NOAPS	National Old Age Pension Scheme
NRLM	National Rural Livelihood Mission
NSAP	National Social Assistance Programme
OECD	Organization for Economic Co-operation and Development
PDS	Public Distribution System
PFRDA	Pension Fund Regulatory and Development Authority
PMJDY	Pradhan Mantri Jan Dhan Yojana
PMJJBY	Pradhan Mantri Jeevan Jyoti Bima Yojana
PMMY	Pradhan Mantri Mudra Yojana
PMSBY	Pradhan Mantri Suraksha Bima Yojana
RBI	Reserve Bank of India
RGAVP	Rajasthan Grameen Aajeevika Vikas Parishad
RTGS	Real Time Gross Settlement
SHG	Self Help Group



# I. Overview of the study

# 1. Introduction

Financial Inclusion is one of the key enablers in reducing poverty and boosting prosperity<sup>1</sup>. The Government of India has significantly contributed to deepening the penetration of financial institutions in the country. Through its various schemes, it has played a proactive role in reaching to the vulnerable sections of the society. In this section, the concepts of Financial Inclusion and financial Literacy are illustrated. It briefly discusses the Government of Rajasthan's initiatives towards financial inclusion and highlights the pivotal role played by CRISIL Foundation in bringing the unbanked population to mainstream banking and scope of work in the target geography.

## 1.1 Financial literacy

Financial Literacy means the knowledge and skills needed to make important financial decisions<sup>2</sup>. Recent years have seen a rise in financial services and investments among people from all socioeconomic groups. Being a direct correlate of economic growth, financial literacy plays a significant role in development of rural communities. For rural population especially women, to grasp the numerous financial difficulties and make wise decisions for their diverse requirements, there is a need to raise their awareness on the significance of financial literacy, available financial resources and the effective utilization thereof. Government initiatives play a crucial role in raising awareness among this group.

According to OECD, there are three primary aspects of financial literacy: financial knowledge, financial behavior, and financial attitude.

- Financial knowledge: It deals with the individual's aptitude and expertise in financial matters. It can be assessed using several metrics, including purchasing power, interest paid on loans, basic interest calculation, compound interest on savings, risk-return connection, the value of diversification, and inflation meaning.
- Financial behavior: It can be characterized as any human behavior that is important for managing finances such as cash, credit, savings, insurance etc., It involves elements like creating a household budget, engaging in active saving behavior, making affordable purchases, paying bills on time, keeping a careful eye on financial matters, setting long-term financial goals, and making informed financial product choices.
- Financial attitude: It is an essential part of financial literacy. One's tendency or likelihood to engage in a financial practice or action is referred to as their financial attitude. It is evaluated using short-term criteria including the propensity to spend money rather than save it and the tendency to live for the moment.

The financial literacy holds relevance in terms of individual's accessibility towards banking institutions, their understanding of finance and a lot more.

### 1.1.1 Financial literacy ecosystem in India

The Jan Dhan, Aadhaar, and Mobile (JAM) eco-system has significantly changed the landscape of financial inclusion. Numerous steps have been taken to make digital payments accessible to the population in a convenient, secure, transparent, and cost-effective manner. A wide range of players, including commercial banks, cooperative banks, Non-Banking Financial Companies (NBFCs), specialized financial organizations like payments banks, small finance banks, micro finance institutions (MFIs), and fintech firms, are active in the market due to the latent potential of harnessing value at the base of the pyramid.

The report on Financial literacy by National Centre for Financial Education (NCFE) which is the first-ever baseline survey in India conducted in 2015, shows that the average rate of financial inclusion in India was 11%, whereas it was 9% in Rajasthan. It also highlights the gender disparity in financial literacy i.e., financial literacy rates amongst males (26%) were double than that of females (12%). Only 24% of the population sets a budget for their household expenses, while 40% regularly save money to cover future obligations. 48% of participants claimed to know how to calculate compound interest, 39% knew how to calculate simple interest, and 48% knew about the value of money, two fundamental concepts in financial literacy<sup>3</sup>.

<sup>1</sup> <https://www.worldbank.org/en/topic/financialinclusion>

<sup>2</sup> [https://finance.ec.europa.eu/consumer-finance-and-payments/financial-literacy\\_en](https://finance.ec.europa.eu/consumer-finance-and-payments/financial-literacy_en). Accessed on 18 May 2023.

<sup>3</sup> Purohit, H., & Rohella, M. (2015, July 29). Financial Literacy in Rajasthan: Learning from NCFE 2015 report. Financial Literacy in Rajasthan: CFPTRW, Banasthali Vidyapith.



## 1.2 Financial Inclusion in India

The Reserve Bank of India releases Financial Inclusion Index (FI-Index) annually to understand Financial Inclusion in the country. FI -Index is a composite indicator of financial inclusion broadly covering 97 indices based on the three dimensions of financial inclusion, viz., ‘Access’, ‘Usage’ and ‘Quality’ with weights as 35, 45 and 20 per cent respectively. The weights were determined to make the index forward-looking with higher weights to the deepening aspect of financial inclusion (‘Usage’ and ‘Quality’)<sup>4</sup>.

After popularization of internet banking and onset of UPI in India, the digital financial products are utilized more often. The digitization is also a major contributor to financial inclusion in India. The micro-enterprises in India are motivated to use digital transactions because of push from the consumers. The pandemic played significant role in accelerating such digital transactions pan India. The upcoming innovative financial products is continuing to add value to the Financial Inclusion Index in India.

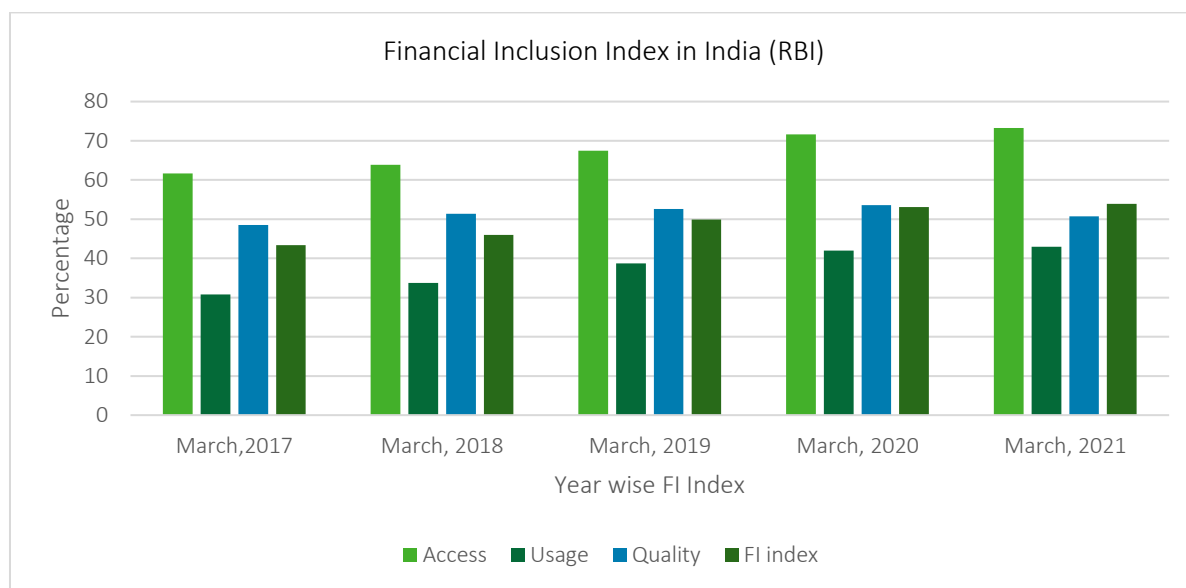


Figure 1: Financial Inclusion Index in India by the Reserve Bank of India

Source: The Reserve Bank of India

The above figure depicts trend of Financial Inclusion Index issued by RBI over last five years. Some of the key highlights noted are as below:

- All three parameters (Access, Usage and Quality) of financial inclusion recorded an upward movement
- However, parameter ‘usage’ remains the lowest among the other sub-indicators used in the composite index. Despite of giving higher weightage to the indicator, “usage”, its value remains low in comparison to other indicators, highlighting the need of an intervention
- Poor uptake of services against service delivery might be because of lack of awareness, knowledge, understanding of available financial services, and lack of resources

## 1.3 Accessibility to Financial instruments

### 1.3.1 Major FI schemes implemented by the Government of India

The Government of India uses several methods to spread information and raise public awareness ranging from how to save money and how to use bank accounts. It has introduced schemes such as Pradhan Mantri Jan Dhan Yojana, Atal Pension Yojana to promote the financial inclusion among the masses. In addition to these, there are other schemes such as National Rural Livelihood Mission (NRLM) promoting community based institutions through Self Help Groups (SHGs) and established linkages with the banks for accessing institutional credit at group level. They inform and educate the SHG members on how to obtain loan with or without collateral. In addition to the established channels for disseminating information about financial education, additional channels including social media platforms, local radio stations, technology kiosks, chatbots, etc. can also be used. By using guidelines, diaries, posters, schemes, and financial awareness

<sup>4</sup> RBI Financial Inclusion Index

messages foster development of financial literacy<sup>5</sup>. The next few paragraphs highlight some of the key schemes launched by the Government of India.

### **Pradhan Mantri Jan Dhan Yojana (PMJDY)**

The Government of India launched Pradhan Mantri Jan Dhan Yojana as the National Mission on Financial Inclusion to ensure comprehensive financial inclusion for all the households in the country by providing universal access to the banking facilities. Under this scheme, any person without a savings account can open a bank account without the requirement of minimum balance. *Aadhar* number would be the primary KYC for the bank account and requires self-certification which can help in lieu of any officially valid documents for opening a savings account, though with a restricted access to products and transactions. In addition, they receive a RuPay debit card, with inbuilt accident insurance cover of INR 2 lakhs, and access to overdraft facility upon satisfactory operation of account or credit history of six months. Further, through Prime Minister's Social Security Schemes, all eligible account holders can access through their bank accounts personal accident insurance cover under Pradhan Mantri Suraksha Bima Yojana (PMSBY), life insurance cover under Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) and guaranteed minimum pension to subscribers under Atal Pension Yojana (APY)<sup>6</sup>.

### **Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY)**

This scheme is converged with PMJDY for ease of access and is available to all citizens in the age group of 18 to 50 years having a bank account who give their consent to join / enable auto-debit on or before 31<sup>st</sup> May of every year for the coverage period 1<sup>st</sup> June to 31<sup>st</sup> May on an annual renewal basis. The risk coverage under the scheme is INR 2 lakh for accidental death and full disability and INR 1 lakh for partial disability<sup>7</sup>.

### **Pradhan Mantri Suraksha Bima Yojana (PMSBY)**

Pradhan Mantri Suraksha Bima Yojana (PMSBY) is a government-backed insurance scheme launched in India to provide affordable personal accident cover to individuals from all walks of life. Indian citizen in the age group of 18-70 years having an individual bank or a post office account are entitled to enroll under the scheme. The scheme coverage includes accidental death cum disability cover of Rs.2 lakh (Rs.1 lakh in case of partial disability) for death or disability due to an accident against a premium of Rs.20/- per annum<sup>8</sup>.

### **Atal Pension Yojana (APY)**

APY is open to all saving bank/post office saving bank account holders in the age group of 18 to 40 years and the contributions differ, based on pension amount chosen. Subscribers would receive a guaranteed minimum monthly pension ranging between INR 1,000 to INR 5,000 at the age of 60 years. Under APY, the monthly pension would be available to the subscriber, and in absence of the subscriber, to their spouse. After their death, the pension corpus, as accumulated at age 60 of the subscriber, would be returned to the nominee of the subscriber<sup>9</sup>.

### **Pradhan Mantri Mudra Yojana (PMMY)**

Under the scheme a collateral-free loan of up to INR 50,000 is offered under a sub-scheme 'Shishu', INR 50,000 to 5 lakhs under a sub-scheme 'Kishore', and between 5 lakhs to 10 lakhs under another sub-scheme 'Tarun'. These measures are aimed at increasing the confidence of young, educated or skilled workers who would now be able to aspire to become first generation entrepreneurs; existing small businesses, too, will be able to expand their activities<sup>10</sup>.

### **National Social Assistance Program**

The National Social Assistance Programme (NSAP)<sup>11</sup> comprises National Old Age Pension Scheme (NOAPS), National Widow Pension Scheme, National Disability Pension Scheme, Annapurna Scheme, National Family Benefit Scheme (NFBS), and National Maternity Benefit Scheme (NMBS). These schemes are meant for providing social assistance benefit to the aged, the BPL households or persons with disabilities.

<sup>5</sup> Raman, K. (2023). A Study on Impact of Financial Literacy among Deprived Class in Rajasthan. Social Science Research Network, 1-5.

<sup>6</sup> <https://pmjdy.gov.in/about>

<sup>7</sup> [https://financialservices.gov.in/insurance-divisions/Government-Sponsored-Socially-Oriented-Insurance-Schemes/Pradhan-Mantri-Jeevan-Jyoti-Bima-Yojana\(PMJJBY\)](https://financialservices.gov.in/insurance-divisions/Government-Sponsored-Socially-Oriented-Insurance-Schemes/Pradhan-Mantri-Jeevan-Jyoti-Bima-Yojana(PMJJBY))

<sup>8</sup> <https://www.jansuraksha.gov.in/Files/PMSBY/English/Rules.pdf>

<sup>9</sup> <https://financialservices.gov.in/pension-reforms-divisions/Atal-Pension-Yojana>

<sup>10</sup> <https://www.myscheme.gov.in/schemes/pmmmy>

<sup>11</sup> [https://rural.nic.in/sites/default/files/NSAP\\_Suo\\_moto\\_disclosure\\_for\\_RTI\\_01112021\\_0.pdf](https://rural.nic.in/sites/default/files/NSAP_Suo_moto_disclosure_for_RTI_01112021_0.pdf)

### **Deendayal Antyodaya Yojana-National Rural Livelihood Mission (DAY-NRLM)**

Deendayal Antyodaya Yojana-National Rural Livelihood Mission (DAY-NRLM) is a flagship poverty alleviation program implemented by the Ministry of Rural Development, Government of India. It aims to reduce poverty by enabling the poor household to access gainful self-employment and skilled wage employment opportunities resulting in sustainable and diversified livelihood options for the poor. This is one of the world's largest initiatives to improve the livelihoods of the poor. The Mission seeks to achieve its objective through investing in four core components viz., (a) social mobilization, promotion and strengthening of self-managed and financially sustainable community institutions of the rural poor women; (b) financial inclusion; (c) sustainable livelihoods; and (d) social inclusion, social development, and access to entitlements through convergence<sup>13</sup>.

### **1.3.2 Important Schemes and Programs implemented by the Government of Rajasthan**

#### **Jan Aadhar Card**

Earlier known as Bhamashaha scheme – focuses on three themes of rural upliftment - financial inclusion, women empowerment and effective service delivery. It is the first of its kind direct benefit transfer scheme in India. Bank Account and Jan Aadhar Card is issued only to women in such household that empowers her to be the decision-maker for the family. It is issued to the household for transferring of all benefits such as pension, PDS, insurance services, scholarships. Cash and non-cash benefits are linked to the card.

#### **National Rural Livelihood Mission - Rajasthan Grameen Aajeevika Vikas Parishad (RGAVP)**

RGAVP is formed under NRLM for supporting Self-Help Groups in Rajasthan. All rural livelihood programs in Rajasthan are implemented under the aegis of the RGAVP. In Rajasthan, Self-Help Group (SHGs) implementation operate in the framework namely RAJEEVIKA. SHGs serve as a hub for community organizing, capacity development, and group decision-making. They offer a system of support so that women can develop their talents, gain confidence, and raise their socioeconomic standing.

The federated structure of RAJEEVIKA (SHGs, VOs, CLFs, and SLF) aimed at promoting inclusive development, participatory governance, and women's emancipation in Rajasthan's rural areas. It makes it possible to mobilize resources, encourages independence, and improves the socioeconomic situation of rural people. SHGs under RAJEEVIKA follow a federated structure known as the VO (Village Organization) and Federation model as stated below:

- Village Organization (VO): At the village level, SHGs are organized into Village Organizations. Each VO consists of around 10-15 SHGs. The VO acts as an intermediary structure between the SHGs and the Federation.
- Cluster Level Federation: Several VOs from neighboring villages come together to form a Cluster Level Federation (CLF). The CLF serves as a higher-level organization that represents the interests of the VOs in a particular cluster. It promotes collaboration, exchange of experiences, and resource sharing among the VOs.
- State Level Federation: The State Level Federation (SLF) is the apex body of the RAJEEVIKA program. It represents the collective voice and interests of the CLFs at the state level. The SLF acts as a platform for policy advocacy, capacity building, and knowledge dissemination.

#### **Rajasthan Rural Family Livelihood Loan Scheme**

Rajasthan Rural Family Livelihood Loan Scheme was launched by the Government to support rural families dependent on non-agricultural sources of livelihood. The scheme targets more than one lakh families to be supported with interest-free loans with a corpus of INR 2,000 crore availed through commercial, regional rural, and cooperative banks while the State Government is providing interest subsidy to the beneficiaries.

#### **Panna Dhay Jeevan Amrit Yojana**

The scheme is converged with Life Insurance Corporation of India offering insurance to BPL families in Rajasthan. The insurance amount is paid to the family for ensuring livelihood, education, and financial wellbeing.

#### **Mukhyamantri Chiranjeevi Yojana**

<sup>13</sup> <https://www.myscheme.gov.in/schemes/day-nrlm>

Chiranjeevi Health Insurance Scheme, launched by the government of Rajasthan, is a Government health insurance scheme that provides cashless medical insurance of up to INR 25 Lakh to all families of Rajasthan.

## 1.4 CRISIL Foundation’s interventions in financial inclusion

CRISIL Foundation registered as public charitable trust is the Corporate Social Responsibility (CSR) arm of CRISIL Limited. It was set up in March 2013 with the objective of reaching out to socially and economically disadvantaged communities within and beyond areas of operations. CRISIL Foundation has implemented two marquee programs i.e., CRISIL RE and Mein Pragati.

CRISIL RE, the flagship program for social impact and outreach in cities, leverages CRISIL’s vibrant workforce as agents of change in major cities like Ahmedabad, Chennai, Gurugram, Hyderabad, Kolkata, Mumbai, Pune, and Bengaluru. Used as a suffix, 'RE' is a simple but powerful idea that conveys the potential to alter the status quo.

CRISIL Foundation started the financial inclusion program in a few districts of Assam (2014/15) and Rajasthan (2016). Over the years, leveraging the success of previous phases and several learnings have contributed to implementation of *Mein Pragati* program. The program is targeted at empowering communities with the knowledge and confidence for improved quality of life.

### Vision and Mission of CRISIL Foundation



#### Vision

**Build awareness and capacities of the financially excluded in India**



#### Mission

**Empowering people to make informed financial choices**

Value proposition offered by CRISIL Foundation:

- Share knowledge and insights backed by data, leveraged by analytical rigor, credibility, and experience
- Shape thoughts, influence policy, and set benchmarks to drive strong social impact
- Leverage multiple platforms to drive experiential learning, and therefore, behavioral change as an outcome

## 1.5 About Mein Pragati

The program “Mein Pragati” is aimed at empowering socially and economically disadvantaged women by strengthening their financial capabilities. The broad objective of the program is to empower rural women with financial knowledge so that they make informed choices and constructive changes in their financial habits. These behavioral changes shall empower families to look after their financial needs sustainably.

Mein Pragati program was initiated by CRISIL Foundation in the year 2014 in six districts of Assam. After two years of implementation in Assam, based on the experiences, knowledge, and learnings, the project was replicated in Rajasthan’s Alwar, Dausa and Sikar districts. A “Lifecycle” Approach was adopted for the Phase one of the project. Within the scope of the approach, each SHG was given approximately 4 months of intensive financial capability interventions through multiple touchpoints and appropriate pedagogy. The activities included interactive trainings and workshops, games and exercises, role-plays, case studies and counselling.

### Pillars of Mein Pragati

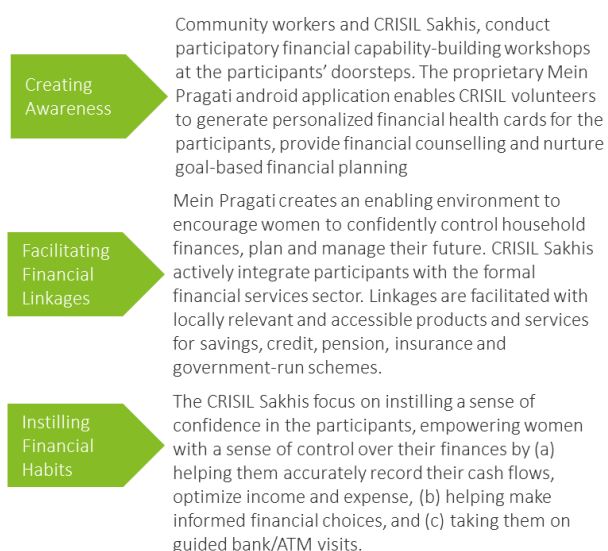


Figure 2: Pillars of Mein Pragati Program in Rajasthan

**Community cadre model:**

‘Mein Pragati’ aimed at empowering rural population especially women by strengthening their financial knowledge. Enhanced knowledge empowers people to make informed choices eventually resulting in savings, increase in income and safeguarded future.

Sakhis – who play a critical role in the implementation of Mein Pragati are selected from the rural communities and imparted intense training on financial literacy module. Each sakhi is given a hard copy of the module aimed at enhancing awareness on concepts on finance. The IEC material mainly including interactive modules developed by CRISIL intend to build capacities of the community on aspects of financial literacy as stated in the below figure. These modules consist of stories and pictorial examples from rural contexts making it easier for illiterate or semi-literate population to understand the financial concepts.

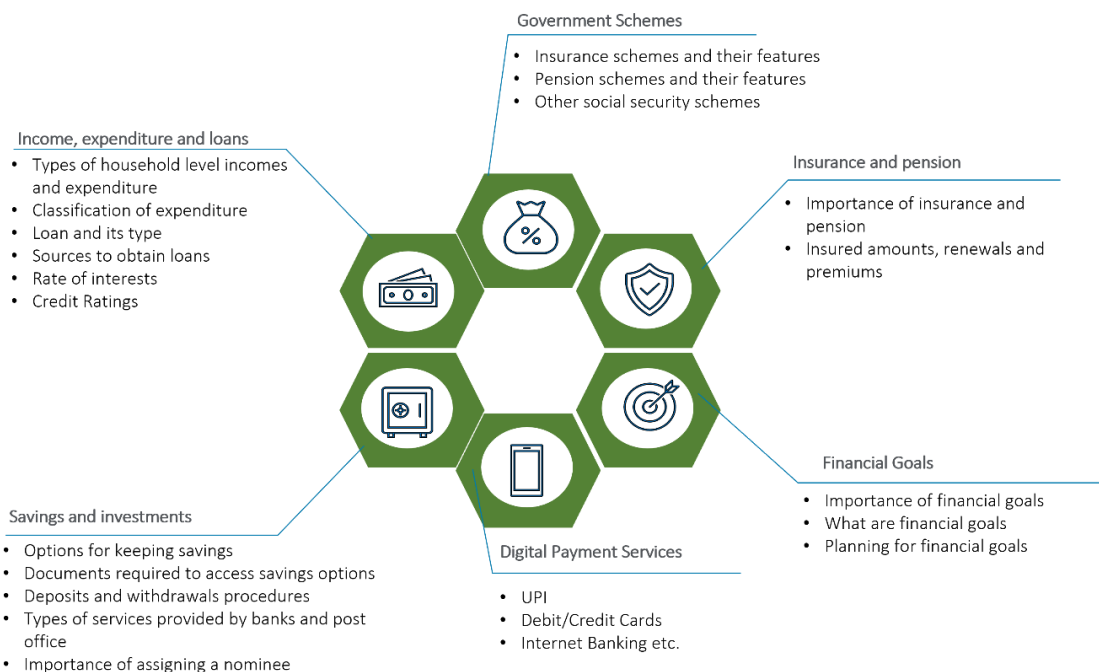


Figure 3: Program Module

**Assessment of Mein Pragati program, 2018**

Baseline and endline assessment were conducted for the Phase I of Mein Pragati program implemented in Alwar, Dausa and Sikar districts of Rajasthan. As a result of MPR, the penetration of banking services and availability of bank accounts was found to be nearly saturated in these districts. It was noted during the baseline assessment that nearly 87% of the women respondents had a bank account in 2016 which increased to 98% as per the end-line assessment conducted in 2018.

The increased participating in the government schemes, involvement of stakeholders (bankers, financial services agents etc.), improved knowledge base on financial inclusion, increased confidence of the women for availing different financial services were some of the achievements of the program.

Key findings from the assessment study of Phase I – MPR are illustrated below:

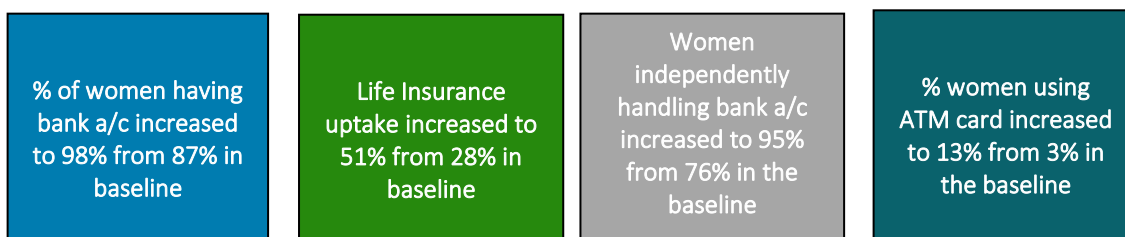


Figure 4: Key findings from the assessment study Phase I

In addition to the program assessments carried out on MPR - Phase I in Rajasthan, statistics also highlights that penetration of banking services has increased. However, active use of these services is yet to be achieved.

The impact assessment study conducted in February 2018 reflected a positive changes in financial inclusion, however, it pointed out that the behavioral changes might take longer time to reflect broader impact<sup>14</sup>.

### Assessment of Mein Pragati program, 2021

The assessment carried out on MPR during 2021 elucidates a positive impact and achievement of the program objectives in Rajasthan especially behavior changes, more inclusion of women in financial decision-making processes, employment of Sakhis resulted in improved financial literacy, financial independence and thereby maintaining financial discipline. Convergence of MPR with NRLM for recruiting Sakhis and increasing outreach through SHGs has been instrumental for the program success.

## 1.6 Baseline Assessment

Baseline assessments often measure a specific collection of indicators that are pertinent for tracking the outcomes of certain programmes on a distinct target group before the start of an intervention or programme. The study establishes a baseline for Mein Pragati program in Udaipur and Banswara district to understand the socioeconomic circumstances of the target beneficiaries and to determine and comprehend how well the initiative would be working towards its intended goals.

In alignment to the relevance of the program, key parameters were chosen for baseline assessment that include women's financial literacy, attitudes towards money management, behavioral change, and changes in financial practices. Both quantitative and qualitative research techniques were used to analyse these parameters in improving programme intervention. It included analysis of financial inclusion at the Block, SHG, HH and individual level, evaluation of the current state of women's empowerment, including the extent of Mein Pragati implementation, financial income and financial independence. Program interventions aimed at promoting financial literacy in the program areas were discussed with the concerned representatives.

The broad objectives of the baseline study are to understand the present status of financial inclusion, penetration of financial services, literacy among Sakhis in the proposed geographies, their perspective of the Mein Pragati programme, the challenges experienced and the support required by them for reaching out to the community in an efficient manner. The responses were gathered by administering semi-structured questionnaires and organizing focused group discussions (FGDs). The study was conducted to assess the baseline status of program interventions of Mein Pragati in two districts of Rajasthan namely Udaipur and Banswara (2 blocks each).

### 1.6.1 Implementation scope of Mein Pragati

The Mein Pragati Programme is implemented across the southern districts of Rajasthan for facilitating the disadvantaged community with financial inclusion practices. CRISIL Foundation has partnered with Rajasthan Bal Kalyan Samiti (RBKS) for Udaipur and Grameen Vikas Trust (GVT) for Banswara for implementation of Mein Pragati programme in target villages. District wise scope for implementation for each of these partner agencies is outlined below.

Udaipur Blocks covered in partnership with RBKS	Banswara Blocks covered in partnership with GVT
1. Jhadol	1. Ghatol
2. Girwa	2. Bogidora
3. Lasadiya	3. Banswara
4. Gogunda	4. Kushalgarh
5. Sarada	5. Garhi
6. Badgaon	6. Talwara
7. Phalasia	7. Anandpuri
	8. Sajjangarh

#### a) Udaipur

##### District at a glance:

Udaipur District is situated at the southern tip of Rajasthan adjoining Gujarat. According to census 2011, the total population of Udaipur district is more than 3 million (3,068,420) and accounts for almost 4.48% of state

<sup>14</sup> [www.crisil.com/content/dam/crisil/crisil-foundation/generic-pdf/mein-pragati-rajasthan-phase-1-endline-report.pdf](http://www.crisil.com/content/dam/crisil/crisil-foundation/generic-pdf/mein-pragati-rajasthan-phase-1-endline-report.pdf)



population but 3.43% of state area.<sup>15</sup> The district is having nearly 50% of the population from Scheduled Tribes another 6% from Scheduled Castes, indicating the need for the external interventions like MPR.

Table 1: Udaipur: Demography Census 2011

District	Population (in numbers)				
	Male	Female	Total	Rural	Urban
Udaipur	15,66,801	15,01,619	30,68,420	24,59,994	6,08,426

Source: Directorate of Economics & Statistics, Statistics Department, Rajasthan, Jaipur

Literacy rate of the district 61.8 % which is lower than the state average 66.1 %. Male literacy rate of the district is 74.7 % against state average of 79.2 % while female literacy rate of the district is 48.4% against the state average of 52.1%<sup>15</sup> with a gender gap of 26.3%. The economy of Udaipur district is mainly dependent on agriculture as 61.7 %workers in the district are either cultivators or agricultural laborer. However, district wise distribution of such workers is lower than the state average of 62.1%.

Mein Pragati interventions are implemented by Rajasthan Bal Kalyan Samiti (RBKS) in seven blocks of Udaipur district namely Gogunda, Badgaon, Lasadiya, Sarada, Phalasia, Jhadol and Girva. It largely focuses on financially empowering women by educating CRISIL Sakhis (CS). The objective of this programme is to enhance financial standing of the rural women. This is a community-based program which focuses on enabling an improvement in quality of life for women, their HHs and the community learnings. Table 2: Scope for implementation in Udaipur (Source: MOU entered between CRISIL Foundation and RBKS)

Project Summary	Verifiable Indicators	Convergence	Means of Verification
<b>Goal</b>			
The goal is based on improving the quality of life for women, their families, and the community. Agenda is to increase the financial capacities of rural women through a decentralized community cadre-based training strategy. This will enable financial linkages and stimulate micro entrepreneurship.	450 Sakhis graduate as Gramshakti Sakhis	Convergence of ongoing intervention by RBKS and other stakeholders is a cross cutting theme for Mein Pragati programme. RBKS is expected to leverage their presence for effective penetration and sustainability of Mein Pragati programme. RAJEEVIKA, Banks and RBI are investing efforts to empower rural women and increase financial literacy of rural households. RBKS is expected to liaison with the stakeholders for effective implementation and sustainability of the Mein Pragati initiative.	Independent third -party verification  MIS
<b>Outcome</b>			
<ul style="list-style-type: none"> <li>Enhanced skillset on financial and digital literacy portrayed by rural women belonging to disadvantaged groups.</li> </ul>	<ul style="list-style-type: none"> <li>80% of trained Gramshakti Sakhis can assist women with financial literacy and evaluating programmes</li> </ul>		

Project Summary	Verifiable Indicators	Convergence	Means of Verification
<ul style="list-style-type: none"> <li>Developing entrepreneur mindset and awareness about entitlements and its accessibility.</li> <li>Sakhis shall take on the role of financial advisors and can assist people in determining entitlements.</li> <li>Sakhis shall be able to collaborate with the stakeholders and aid them in expanding the reach and improving the usability of implemented schemes</li> </ul>	<ul style="list-style-type: none"> <li>70% of households with training have planning for household expenses, savings, and credit, as well as access to information on programmes and essential documentation.</li> <li>Stakeholders, such as, Banking institutions, MFIs, among others, to see an increase in demand for their services and can reach beneficiaries who are farther away.</li> </ul>		<p>Independent third -party verification</p> <p>MIS</p>
<b>Output</b>			
<ul style="list-style-type: none"> <li>450 new Sakhis were added in the proposed areas.</li> <li>450 Sakhis reached out to 1,35,00,000 thousand beneficiaries, having an impact on their access to social security records, financial literacy, and household planning.</li> </ul>	<ul style="list-style-type: none"> <li>Monthly review meetings of Sakhis</li> <li>Report of Sakhis on the MIS</li> <li>Sakhis are able to work with 1:300 beneficiaries</li> </ul>		
<b>Activities</b>			
<ul style="list-style-type: none"> <li>Selection of the village and sharing the concept.</li> <li>Selection of the Sakhi based on their interviews.</li> <li>Conducting stakeholder meetings at block level along with program concept sharing.</li> <li>Orientation/Sakhi concept/monthly review meetings (CFL/NGO office).</li> <li>Review meetings of the staff.</li> <li>Monthly award for outstanding achiever.</li> <li>Block level sakhi cluster formation.</li> <li>Gramshakti certification course.</li> <li>Nesting the Sakhis in their respective village organizations and linking the CLFs and Sakhis to CFLs of CRISIL foundation.</li> </ul>	<ul style="list-style-type: none"> <li>The number of Sakhis who received training and the number of Sakhis who graduated as Gram Sakhis.</li> <li>The number of community trainings.</li> <li>The number of applications for documentation and entitlements.</li> <li>The number of Sakhis connected to agencies.</li> </ul>		<p>Independent third -party verification</p> <p>RBKS MIS</p>

## b) Banswara

### District at a Glance:

Banswara district is situated in the southern part of the state. According to the Census 2011, the total population of Banswara district is more than 1.7 million (1,797,485) accounting for 2.62% of state population with 1.32% of the state area. The Scheduled Caste and Scheduled Tribe population in Banswara district is 4.5% and 76.4% respectively.

Table 3: Banswara: Demography Census 2011

District	Population (in numbers)				
	Male	Female	Total	Rural	Urban
Banswara	9,07,754	8,89,731	17,97,485	16,69,864 (93%)	1,27,621 (7%)

Source: Directorate of Economics & Statistics, Statistics Department, Rajasthan, Jaipur

Literacy rate of the district is 56.3% against the state average of 66.1%. Both male literacy rate at 69.5% and female literacy rate at 43.1% are significantly lower than the respective state averages (Male -79.2% and Female- 52.1%) making gender gap of the literacy rate at 26.4%.

The economy of Banswara district is mainly dependent on agriculture as 81.4% workers in the district are either cultivators or agricultural labourers. However, district wise distribution of such workers is higher than the state average of 62.1%. Work participation rate (WPR) of Banswara district has recorded 51% and gender gap in WPR is 4.3% points. In Banswara district among the workers the percentage of cultivators, agricultural labourers, workers in household industry and other workers (category of workers) are 59.6, 21.8, 2.2 and 16.5% respectively.

MPR program is implemented in 8 blocks of Banswara district namely Ghatol, Bogidora, Banswara, Kushalgarh, Garhi, Talwara, Anandpuri and Sajjangarh by GVT. The objective is to strengthen, sustain, and increase the outreach of the program. The target is to maintain contact with 333 Sakhis across all villages and increase reach to more than 450 communities.

Table 4: Scope for implementation in Banswara (Source: MOU provided by CRISIL Foundation)

Project Summary	Verifiable Indicators	Convergence	Means of Verification
<b>Goal</b>			
To improve the quality of life for women, their families, and the community, the goal is to increase the financial capacities of rural women through a decentralized community cadre-based training strategy. This will enable financial linkages and stimulate micro entrepreneurship.	450 sakhis graduate as gram shakti Sakhi.	Convergence of ongoing intervention by GVT and other stakeholders is a cross cutting theme for Mein Pragati programme. GVT has strong foothold on ground through their years of presence in the community. GVT is expected to leverage their presence for effective penetration and sustainability of Mein Pragati programme. RAJEEVIKA, Banks, RBI are investing efforts to empower rural women and increase financial literacy of rural households. GVT is expected to liaison with the stakeholders for effective implementation and sustainability of the Mein Pragati initiative. Projects such as Jal Jeevan Mission,	Independent third-party verification  GVT MIS

Project Summary	Verifiable Indicators	Convergence	Means of Verification
		CFL are being implemented by GVT in association with multiple stakeholders.	
<b>Outcome</b>			
<ul style="list-style-type: none"> <li>Enhanced skillset on financial and digital literacy portrayed by rural women belonging to disadvantaged groups.</li> <li>Developing entrepreneur mindset and awareness about entitlements and its accessibility.</li> <li>Sakhis take on the role of financial advisors and can assist people in determining entitlements.</li> <li>Sakhis were able to collaborate with the stakeholders and aid them in expanding the reach and improving the usability of the implemented schemes.</li> </ul>	<ul style="list-style-type: none"> <li>80% of trained Gramshakti Sakhis can assist women on their own with financial literacy and evaluating programmes.</li> <li>70% of households with training have planning for household expenses, savings, and credit, as well as access to information on programmes and essential</li> <li>80% stakeholders experience increase in demand of their services and can reach to the last mile of beneficiary</li> </ul>	The existing ecosystem to be leveraged for better penetration and sustainability of Mein Pragati Project.	Independent third-party verification  GVT MIS
<b>Output</b>			
<ul style="list-style-type: none"> <li>450 new Sakhis on boarded in the proposed areas reach out to 1,35,000 unique beneficiaries.</li> </ul>	<ul style="list-style-type: none"> <li>Monthly review meetings of Sakhis</li> <li>Report of Sakhis on the MIS</li> <li>Sakhis are able to work with 1:300 beneficiaries</li> </ul>	Sustainability of Mein Pragati Programme	
<b>Activities</b>			
<ul style="list-style-type: none"> <li>Selection of the village and sharing the concept</li> <li>Selection of the Sakhi based on their interviews</li> <li>Conducting stakeholder meetings at block level along with program concept sharing</li> <li>Orientation/Sakhi concept/monthly review meetings (CFL/NGO office)</li> <li>Review meeting of the staff</li> <li>Monthly award for outstanding achiever</li> </ul>	<ul style="list-style-type: none"> <li>The number of Sakhis who received training</li> <li>The number of Sakhis who graduated as Gram Sakhis</li> <li>The number of community trainings</li> <li>The number of applications for documentation and entitlements</li> <li>The number of Sakhis connected to agencies.</li> </ul>	The initiation of multiple activities happened in phases for better leverage of CRISIL RBI CFL infrastructure:  Organizing monthly meetings: Monthly meetings organized for Banswara and Dungarpur Sakhis was based on selection of 450 Sakhis from CFL intervention village after which Sakhis were provided access to CFL Office and started attending meetings.  CFL camps to be organized in MPR villages where Sakhis	Independent 3 <sup>rd</sup> party assessment by CRISIL  GVT-MIS  CRISIL Mein Pragati Digitized MIS

Project Summary	Verifiable Indicators	Convergence	Means of Verification
<ul style="list-style-type: none"> <li>Block level sakhi cluster formation</li> <li>Gramshakti certification course</li> </ul>		worked as a RFA (Rural Financial Advisor) in the CFL villages. Sakhis act as a mediator between the beneficiaries and stakeholders as they continued to provide doorstep services through linkages to Social Welfare Schemes	

## 1.7 Financial Inclusion

The secondary research depicts that there is a large segment of the population who remain outside the financial sector or financially excluded in India. It is applicable in the case of Rajasthan as well. From the primary survey, it is noted that the respondents were unaware of the banking services, and banking employees were also ignorant about the needs and capabilities of these target segment. Delivering financial services to these underserved segment requires both bank officials and entry-level employees empathised with their needs. Status of financial inclusion among the districts of Rajasthan differ vastly from one another, indicating that financial inclusion is not being effectively implemented at the local level. These distinctions exist between male and female population as well as urban and rural areas. In keeping with the relationship between the two, improved financial literacy would further increase financial inclusion.

Despite of continued efforts by Government to increase financial inclusion, socioeconomic and political inequality is still widespread in India. Census, 2011 estimates that only 58.7% of the households have access to banking services. The banking network of the country (as on 31.03.2014) comprises of the bank branch network of 1,15,082 and an ATM network of 1,60,055. Of these, 43,962 branches (38.2%) and 23,334 1 ATMs (14.58%) are in rural area<sup>17</sup>.

Financial Inclusion goes much beyond the opening of bank accounts and incorporates financial services such as credit, savings, insurance, remittance facilities, financial counselling, and advisory services by the formal financial system at the doorstep of the poor. Banks are providing banking services through brick-and-mortar branches, banking outlets and business correspondents under financial inclusion.

### Banking Network in Rajasthan

Rajasthan's banking network experienced a compound annual growth rate (CAGR) of 4.7% over the last decade, i.e., from March 2013 to March 2023, which is higher than the All India CAGR (3.9%). As at end of March 2023, there were 8539 bank branches in the State, up from 5406, a decade ago. Rajasthan's CAGR is greater than the national average when public sector banks are considered. Banks in the private sector saw the fastest increase, with a CAGR of 10.06%.

Table 5: Growth of Banking Network in Rajasthan

	2013		2023		CAGR (%)	
	Rajasthan	All India	Rajasthan	All India	Rajasthan	All India
<b>State Bank of India &amp; its Association</b>	1,348	21,945	1,531	25,087	1.28%	1.35%
<b>Nationalized Banks</b>	2,128	53,917	2,920	65,358	3.21%	1.94%
<b>Other Public Sector Banks</b>	42	1,156	-	-	-	-
<b>Foreign Banks</b>	9	355	8	835	-1.17%	8.93%
<b>Regional Rural Bank</b>	1,177	17,986	1,627	22,442	3.29%	2.24%

<sup>17</sup> Department of Financial Services Ministry of Finance, Pradhan Mantri Jan Dhan Yojana

	2013		2023		CAGR (%)	
Local Area Banks	-	80	-	81	-	0.12%
Private Sector Banks	702	16,209	1,925	42,279	10.61%	10.06%
Small Finance Bank	-	-	524	6,688	-	-
Payments Bank	-	-	4	124	-	-
<b>Total</b>	<b>5,406</b>	<b>1,11,648</b>	<b>8,539</b>	<b>1,62,894</b>	<b>4.68%</b>	<b>3.85%</b>

Source: Reserve Bank of India, Database on Indian Economy, Accessed on 17 May 2023.

Note: Due to unavailability of a few data points, CAGR comparative could not be comprehensive whereas an understanding of presence of financial institutions is illustrated.

### Jan Dhan Yojana – A Revolutionary Financial Inclusion Program

The plan also envisages channeling all Government benefits (from Centre / State / Local Body) to the beneficiaries' accounts and pushing the Direct Benefits Transfer (DBT) scheme of the Union Government. Subsequently, the Government decided to continue National Mission for Financial Inclusion (PMJDY) beyond August 2018 with the focus of opening account for every household to every adult. So far 3.34 Crore bank account have been opened in Rajasthan under PMJDY.

Table 6: Progress of Pradhan Mantri Jan Dhan Account in Rajasthan as on 03/05/2023 (Figures in Crores)

Beneficiaries at rural/semi-urban centre bank branches	Beneficiaries at urban/metro centre bank branches	Total Beneficiaries	Balance in beneficiary accounts	No. of RuPay cards issued to beneficiaries
2.18	1.16	3.34	15,780	2.5

Source: <https://pmjdy.gov.in/statewise-statistics>, Accessed on 16/05/2023

### Financial inclusion and women empowerment through Jan Aadhaar

- The Jan Aadhaar (Bhamashah) Yojana ensures the transfer of non-financial and financial government scheme benefits through the bank accounts of women. The State Government issues it in the name of a family's female head. All female heads must have a personal bank account at the time of Jan Aadhaar enrollment, and all family members who are receiving benefits from any government programme or service must also have a bank account in Jan Aadhaar. All female heads have had their bank accounts opened because of this requirement, giving them access to all mainstream banking services.
- All the cash benefits of the family are mandatorily transferred to the bank account of the Head of the Family i.e., the lady of the family. This phenomenon has not only empowered women but also led to financial inclusion and increased participation of women in financial decisions of the family.



## II. Study Approach and Methodology – Baseline Study

## 2. Study Approach and Methodology

The study has been conducted to understand the socio-economic characteristics of the population, gauge the level of Financial Literacy, and their access to Financial Services in two Districts of Rajasthan, namely, Udaipur and Banskara. This enabled identification of the challenges and constraints faced in increasing the depth and penetration of financial institutions in the rural areas of the country. In this section, sampling framework alongwith the methodology of the study is discussed.

### 2.1 Study methodology

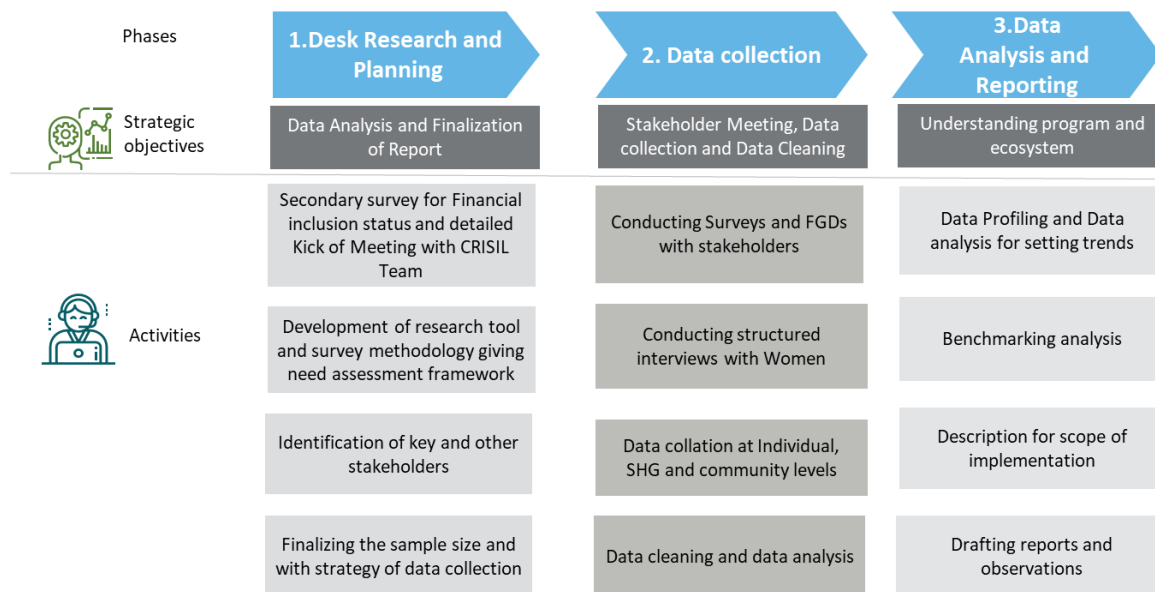


Figure 5: Methodology for Baseline Assessment

The methodology used for the study covered aspects such as gathering secondary information on the status of the financial inclusion, financial literacy, identification of stakeholders, understanding their roles and explored short-term, mid-term and long-term interventions under Mein Pragati.

#### Desk Research and Planning



Figure 6: Strategy for desk research and planning

#### Desk review

A detailed desk review was done for developing an understanding of the Mein Pragati program. The components of the program, approach, implementation, and sustainability measures were studied. The program review helped in developing a robust framework for data collection, performance indicators, and

provided clarity on the information to be collected. Desk review of the secondary sources available in the public domain such as FI index by RBI, state economic survey reports, census data, etc., provided insights to assess the relevancy of the program for the target geography.

### Stakeholder Mapping

Identification of the relevant stakeholders that play an important role in ensuring financial literacy, financial inclusion, women empowerment is critical for the study. The mapping of the stakeholders involved in the interventions has aided in depiction of Financial inclusion ecosystem.

### Finalizing study design and framework

The indicators for determining project impact were mapped, keeping the scope of the study at the core of the framework to design the questionnaire which included mainly beneficiary details, individual knowledge base, self-help groups, and financial literacy in the region.

## 2.2 Stakeholder Mapping

Stakeholder	Role
<b>Potential Target Group (Rural population)</b>	The rural population is identified as the primary stakeholder for the program where the financial inclusion and financial literacy will be provided. The objective is to assess the financial knowledge and accessibility to the financial instruments of the rural population.
<b>Sakhis</b>	Sakhis are the primary stakeholder under Mein Pragati programme in Rajasthan. The objective is to train women in the rural areas, enable them to earn livelihood and educate others to ensure financial inclusion. Interactions with Sakhis delivered qualitative insights on baseline financial literacy of the villages they were to be deployed.
<b>CRISIL Foundation</b>	The program planning, implementation, and monitoring is lead by CRISIL Foundation. The implementation techniques and procedure is designed. Hence, CRISIL Foundation is a key stakeholder in the program.
<b>Financial Institutions</b>	Financial institutions are one of the critical pillars of the program wherein accessibility is the primary understanding. Interactions with local banks and institutions resulted in qualitative insights. The perspective of financial institutions offered common requirements of the villagers.
<b>Rural Livelihood Mission (RAJEEVIKA)</b>	The Rural Livelihood Mission offers a convergence possibility for the program. The role of a RAJEEVIKA'S SHGs at village level have evolved over the time with an objective of generating livelihood.
<b>Implementation Partner</b>	RBKS and GVT were found to be the implementation partner for the target geography. The field team of the implementation partner understands and has explored the geography to empathize with the program requirements.

## 2.3 Sampling Framework

Mein Pragati programme is being implemented in the selected villages of Banswara and Udaipur. Following is the block wise number of intervention villages under 'Mein Pragati' programme for both the districts.

Table 7: Intervention villages in Banswara and Udaipur

Sr.No	District	Name of Block	Intervention villages
1	Udaipur	Badgaon	50
2		Girwa	50
3		Gogunda	100
4		Jhadol	50

Sr.No	District	Name of Block	Intervention villages
5		Lasadiya	50
6		Phalasiya	55
7		Sarada	95
		<b>Total Udaipur</b>	<b>450</b>
1	Banswara	Anandpuri	60
2		Bagidora	50
3		Banswara	60
4		Garhi	60
5		Ghatol	60
6		Kushalgarh	50
7		Sajjangarh	55
8		Talwara	55
		<b>Total Banswara</b>	<b>450</b>

Multistage stratified sampling technique was used for the study. Initially, a total of 590 samples was proposed for baseline study covering two blocks from each district i.e., Udaipur and Banswara with five selected GPs from each block. In total, 20 Gram Panchayats from four blocks were selected for the study. To ensure a non-biased representation of villages based on their population, the selection process for Gram Panchayats and blocks involved categorizing villages into stratas: most populated, average populated, and least populated. This approach aimed to include a diverse range of villages in the sample, covering different population sizes. To maintain consistency, the number of samples collected from each village was restricted to a minimum of twenty and a maximum of fifty.

The final sample consisted of 611 respondents. The shortlisting for field visits was finalized based on the following considerations:

- Planned Scale of the project coverage targets and status of Financial Inclusion in the district/block
- Data availability from the secondary sources
- Occupation and Livelihood models present in area
- Homogeneity of the potential target groups
- Coverage of financial systems in the area

A stratified random sampling strategy was adopted to ensure a non-biased geographical coverage. The samples in each village (Gram Panchayat) were selected in proportion to the population distribution.

Table 8: Samples Collected in Udaipur and Banswara

S.No.	District	Name of Block	Gram Panchayat	Name of the Village	Population	Samples Target	Samples Achieved
1	Udaipur	Badgaon	Rama	Rama	3,940	50	48
2		Badgaon	Loyra	Loyra	2,387	31	49
3		Badgaon	Cheerwa	Cheerwa	1,271	20	20
4		Badgaon	Badgaon	Badgaon	9,193	50	55
5		Sarada	Parsad	Parsad	4,271	40	50
6		Sarada	Gatod	Gatod	3,067	34	41
7		Sarada	Sarsiya	Sarsiya	2,635	50	34
8		Sarada	Semal	Semal	1,459	20	20
9		Sarada	Amarpura	Amarpura	1,179	20	20
10		Sarada	Banakala	Banakala	654	20	20
11	Banswara	Banswara	Samriya	Samriya	1,674	22	22
12		Banswara	Abapura	Abapura	1,663	21	20



S.No.	District	Name of Block	Gram Panchayat	Name of the Village	Population	Samples Target	Samples Achieved
13		Banswara	Palodara	Palodara	1729	30	30
14		Banswara	Mangaliya Khura	Mangaliya Khura	238	20	20
15		Banswara	Pratapnagar	Pratapnagar	1,104	20	19
16		Banswara	Borda	Borda	3,753	48	49
17		Banswara	Kadwa Amla	Kadwa Amla	2,393	31	31
18		Banswara	Isarwala	Isarwala	1,819	23	23
19		Banswara	Chokadi	Chokadi	1,075	20	20
20		Banswara	Nathukhedi	Nathukhedi	314	20	20
<b>Total</b>						<b>590</b>	<b>611</b>



Figure 7: A group interaction with potential beneficiaries of Mein Pragati Program

## 2.4 Pilot testing

Gram Panchayats (GP) for pilot testing were selected in consultation with CRISIL’s implementation team to ensure participation of respondents from the GPs. Gauging applicability and relevance of the questions from the village context was imperative for accurate mapping of indicators. Primary objective of the field visit was to test the baseline tool developed for mapping the AS-IS indicators in the target geography of Mein Pragati programme.

Tool testing was conducted in Aambapura and Palaswani gram panchayats. Aambapura Grampanchayat has a bank and other basic services such as grocery stores, medical stores available at the village level. Palaswani has lower accessibility to financial services compared to Aambapura. The pilot testing facilitated understanding on the following aspects:

- a) Design: The questionnaire was based on the outcomes and indicators previously developed. The local context derived better understanding of the rural context and homogeneity factors contributing to the geography.
- b) Internal review: This process also ensured that the questionnaire collected all the information needed. A thorough review of the developed tool was done by M&E and subject matter experts. Relevance of outcome of each survey question was discussed.
- c) Pilot Testing: The draft questionnaire was then tested on the field. Field-testing is crucial step to confirm that the length of the interview, format, and phrasing are appropriate, and to make sure that the survey can yield consistent and reliable results.
- d) Revision and Redesign: The draft questionnaire was later considered for revision to address the challenges being faced while recording the data. The changes were majorly incorporated considering illiteracy of the respondents, economic condition, and social strata.
- e) Field Insights: The visit to the field also provided insights on primary occupation of the villagers, year-round engagement in activities, crops, income, knowledge about financial products, loans, flagship government schemes etc. These insights were shared with the data collection team along with challenges faced during the pilot stage. Illiteracy was the major challenge which had to be addressed during data collection. With the help of implementation partner team and through interaction with villagers; local terminologies for mainstream words in financial literacy ecosystem were identified.



Figure 8: Pilot Testing of the research toolkit in Banswara

## 2.5 Data collection

Based on the finalized tool for field data collection, a mobile-based questionnaire tool was deployed to record CAPI interactions. The tool was used to reach larger groups of stakeholders. Real-time quality checks and data review were deployed to mitigate risks related to quality of data. Constant data quality management and feedback meetings were conducted with the data collection team.

A comprehensive data management platform to compile and store data was developed. Following are the screenshots of the data collection tool.

भाग 1. पारिवारिक जानकारी	भाग -2 वित्तीय साक्षरता
9. आसका क्या नाम है? *	42. क्या आप जानते हैं कि पोस्ट ऑफिस/ बैंक द्वारा क्रेडिट वित्तीय सेवाएं प्रदान की जाती हैं? *
10. लिंग *	44. क्या आपके पास बैंक खाता है? *
<input type="radio"/> पुरुष <input type="radio"/> नर <input type="radio"/> अन्य	<input type="radio"/> महिला <input type="radio"/> जवकारी देना नहीं चाहते
11. परिवार के मुखिया का नाम क्या है? *	48. आपको किसने बैंक के बारे में जानकारी है? *
12. परिवार के मुखिया के साथ आसका रिश्ता क्या है? *	49. क्या आप विभिन्न प्रकार के बैंक खातों से अवगत हैं? उन बैंक खातों के प्रकारों को नाम दें जिन्हें आप जानते हैं। *
14. उपर्युक्त की मोबाइल नंबर	54. क्या आपके पास मोबाइल फोन है? *
15. तुम्हारी उम्र क्या है? *	56. क्या आप कैबल/ ई-नेट मोड का उपयोग करते हैं? *
16. परिवार की कर्ज/आदि क्या है? *	59. कृपया उस पोट मोड का पथन करें जिसका अपने पिछले तीन महीनों में उपयोग किया है *
18. घर में कितने बच्चे हैं (18 से नीचे)? *	

Figure 9: Screenshots of the digital tool for data collections



## Assessment tools

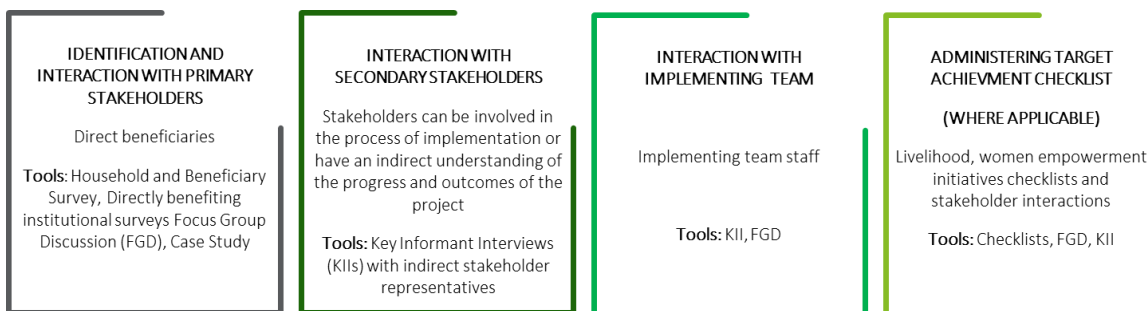


Figure 11: Assessment tools Deployed

**Focus Group Discussion (FGD):** The research team acted as the facilitator and engaged with a homogeneous group of 8-10 stakeholders to obtain in-depth information on concepts, practices, perceptions, and beliefs.

**Key Informant Interview (KII):** A set of guidelines are used by the research team to interact with ‘key informants’ from the communities who have specialized and technical information.



Figure 12: Group interaction with potential beneficiaries of Mein Pragati in Rajasthan

## Sampling Risks

The risk of sampling occurs when there is a chance that the target group chosen for a sample are not the right representative of the group being examined. While selecting the samples, the evaluation team (in concurrence with the implementing team at CRISIL Foundation) ensured that the sampling error is minimized and lies within the tolerance range. The most significant sampling error for our evaluation would be the possibility of biased outcomes based on the sample selected that might be different if the entire population were subject to evaluation procedure. The sample size was reassessed in case of similar responses to be collected for the potential target group of Mein Pragati and further clarified from the implementing partners.

## 2.6 Data Analysis and Reporting

We have incorporated the findings in this report. The analysis is based on the outcomes and variables identified.

In baseline study, cross-tabulated analysis helps to understand how the typical value of the outcome indicator changes when the assignment to treatment or comparison group (potential) is varied while the characteristics of the beneficiaries are held constant.

### Indicators and expected outcomes

Following are the micro-level output indicators to be captured in the study to map the condition of the financial literacy of the locality. The findings are based on fundamental output indicators as illustrated below.

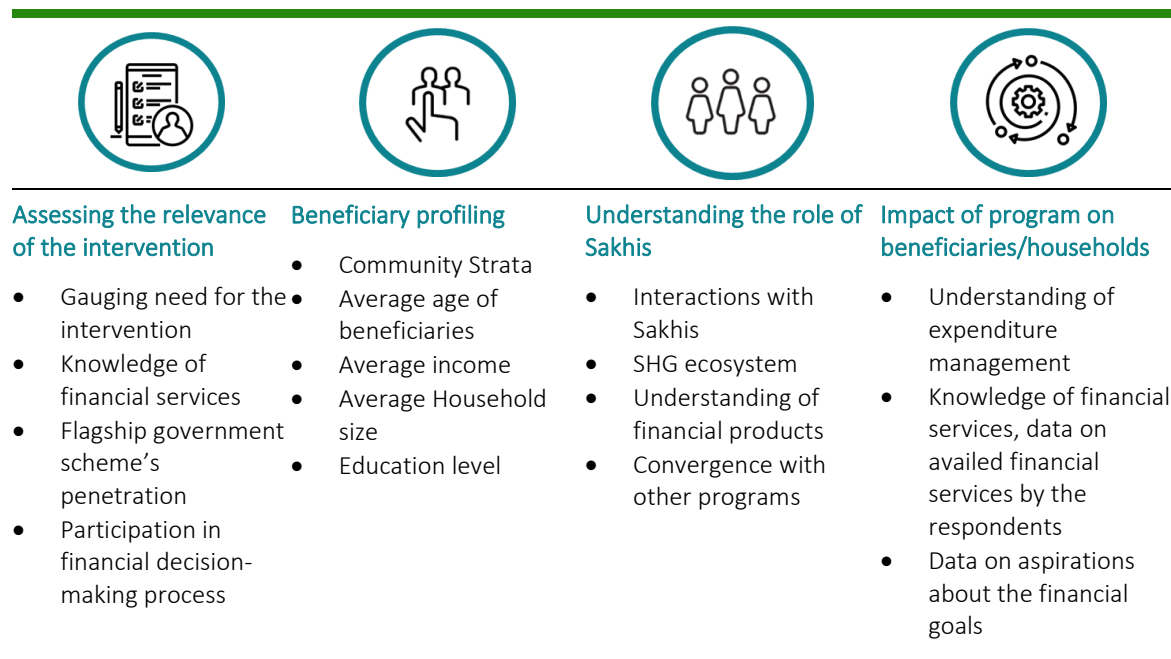


Figure 13: Output indicators of the study

# III. Baseline Observations



### 3. Findings from Baseline assessment

This section of the report contains quantitative and qualitative data inferences from all stakeholders consulted as part of the baseline assessment of Mein Pragati. It includes mainly primary demographic details of the respondents, knowledge and accessibility of banking institutions and government schemes, respondents’ perception towards loans and credits, financial awareness, and role of gender in financial literacy ecosystem. In addition, findings across cross-cutting themes gender-based observations, formal education, and level of income to assess the levels of financial literacy are also discussed in this section.

#### 3.1 Socio-economic Characteristics of Respondents

The sample comprised of 611 respondents from both program districts (Udaipur and Banswara) of Rajasthan representing the rural population that is expected to benefit from the Mein Pragati Programme. 81% of the respondents were females, with the remaining 19% being males. The rationale for including a larger proportion of females was to understand aspects related to gender based financial inclusion with the focus on women respondents. The rural socio-cultural aspect reflects a male to be the head of a household and responsible for all financial decisions hence a possibility of outlier is lower. Whereas a female being head of a family or taking financial decisions may be an outlier. Hence, higher respondent data from females will be reflective of more balanced responses.

73% of the respondents belong to Scheduled Tribes or to Nomadic Tribes. Other Backward Classes and Scheduled Castes constitute 12.1% and 9% of the sample respectively. Few respondents reported to be from General Category (5.6%). Details are provided in the below figure.

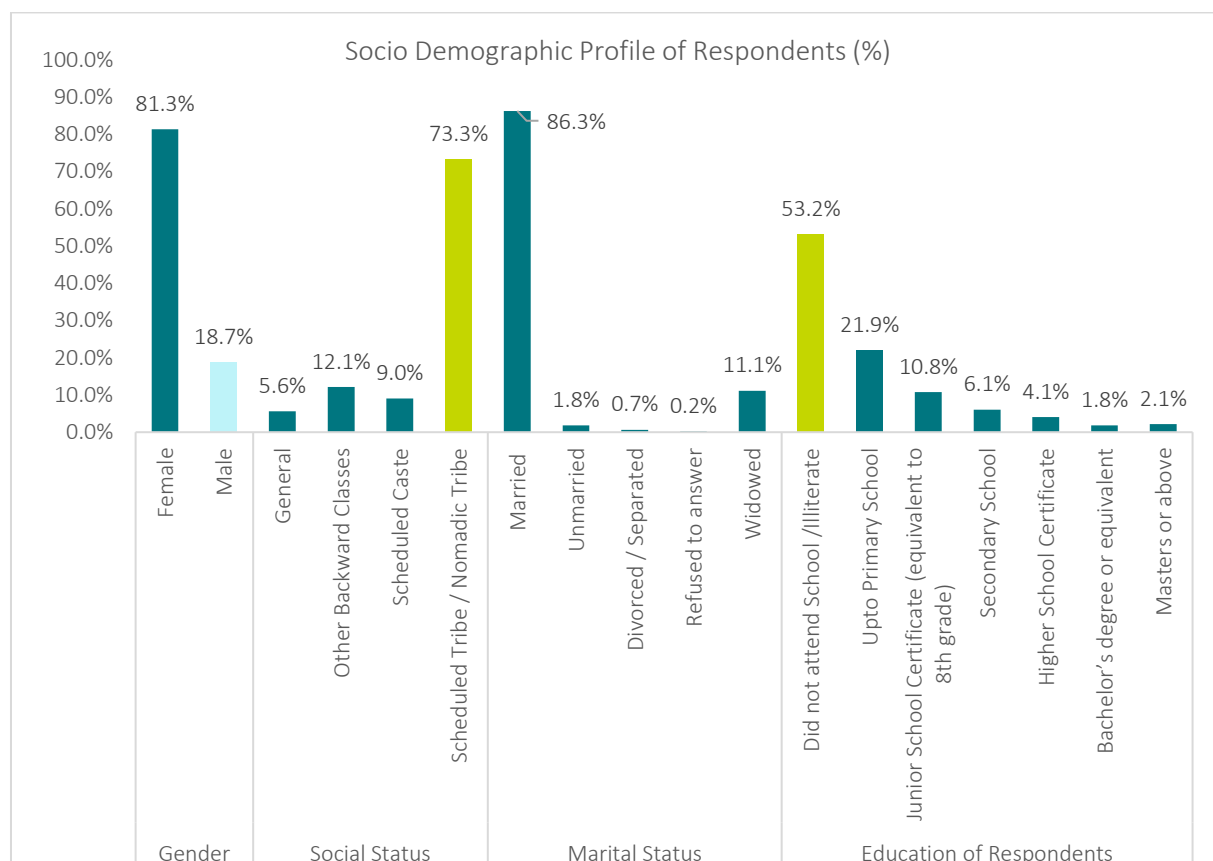


Figure 14: Socio-economic profiling reported by respondent

The majority of the respondents in the target geography did not have formal education, with 53.2% of the respondents stating that they were either illiterate or did not attain formal education and 23% of the respondents reported attending school up to primary level

*Sakhis who participated in the focused group discussion (FGD) reported that knowledge of financial services, accessibility to banking institutions, and income levels are comparatively lower among the tribal communities of the target geography*

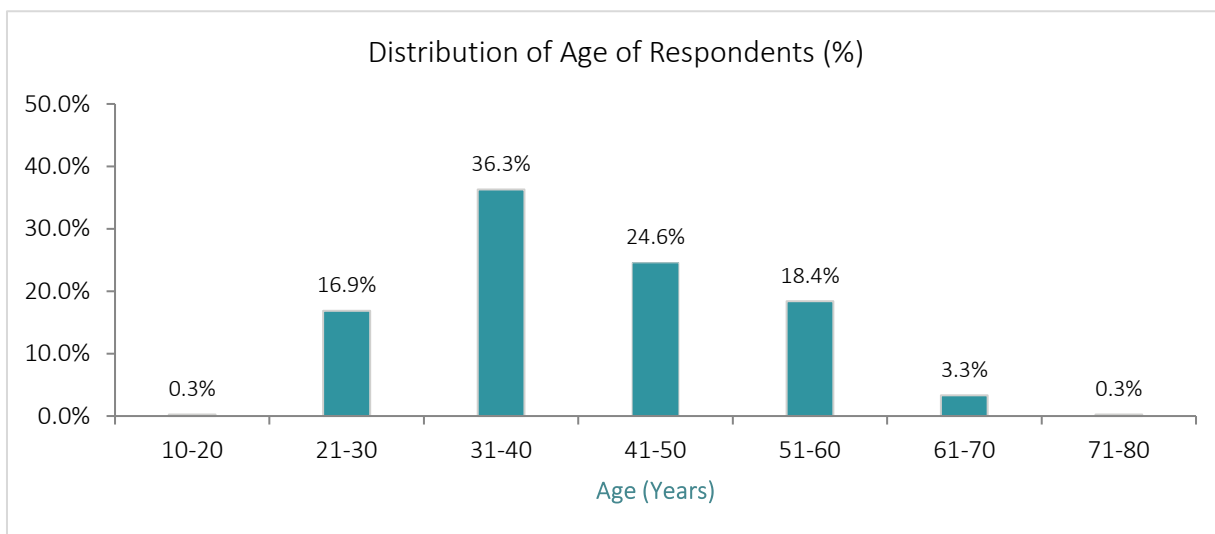


Figure 16: Reported age groups by respondents

Nearly one third of respondents reported to be in the age bracket of 31 to 40 years (36%), followed by 41 to 50 years (24.6%) and 21 to 30 years (16.9%). Very few respondents were either above 60 years (3.6%) or below 20 years (0.3%). The typical working age groups was the target of the study (20 years to 60 years). The working age groups will have more freedom to take financial decisions.

### Head of the household

The purpose of assessing the head of the household is to understand how the respondents are placed in the family for taking financial decisions. 71% of the respondents stated the head of the family to be their husbands whereas 23% of the respondents stated themselves as head. Of these 23% of respondents, 63% are male respondents, and 37% are female respondents. Large number of households in the sample are headed by male members. Data on decision-making too has been captured to gauge the gender roles, if any.

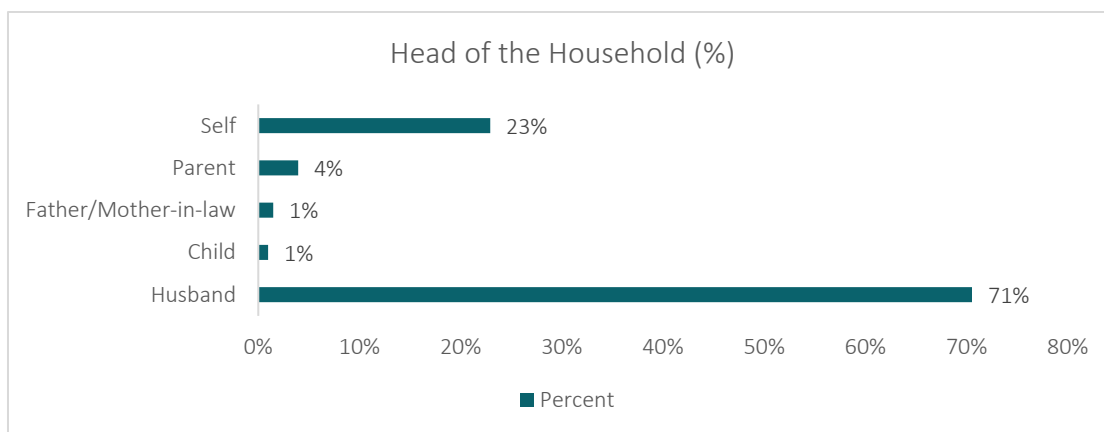


Figure 17: Relationship of the respondents with the head of the family

### Occupation

80% of the respondents stated that their primary occupation is Agriculture. However, it was stated by Sakhis in FGD that during non-agricultural season, they work as MNREGA workers. It was also reported that the villagers were mostly involved in subsistence farming. Farmers sell their yields only in exceptional cases of surplus output. 1.70 acres is the average land holding reported by respondents.

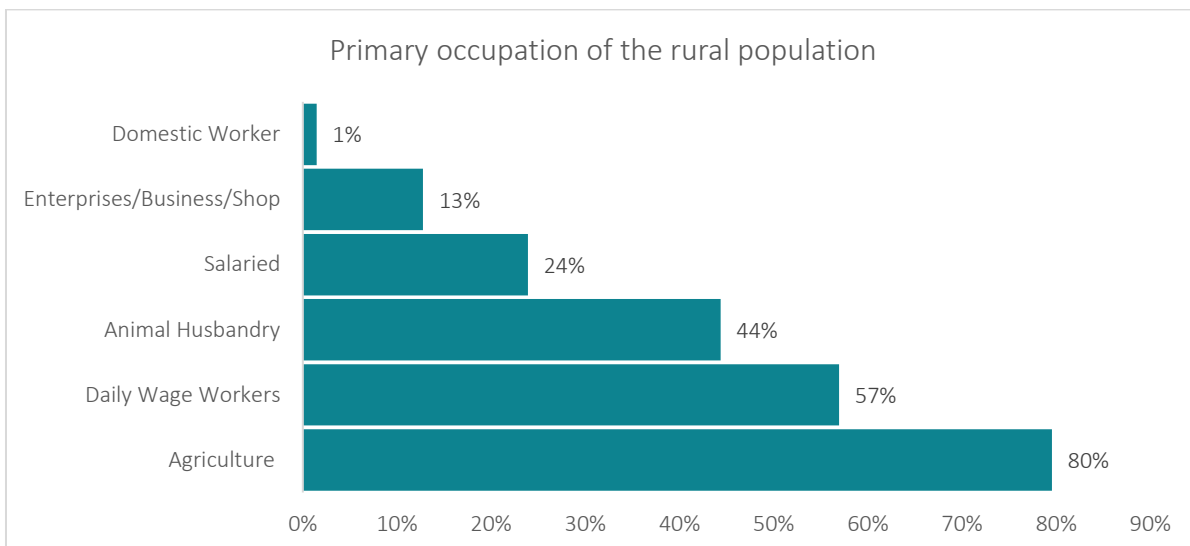


Figure 18: Reported occupation of the respondents

In comparison to male respondents, larger proportion of female respondents are employed in Animal Husbandry (11%), as Domestic Workers (8%), and MNREGA workers (3%). 57% of the total respondents stated their occupation as daily wage workers that does not include MNREGA workers as reported during the interactions.

A Sakhi expressed “people are migrating from villages to cities like Ahmedabad / Mumbai to work for daily wages. The migrating rural population is working in cities as construction laborers, and they get higher wages than any other form of wage work. Opportunities to work on wages in villages are limited as work under MNREGA is heavily dependent on funds allocation by gram panchayat and availability of the construction project.”

### Income of the respondents

Most of the respondents are subsistence farmers and daily wage workers, it can be assumed that the respondents are from poor economic background.

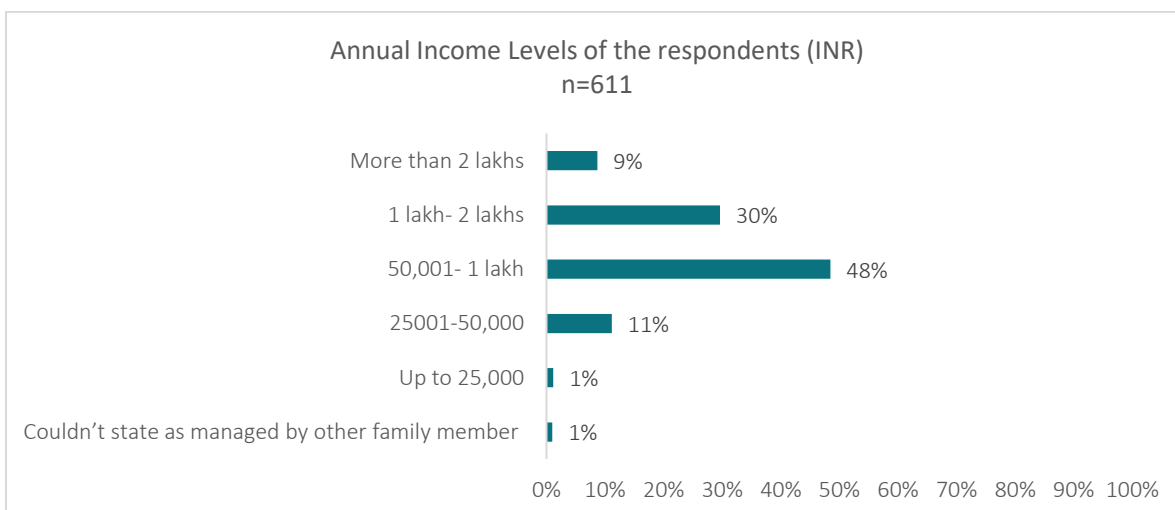


Figure 19: Annual Income Level reported by the Respondents

More than 60% of the respondents reported annual household income less than INR 1 lakh, with 12% stated their income with less than INR 50,000.



Villagers shared during a FGD *“Labor work is a primary income source in villages, primary reason being farming cannot be practiced throughout the year. Villagers earn wages around INR 3500-4000”*

### Asset Ownership

As reported by the respondents, two-wheeler is a commonly owned mode of commute. 66% respondents stated owning a two-wheeler. As stated by respondents during the survey, 59% reported that they have either of TV or Fridge or a Washing-machine. Ownership of assets such as four-wheelers or three-wheeler is found to be as low as 1%.

Agricultural tools/machinery is owned by 43% of the respondents whereas ownership of gold/silver ornaments was reported by 31% respondents.

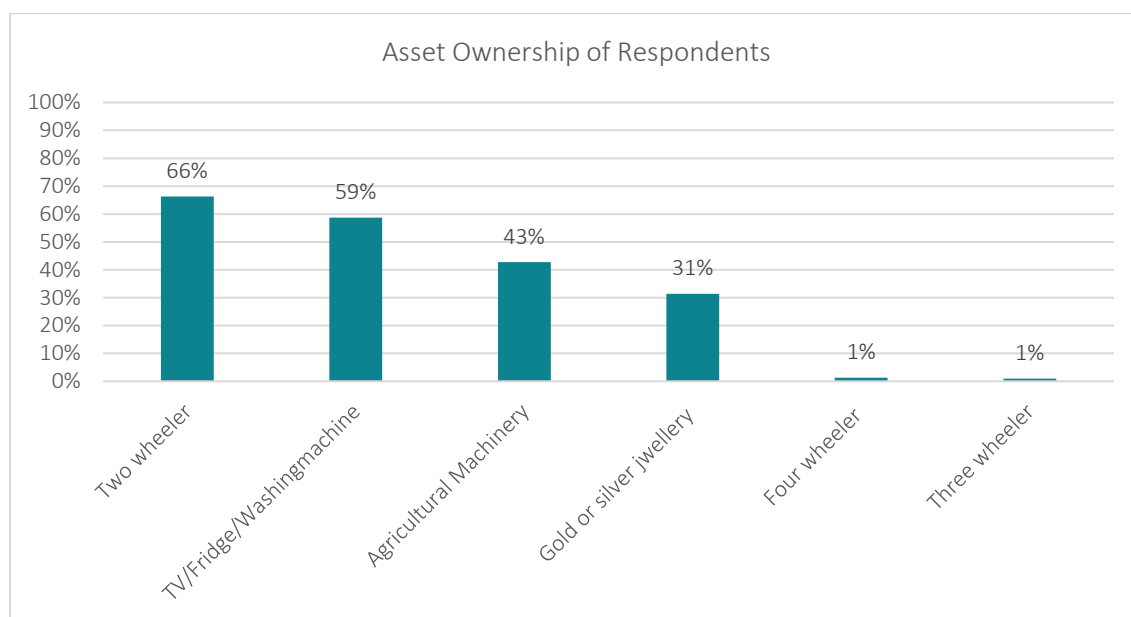


Figure 20: Asset ownership of the respondents in both the districts

## 3.2 Accessibility to Financial Services

The accessibility to financial knowledge and services is observed to be driven through three cross-cutting contributory factors – gender-based, formal education, and income levels and findings from the baseline assessment are highlighted below.

### 3.2.1 Gender-based Observations

As the program interventions revolve around improving the financial literacy among women, gender plays a larger role in achieving the same. Interactions with the respondents show that there is a significant correlation between gender and their accessibility of the financial services.

#### a. Accessibility to Financial Institutions and Services

In both the districts, at an average, 96% male and 94% female respondent reported that they hold a bank account. In Banswara, all the female respondents and marginally a lesser number of males (99%) held a bank account reflecting the fact that the entire population has primary-level of exposure to financial services.

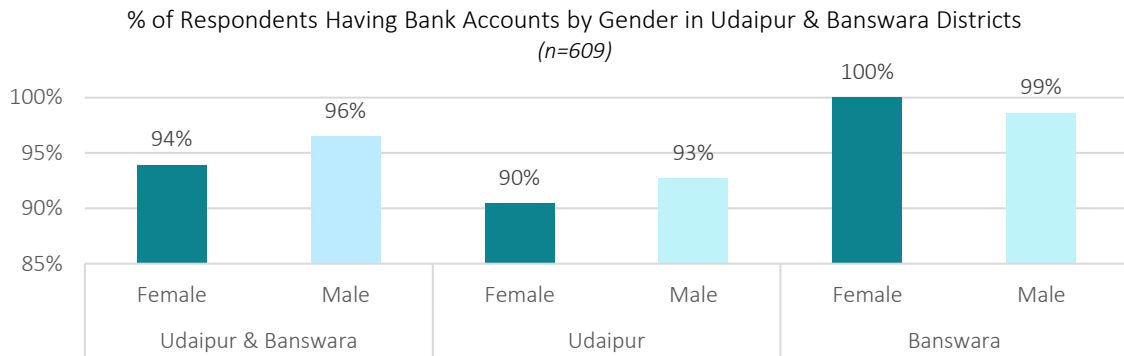


Figure 21: Respondents holding a bank account in both the districts

Out of the total male respondents, 82% reported that they are aware of a savings account as a service offered by a financial institution. Whereas only 52% female respondents reported knowing about a savings account. A marginal proportion of the population across both the genders are aware of other financial services such as Bank Loans, Recurring or Fixed Deposits, among others.

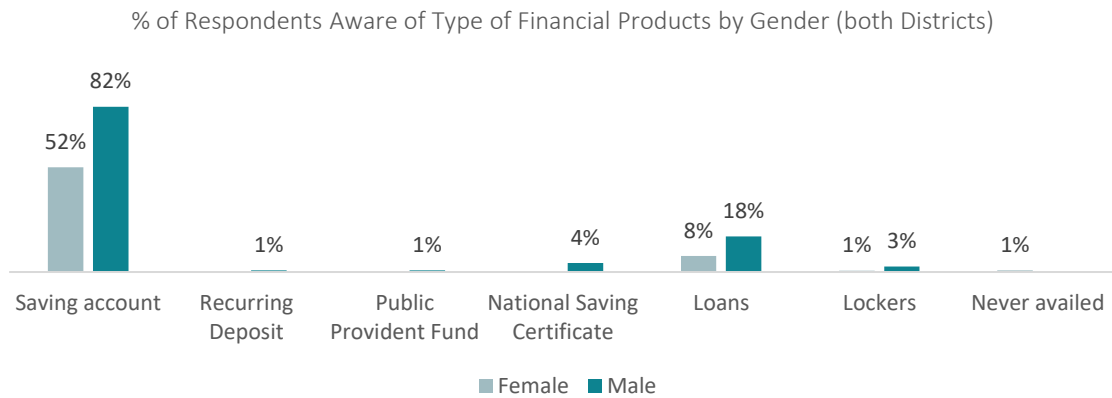


Figure 22: Awareness of Financial Services by Gender

<b>84%</b>	<b>60%</b>	<b>78%</b>
Respondents do not have an ATM card	Respondents stated that they are not aware of the process of opening a bank account	Respondents stated not being aware of insurance (Includes both male and female)

The rural population in both the districts are more familiar with non-institutional sources of financing, this was observed once the respondents were probed about the sources of availing a loan.

Respondents reported that they were availing loans from several informal sources such as Moneylenders (40% for males and 32% for females) followed by Friends (33% for males and 34% for female) and relatives (28% for males and 19% for females) constitute significant source of borrowing. A large proportion of females reported availing loan from Self Help Groups (20%).

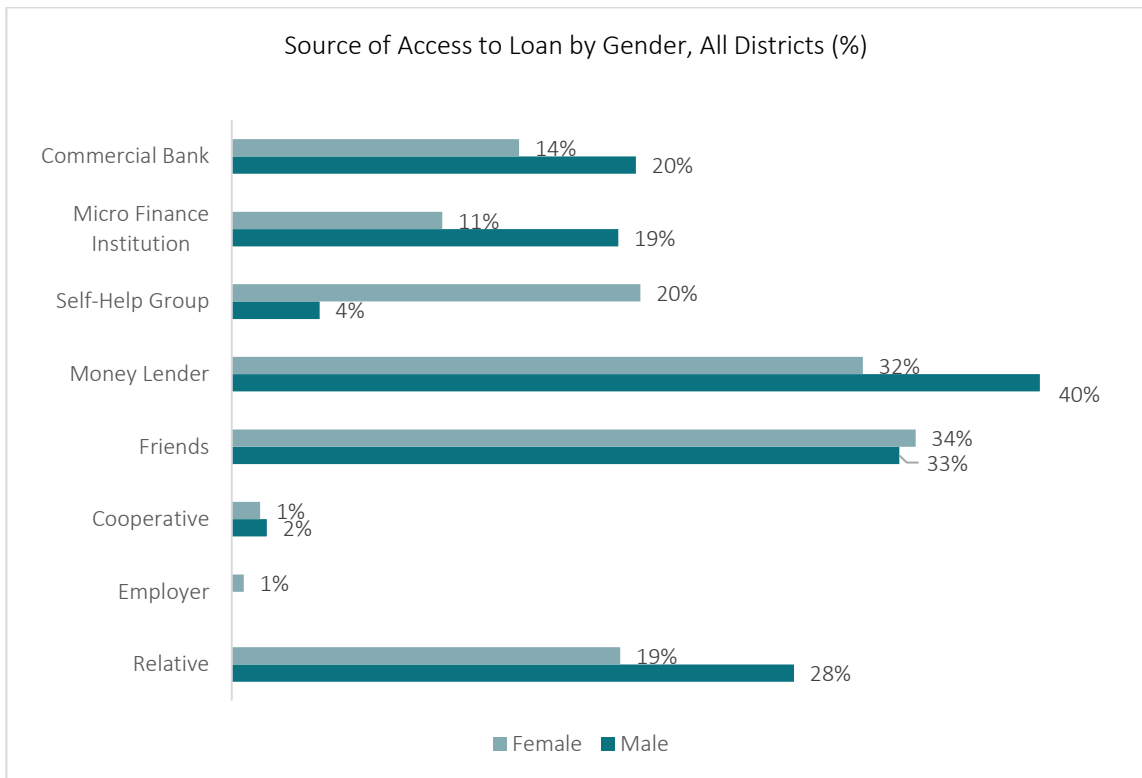


Figure 23: Reported sources of loan by the respondents in both the districts

Note – Multiple responses were reported by a few respondents

While 77% of the male respondents perceive accessibility of banking institutions to be high, for females it is 60%. Several contributing factors could lead to disparity in the level of satisfaction for accessibility to a bank. Compared to males, a higher percentage of females report low satisfaction levels on accessibility of Banking Institutions. 39% of the female respondents reported moderate to low satisfaction levels as against 21% males.

**During FGD in Banswara, Sakhis stated that:**

*“Villagers mostly avail loan from moneylenders and private microfinance institute despite knowing that they could also go to bank for the same. Since moneylenders provide them doorstep service and by mortgaging their lands for same”.*

*The range of interest rates was quite high as understood from the discussion. Moneylenders provided loan at 5% monthly interest rate whereas if villagers mortgage their jewelry, interest rate was 2%.*

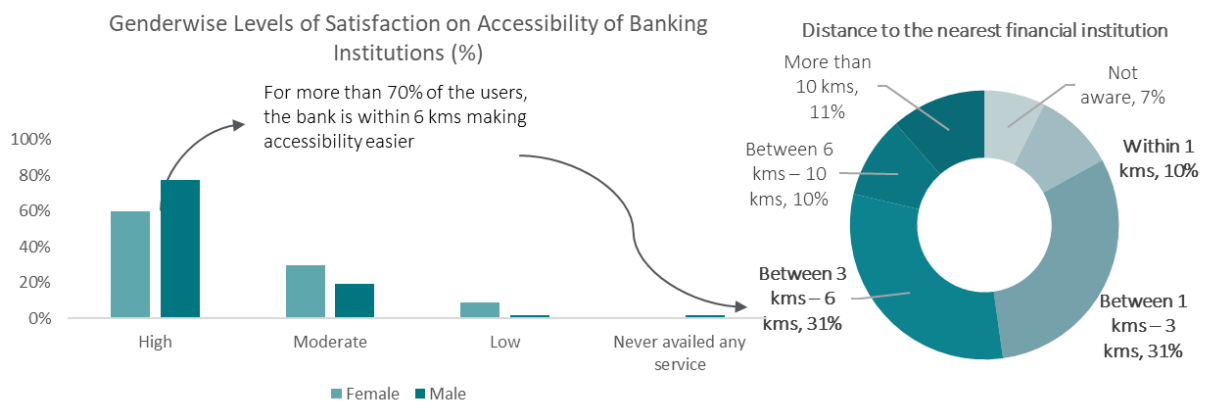


Figure 24: Gender-based comparative of accessibility to a bank

Majority of the respondents found banks to be accessible in both the districts, but they experienced challenge with the level of confidence to interact with the bank staff. Only 10% of the females reported high

level of confidence in talking to the bank staff. Whereas 27% of the male respondents, stated that they were at ease to talk to the bank staff.

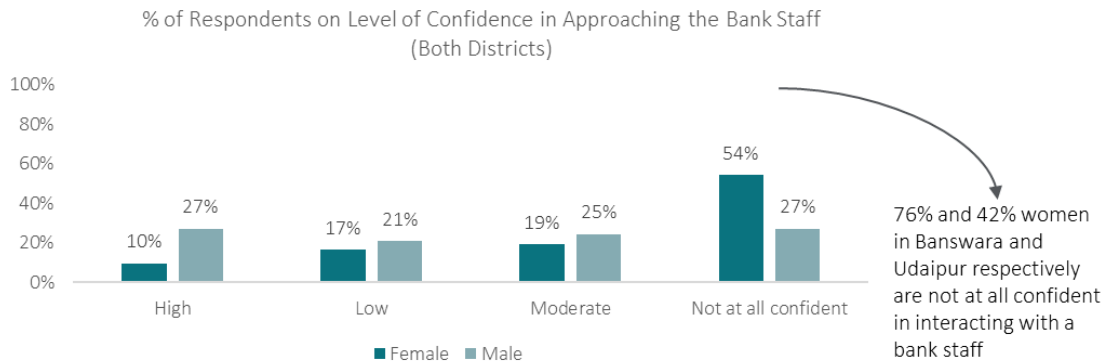


Figure 25: Level of confidence reported by respondents in approaching a bank staff

**b. Knowledge and Awareness of Financial Services**

More than 47% of the female respondents reported that they were not aware of the financial services offered by the banks and post offices. Whereas male respondents were more aware with only 18% showing lack of awareness. Across the broad category of financial products offered among others, the savings account, loan, National Savings Certificate (NSC), the awareness on savings account is the highest for both male and female respondents. Very marginal proportion of respondents were aware of NSCs, one of the lucrative investment instruments offered by the Post Offices (0.2% for Females and 1.8% for Males). In Banswara, 47% of female respondents lack awareness on financial services and products offered by banks and post office.

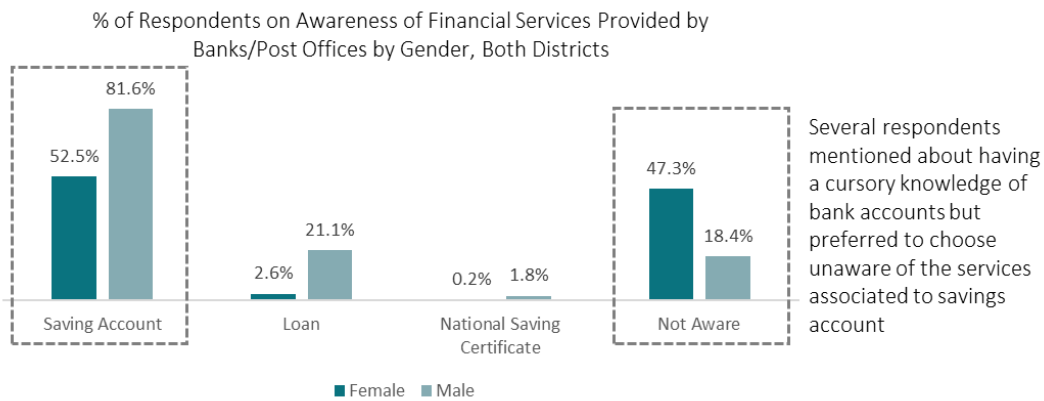


Figure 26: Gender-based awareness of financial services reported in both the districts

**c. Possession of Documents**

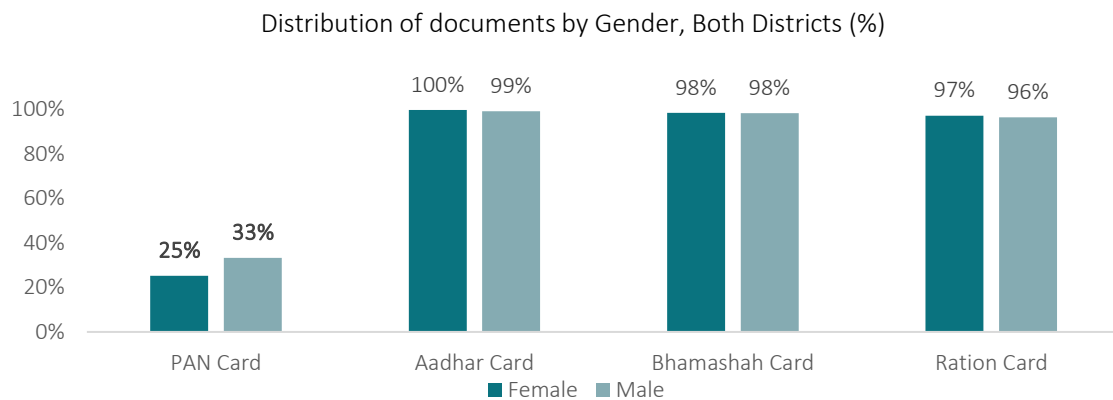


Figure 27: Ownership of identifier proof in both the districts

More than 96% of the respondents have documents required for assessing basic financial services and government schemes being extended to them. Irrespective of gender, possession of Aadhar Card, Bhamashah Card<sup>18</sup> and Ration Card is satisfactory in the intervention areas. Most of the respondents (94%) reported holding a bank account though they were not aware of opening such accounts. Also, one third of male respondents and one fourth of female respondents reported to be having PAN card.

**d. Female members need to be accompanied by others to visit Financial Institutions**

The women respondents in the study reported 40% visited the banks alone while remaining 60% needed support from others. 41% of the women respondents visited banks with their husbands, 17% with other family members and very few women reported visiting banks with SHG members (2%) or with other women in the village (less than 1%).

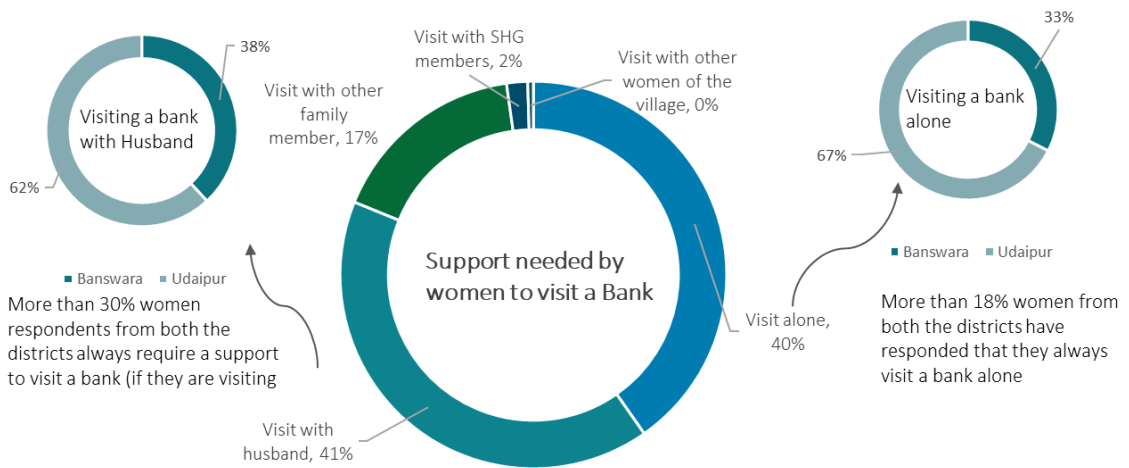


Figure 28: Support needed by women respondents to visit a bank in both districts

Note: Percentages refer to multiple responses given by the respondents. Stated numbers are not unique.

**e. Familiarity with digital financial services**

The study recorded responses related to the readiness and adaptability of digital financial services. The respondents expressed a low level of exposure to digital payments and banking facilities. Few respondents during FGDs and qualitative enquiries, expressed not even knowing about digital payments. The infrastructure within the villages is reported to be not conducive to digital payments.

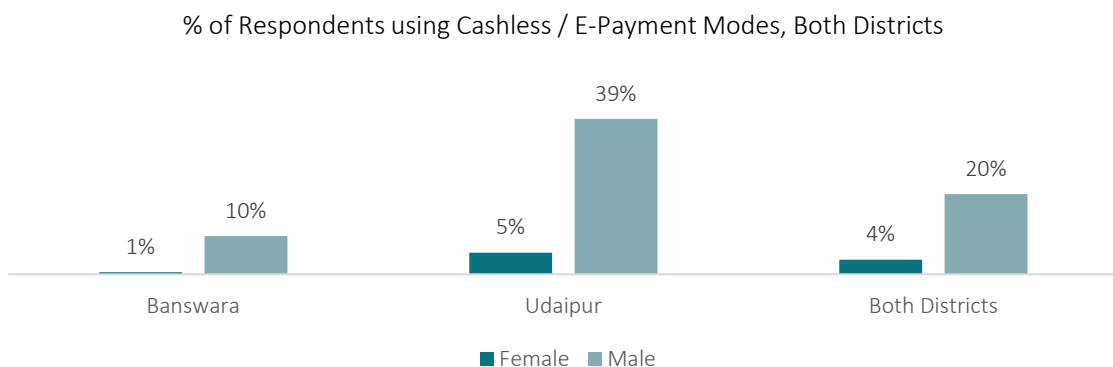


Figure 29: Gender-based use of Digital payments by the respondents

The use of digital payments by female respondents (4%) was found to be significantly lower compared to male respondents (20%). In Udaipur, the gender gap in utilization of cashless payment is high (34%). Larger proportion of male respondents were found to be aware of digital payments (39%).

During the interactions, a lower proportion of female respondents reported owning a smart phone compared to males. It could be a possible reason for the lower adaptability rate of digital payments.

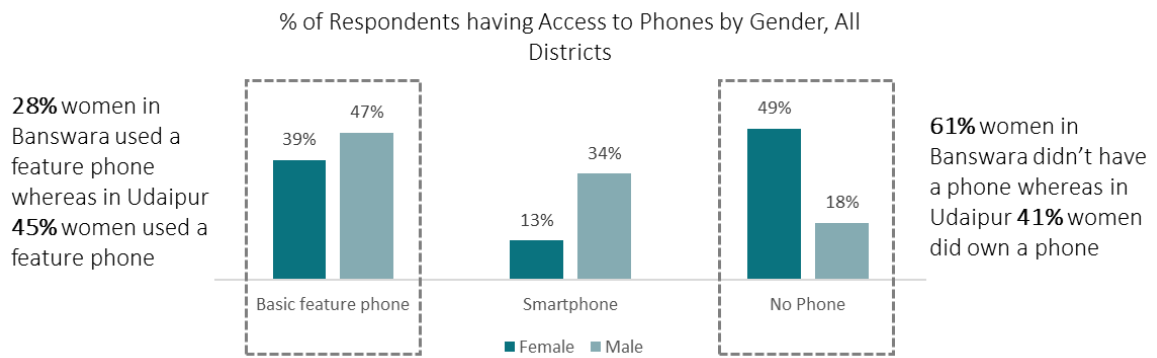


Figure 30: Gender-wise type of phone owned by the respondents in both the districts

A Sakhi reported during qualitative interactions that she is empathizes with the relevance of technology to ensure better penetration of financial services. She reported that she was capable of linking an Aadhar card with the owner’s bank account using a smartphone.

**f. Limited access to IEC on financial inclusion**

The source of IEC is crucial in reaching to the target population for achieving the intended benefits of the program. Awareness and acceptance of IEC among the end beneficiary determines its efficacy.

In both the districts, lower proportion of respondents reported their awareness on IEC related to Financial Schemes (25% of the females and 33% of the males). Gender gap on awareness of IEC related to financial schemes is much more evident in Udaipur (23%).

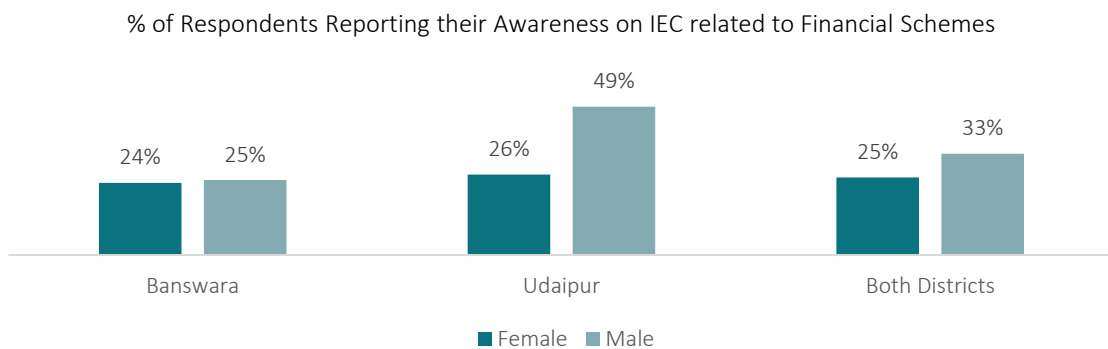


Figure 31: Gender-wise access to IEC on financial awareness and schemes

The adequacy and type of IEC is a critical parameter to ensure penetration of interventions amongst the target group. Female respondents in both the districts expressed training sessions by NGO through self-help groups as the most common source of IEC (58%). Whereas Radio / TV were cited as the common mode of delivering IEC program on Financial Literacy overall. Of the total number of respondents who reported coming across some mode of IEC Campaign on Financial Literacy, 59% accessed it on TV /Radio. However, a higher percentage of male respondents reported accessing financial literacy programs through Newspapers (89%) whereas only 36% women respondents came across IEC on Newspapers compared to male members.

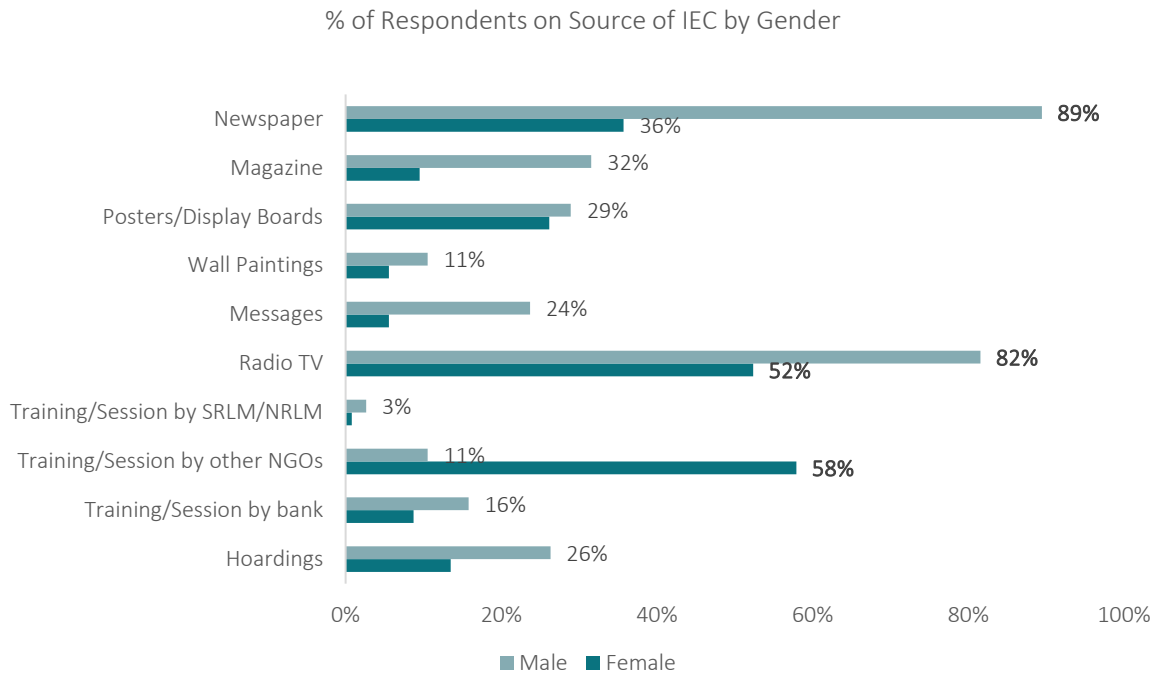


Figure 32: Gender-wise source of receiving IEC

### 3.2.2 Education/ Literacy level-based findings

This sub-section covers the findings on how educational qualification is impacting the accessibility to financial services among the target beneficiaries.

#### a. Accessibility and Awareness of Financial Services

The respondents without any formal education largely reported that they were not aware of financial services offered by banks and post offices. Nearly 62% of the respondents who did not attend formal education reported lack of awareness. The figure decreases to 30% for those who have attained education till primary school.

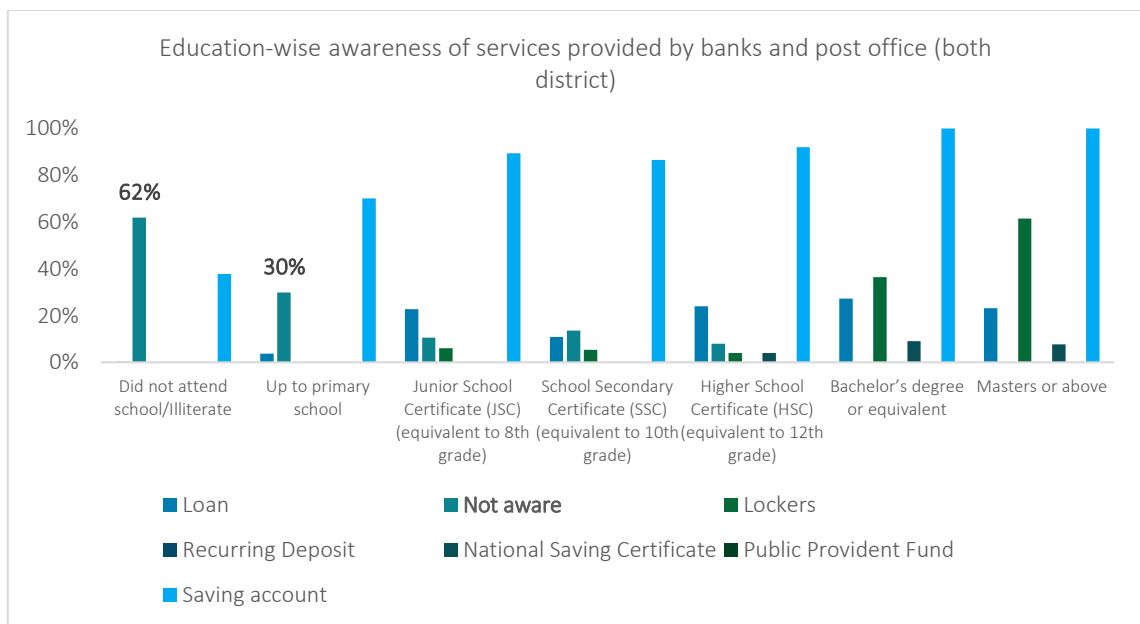


Figure 33: Awareness of Services offered by a Bank or Post Office based on Education of the respondents in both the districts



The district-wise figures also depicted a similar trend, i.e., 68% respondents from Udaipur and 62% respondents from Banswara without any formal education reported that they were unaware of any such financial services offered by banks and post offices.

It was noted that all groups reported to prefer informal sources of loan. They preferred informal loan sources as it is easy to access and involves less paperwork. Money lenders were the most common source of loan for comparatively lower educated strata whereas for higher educated strata, friends, and relatives along with money lenders constituted a significant source of borrowing. Mostly respondents with higher level of education is noted to avail loans from commercial banks.

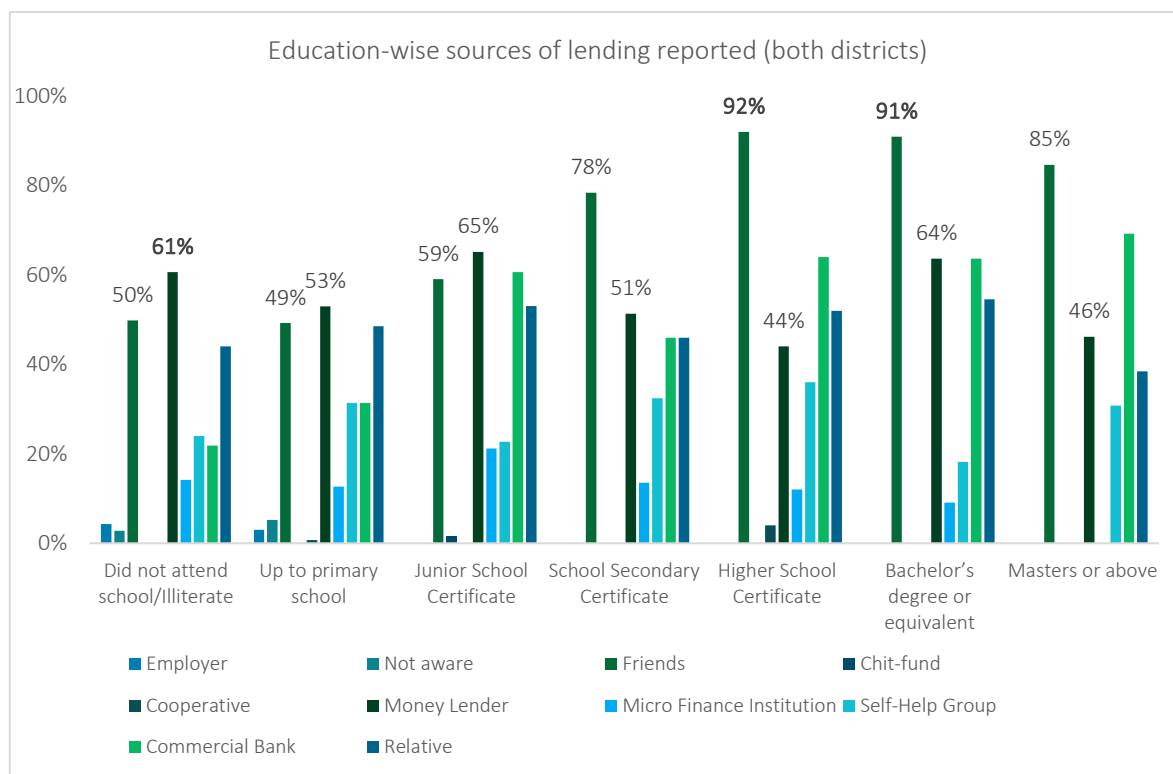


Figure 34: Education-wise sources of lending reported by the respondents in both the districts

56% and 66% of the respondents who have attained minimal or zero formal education reported dependence on money lenders in Udaipur and Banswara respectively.

The confidence level of speaking with the bank staff was reported to be low across all the sections of the respondents. In Banswara district, 92% of respondents who did not have formal schooling reported of not feeling confident at all. On the other hand, 50% respondents with Bachelor's degree and 25% respondents with Master's degree felt very confident while talking to a bank manager. Similarly, in Udaipur district, 61% of respondents who did not have formal schooling reported of not feeling confident at all. 57% respondents with Bachelor's degree and 56% respondents with Master's degree felt fairly confident while talking to a bank manager. 14% and 22% respondents from Bachelor's and Master's degree respectively felt 'Very Confident' in talking to the bank manager. A negative correlation between level of education and confidence in interacting with the bank staff was observed in both the districts.

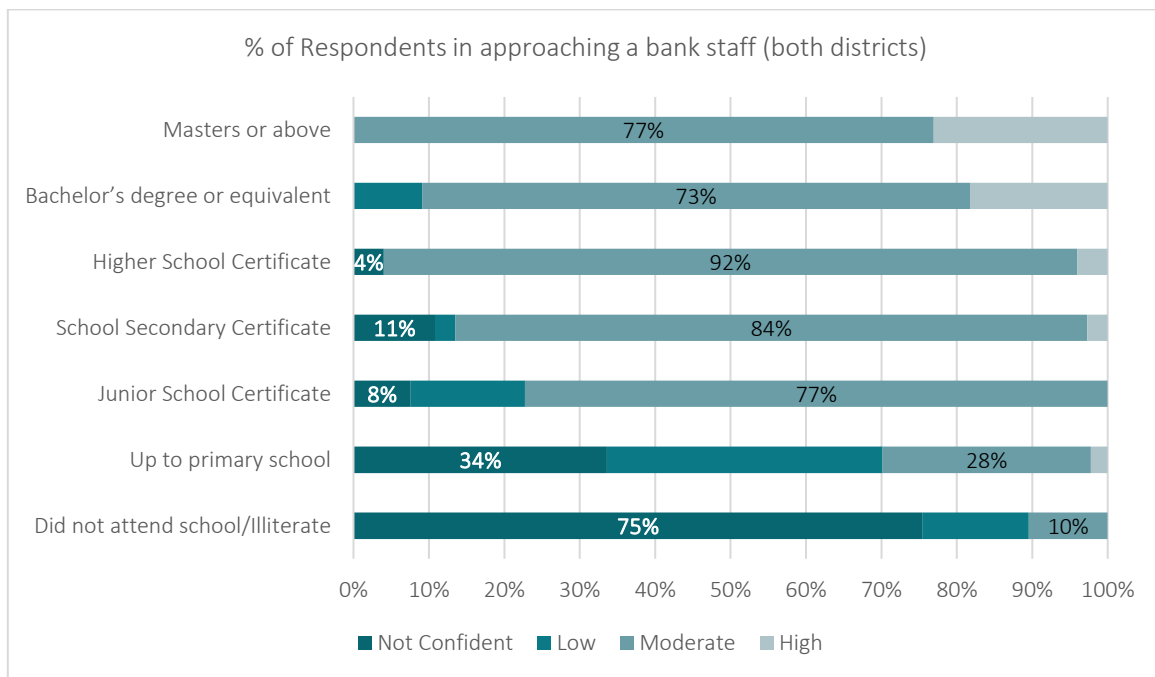


Figure 35: Confidence level reported by respondents in approaching a bank staff based on education level. Lesser number of people with higher education reported lack of confidence in approaching the bank staff.

**b. Knowledge and Awareness of Financial Services**

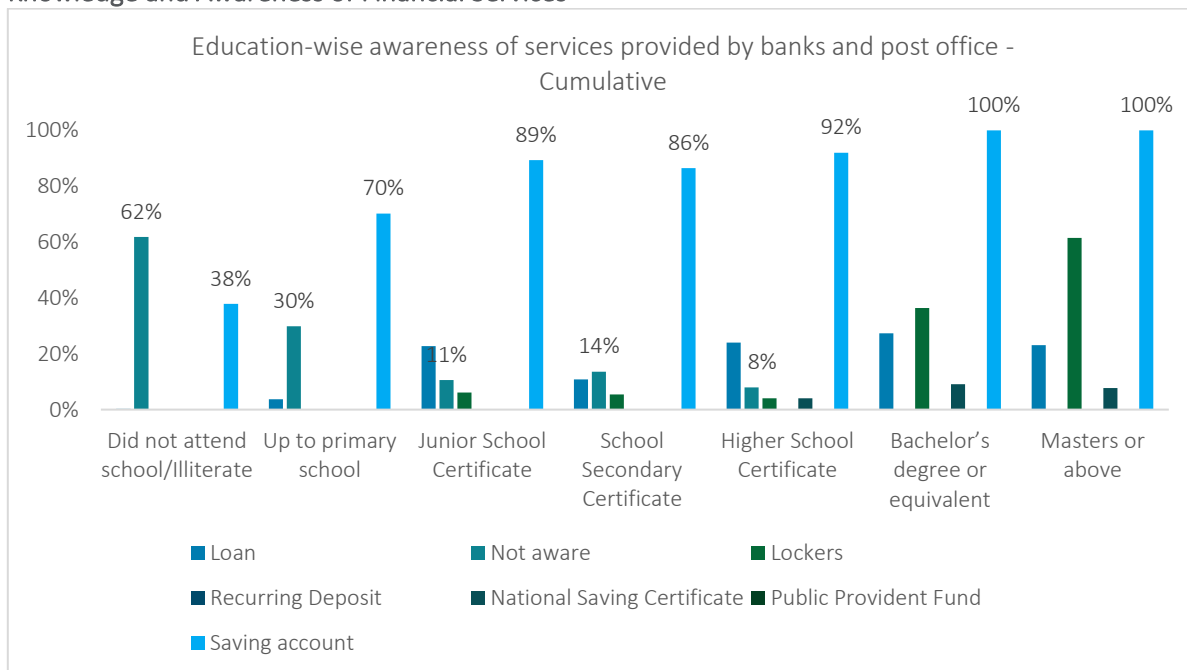


Figure 36: Awareness of Financial Services across education level in both the districts

Among the financial services offered by the banks and post offices, respondents were aware of savings bank account. Respondents without any formal education were not aware of any financial services (62%). The proportion of respondents that did not possess formal education and were unaware of financial services was comparatively higher in Udaipur (68%) compared to Banswara (55%).

**c. Entitlement proof / Identification proof**

Most of the respondents reported to possess identity documents other than the PAN Card. Direct relationship can be observed between the level of education of respondents and their possession of PAN card. The proportion of respondents reported to hold a PAN card increases as higher education level is observed. 90% of respondents that did not get any formal education reported not to possess a PAN Card. A similar pattern is observed across both the districts.

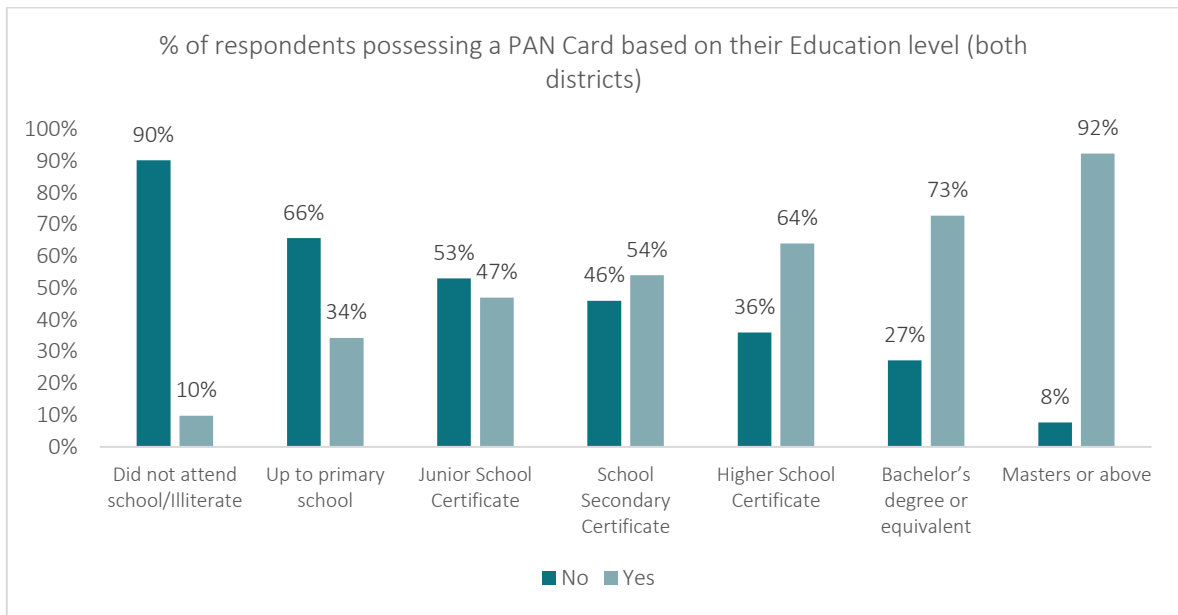


Figure 37: Reported Possession of a PAN Card based on Education Level in both the districts

**a. Familiarity with Digital Financial Services**

The readiness to adopt and existing adaptability with digital financial services (DFS) by the respondents is reported by current usage of digital payments and possession of a smart device capable of making such transactions. Education level seems to impact familiarity with DFS directly i.e., respondents with lower level of education did not prefer using digital financial services. Almost none of the respondents that did not attain formal education utilized digital transactions such as UPI.

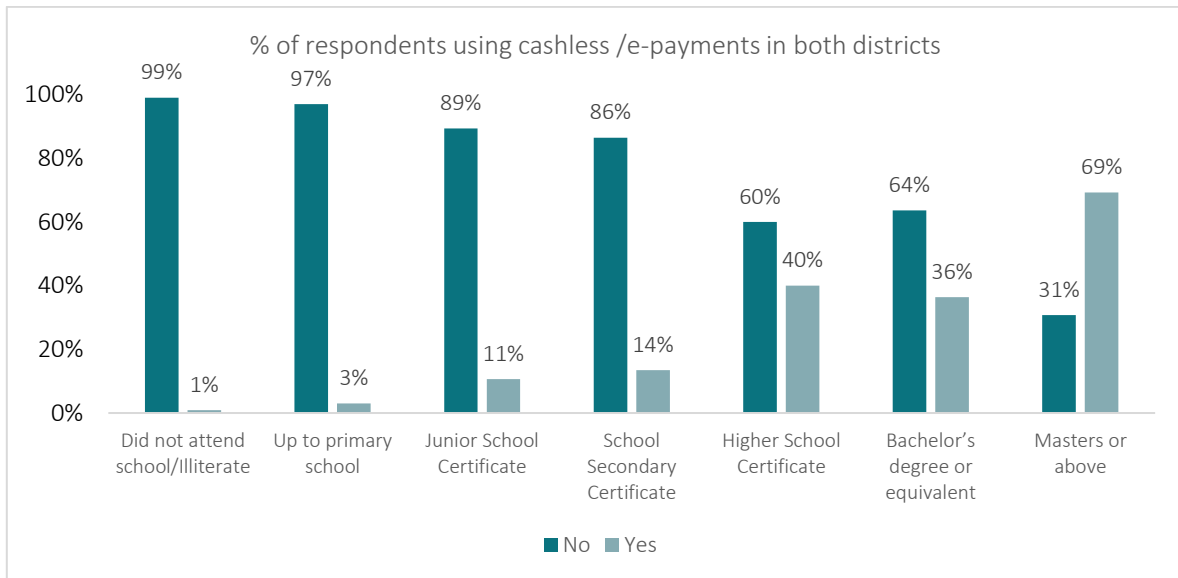


Figure 38: Reported use of cashless payments based on education level in both the districts

The use of cashless payments is dependent on availability of digital infrastructure. The demand-side utility requires greater smart phone ownership in the locality. The respondents reported low ownership of smartphones for strata that did not have formal education.

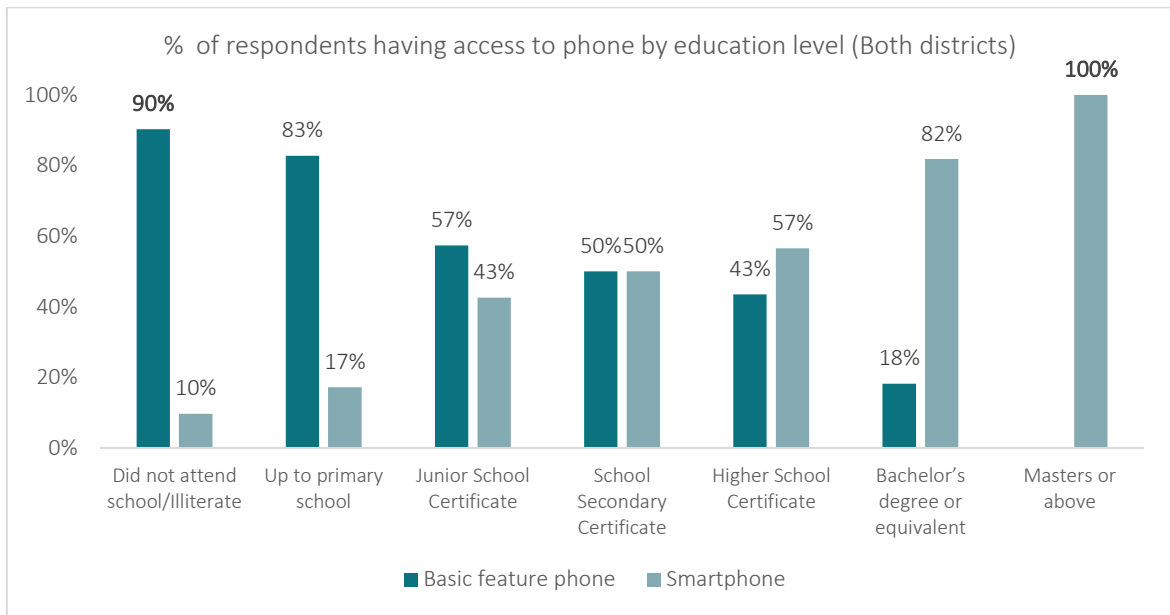


Figure 39: Respondents having access to phone by education level in both districts

The respondents that did not attend any formal education also did not have a smartphone. The adoption rate of smart phones increases with higher education levels. Ownership of a smartphone depends on other factors such as availability of infrastructure and disposable income to afford a smart phone.

**e. Access to IEC related to financial inclusion**

Access to IEC depicts similar pattern in both the districts other than one source of acquiring IEC through newspaper in Udaipur. A large share of respondents who have attended school (60%) reported that they came across IEC related to financial literacy in Udaipur. The consumption of IEC related to financial literacy has a close linkage with the level of education and source of consuming the information.

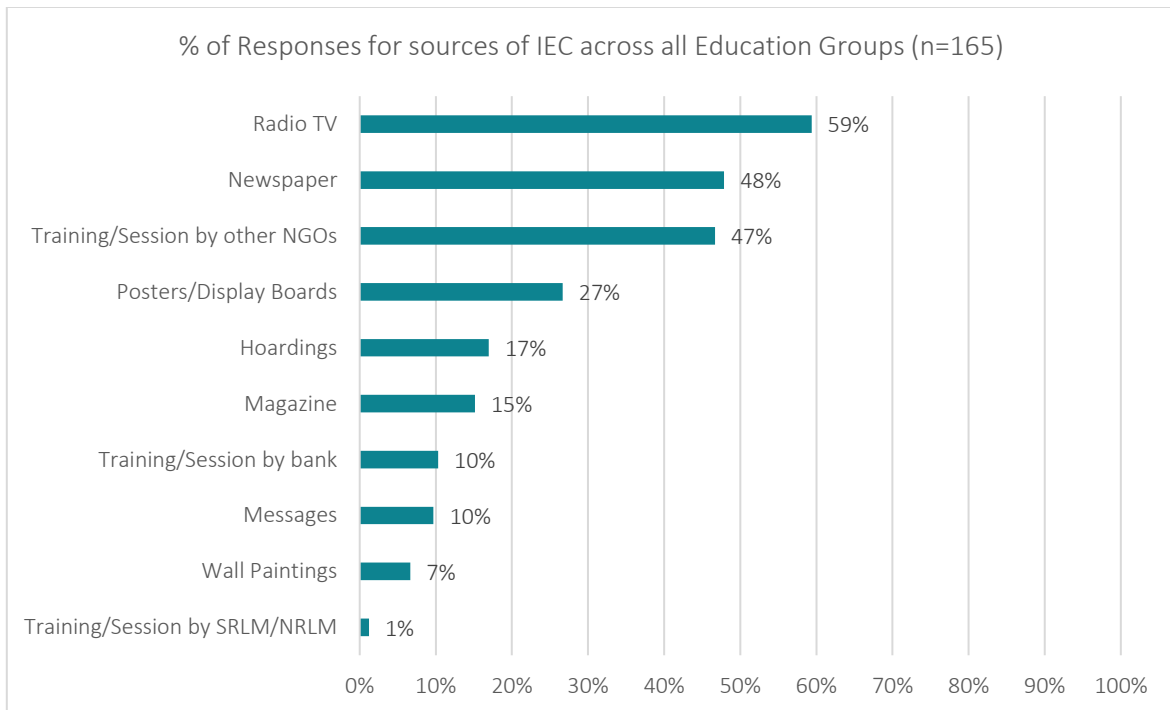


Figure 40: Responses to the source of IEC reported by respondents in both the districts

The multiple responses were recorded. The proportions are calculated from total number of respondents for this question (165). The remaining respondents didn't experience any IEC.

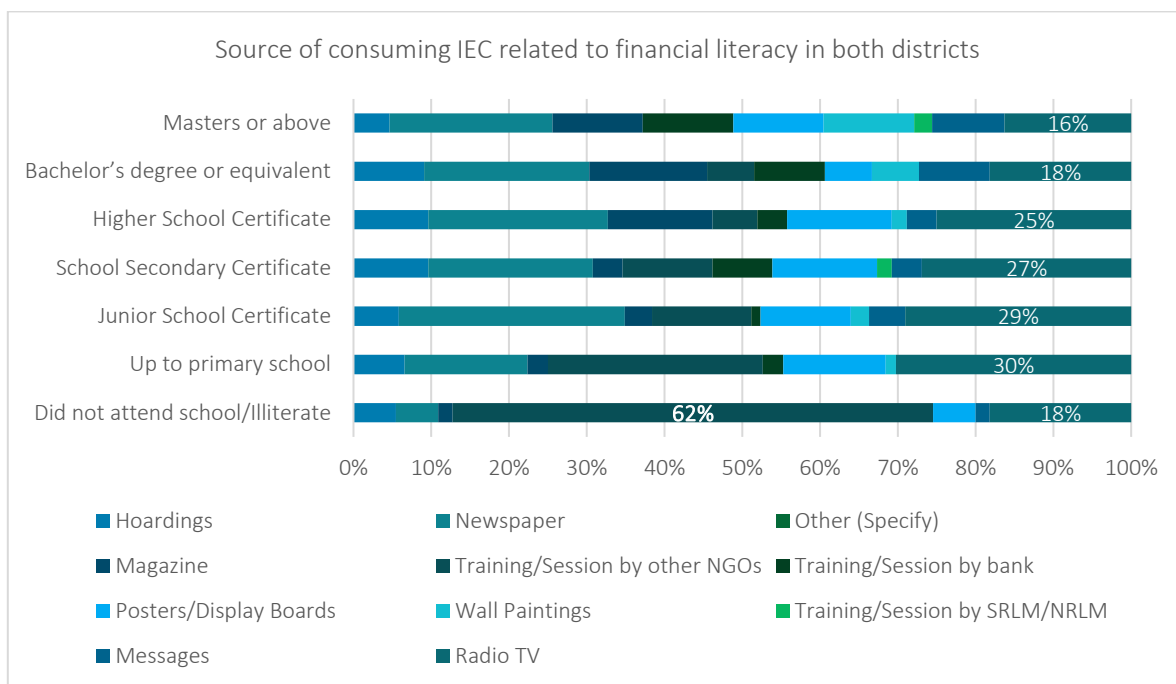


Figure 41: Sources of consuming IEC based on education level in both the districts

More than 60% respondents that did not attend formal education reported consuming IEC through trainings and sessions within the Self-Help Groups. Whereas TV and Radio are another common source of IEC on financial literacy across all groups along with being one of the most common sources.

### 3.2.3 Income-based observations

Income is an important factor determining financial decision making of individuals. Hence, income-based observations are cross-tabulated with other responses to assess the baseline trends.

*Note: In a few cases the income groups are merged, if the number of responses is marginal in any of the categories.*

#### a. Accessibility and Awareness of Financial Services

In both the districts, almost all the respondents held a bank account regardless of the income level. Key informant interviews with SRLM/NRLM representatives revealed that regardless of income, majority of the population in both the villages were motivated to open a bank account under the PMJDY. The public was hand-held by representatives and PRIs to open the bank account to get access to benefits to be offered vide public schemes and policies.

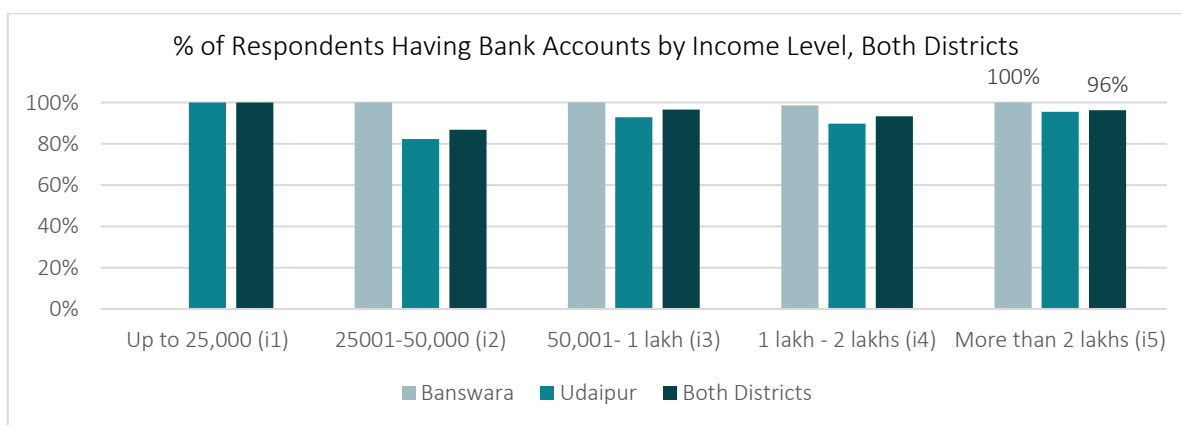


Figure 42: Bank Account ownership reported by income in both districts

More than 90% of the respondents with annual household income more than INR 2 lakh reported being completely aware of savings account as a service offered by banks and post offices (Figure 43) 68% of the

respondents with annual household income between INR one to two lakh, were aware of savings accounts as one of the services being provided at banks or post offices. The proportion reporting their knowledge of savings account decreased for the respondents with groups having lower household income.

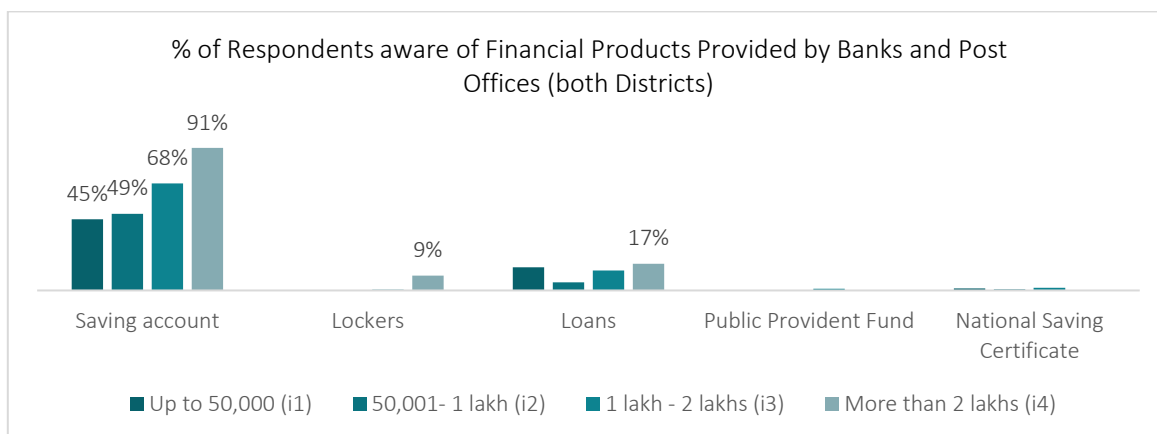


Figure 43: Income-wise responses on awareness of financial products offered by Banks and Post Offices

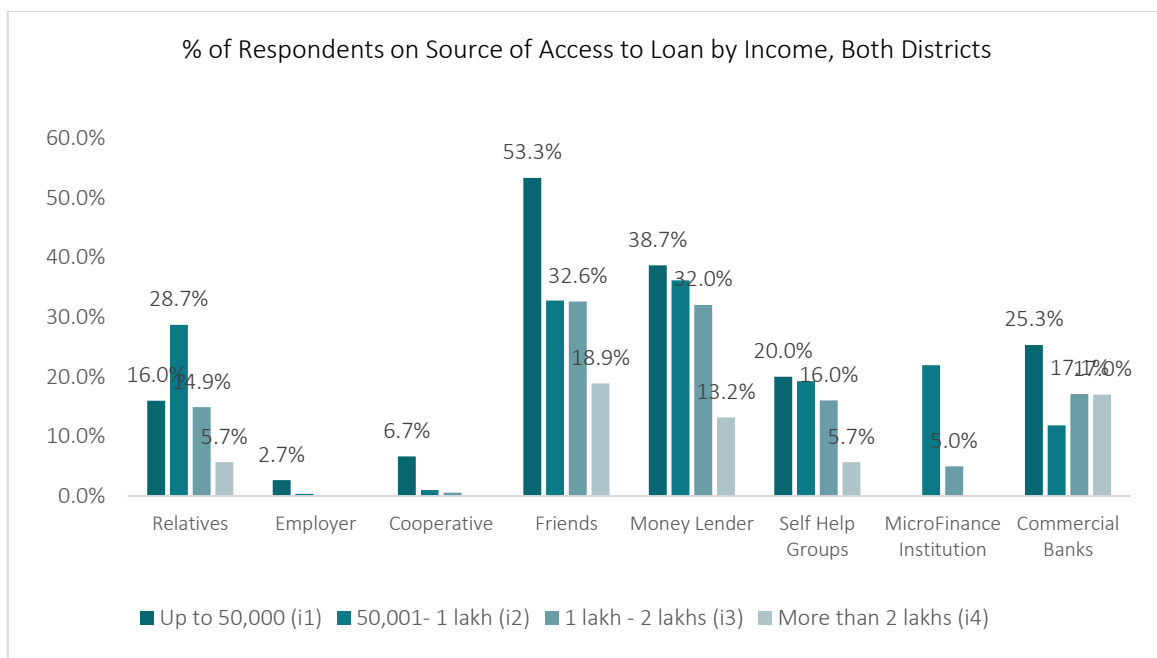


Figure 44: Income-wise sources of lending as reported by respondents in both districts

Respondents reported availing loans from several sources outlined in the Figure 44 (above). Informal sources such as Moneylenders (53.3%) and Friends (57.4%) constituted the most common source of loan for those belonging to the low- income group, i.e., whose annual household income is under INR 50 thousand. As income of respondents increased, their dependency on moneylenders was observed to be decreasing. Respondents comprising the segment with annual household income under INR one lakh relied on Self Help Groups, Micro Finance institutions, and cooperatives for loan.

*Sakhis stated in a FGD that people are generally aware of the differences between interest rates e.g., ‘sekde ke liye 1 rupaya’ is a type of unit of measurement and ratio for interest rates in the villages, which simply means if INR 100 are borrowed INR one per month shall be the interest. The same was claimed by the bank correspondent to be as high as INR three for every hundred if the loan is borrowed from a money lender (or other informal sources of lending).*

A comparative analysis is depicted below to understand participation reported by income groups under each source of lending. The income group earning INR 50,000 to INR one lakh reported to hold the largest share for several informal lending sources such as relatives (67%), SHGs (55%), and Money Lenders (53%).

A closely related measure was observed by the level of confidence to approach the bank staff. Only 13% of the respondents expressed high level of confidence in approaching the bank staff to avail financial services. The most underconfident income strata was the one with annual household income between INR 50,000 to INR one lakh.

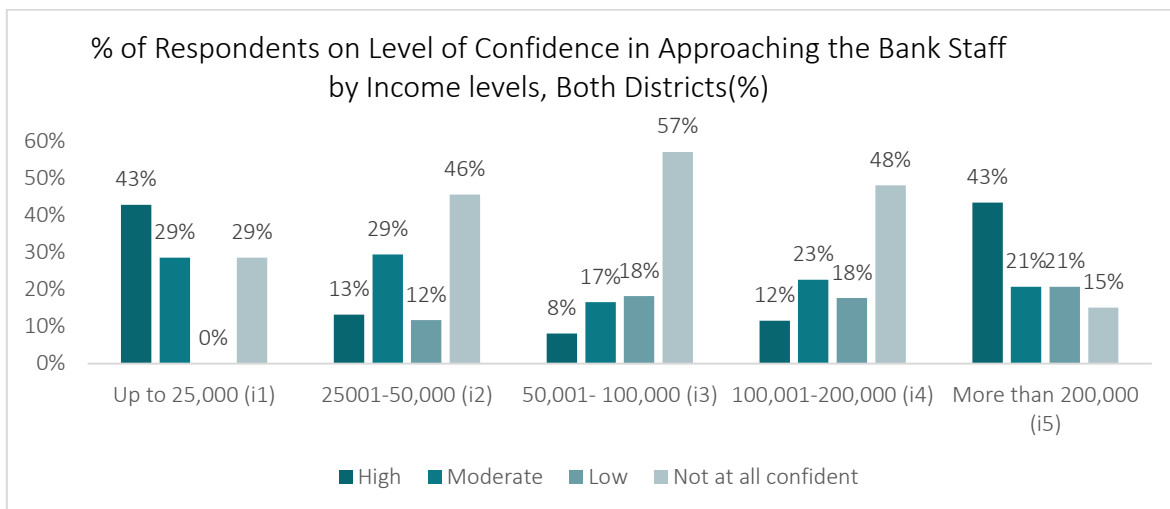


Figure 45: Income-wise level of confidence reported to interact with a bank staff

**b. Knowledge and Awareness of Financial Services**

In the study, it is observed that more than 8% of the respondents reported to fall in the income bracket with annual household income of more than INR 2 lakhs. While only 9% of the respondents belonging to Income group i5 reported lack of awareness on Financial Products offered by Banks and Post Offices, it is high for all other income groups. For respondents falling under income group i2, 57% reported lack of awareness. Marginally lesser percentage of respondents belonging to other income groups stated lack of awareness on financial products (50% and 31% for i3 and i4 respectively).

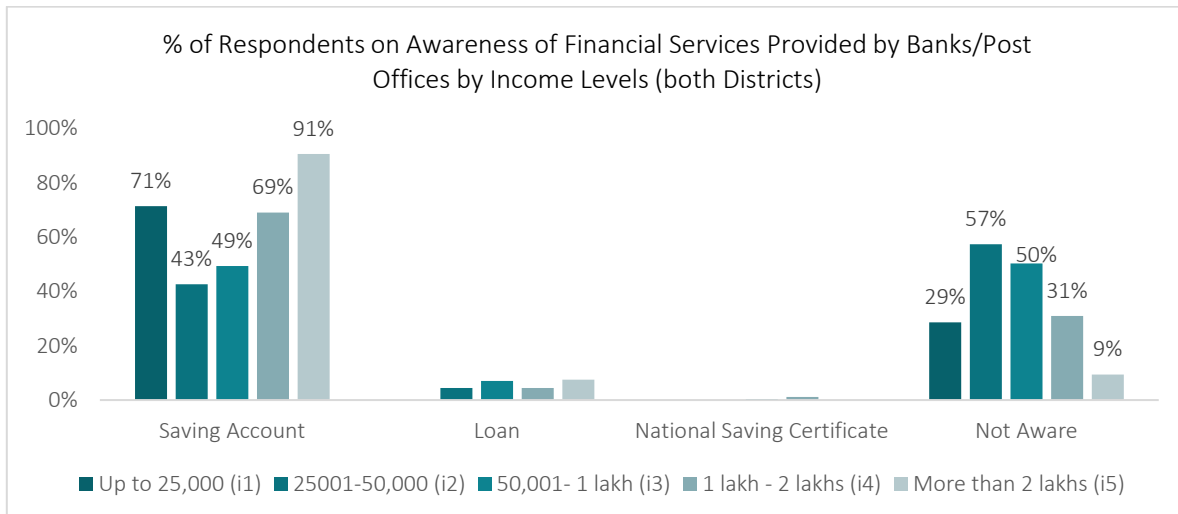


Figure 46: Income-wise responses on awareness of financial services in both the districts

Note: a few respondents expressed partially knowing the process of opening a bank account but still preferred to respond as not aware due to lack of confidence.

*Sakhis are aware of the features of flagship insurance schemes of Government such as PMSBY, PMJJBY, Cheeranjivi, Fasal Bima alongwith their benefits. These correspondents could also speak about services provided by banks such as Recurring Deposits, Fixed Deposits, and services from post office. According to sakhis there are no governmental/ non-governmental organizations available in villages that helps villagers to enhance income. Every Sakhi also seem to know about MGNREGS (Mahatma Gandhi National Rural Employment Guarantee Scheme).*



Around 72% (overall) of the respondents either lack awareness or were uncertain on required procedures to open a bank account even though they did possess a bank account. Most of the respondents stated that their bank accounts were opened under Jan Dhan Yojana. Camps were organized in the villages by Banks and Gram Panchayats, villagers were required to submit their documents and thumb impressions on the forms. Villagers stated, they didn't go to the bank themselves for opening a bank account. Hence, they reported being unaware of the required procedures of opening a bank account. Across major income categories, awareness on procedures to open a bank account was low. A few respondents representing the higher income group were not aware of the procedural formalities for opening a bank account. While 55% of the respondents belonging to income group were unaware of the procedures, it was as high as 69% for respondents falling in income group of INR 50,000 to INR 1 lakh. Though lesser number of respondents (17%) with annual household income greater than INR two lakh reported lack of awareness on bank account opening procedures, they were uncertain on it (25%).

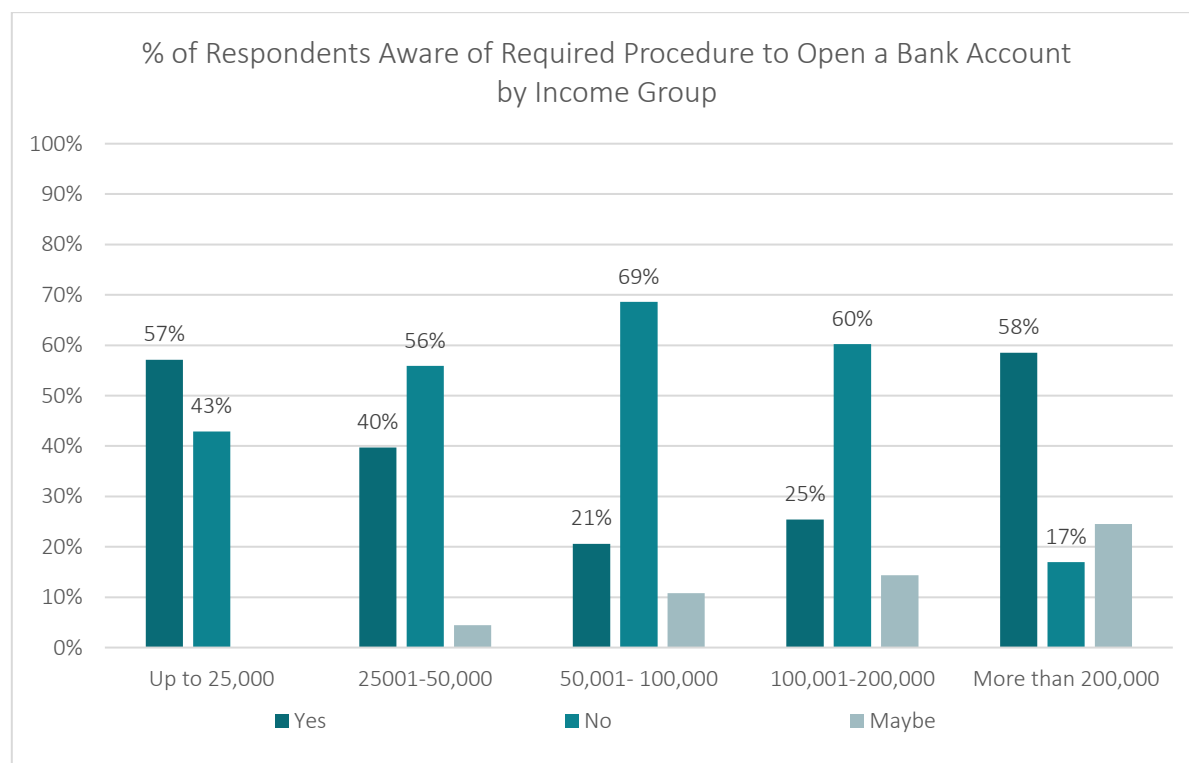


Figure 47: Income-wise level of awareness of the required process to open a bank account

### c. Entitlement proof and Identity proof

Almost all the respondents had access to Identity proofs necessary to avail benefits under social security schemes. While more than 90% of the respondents had Aadhar, Bhamashah, and Ration Cards. Higher percentage of respondents belonging to a higher income group of more than INR 1 lakh reported holding a PAN card in comparison to other income groups. Higher percentage of respondents with annual household income greater than INR 2 lakh reported of possessing a PAN card (55%).

The district-wise data depicts a similar pattern wherein the i2 income group has higher number of individuals that did not possess a PAN card (10% and 28% in Banswara and Udaipur respectively).

### 3.2.4 Level of Education

A close association is observed between the level of education and annual income of the respondents based on the information reported. The lower income groups had lesser access to education in comparison to respondents belonging to higher income groups.

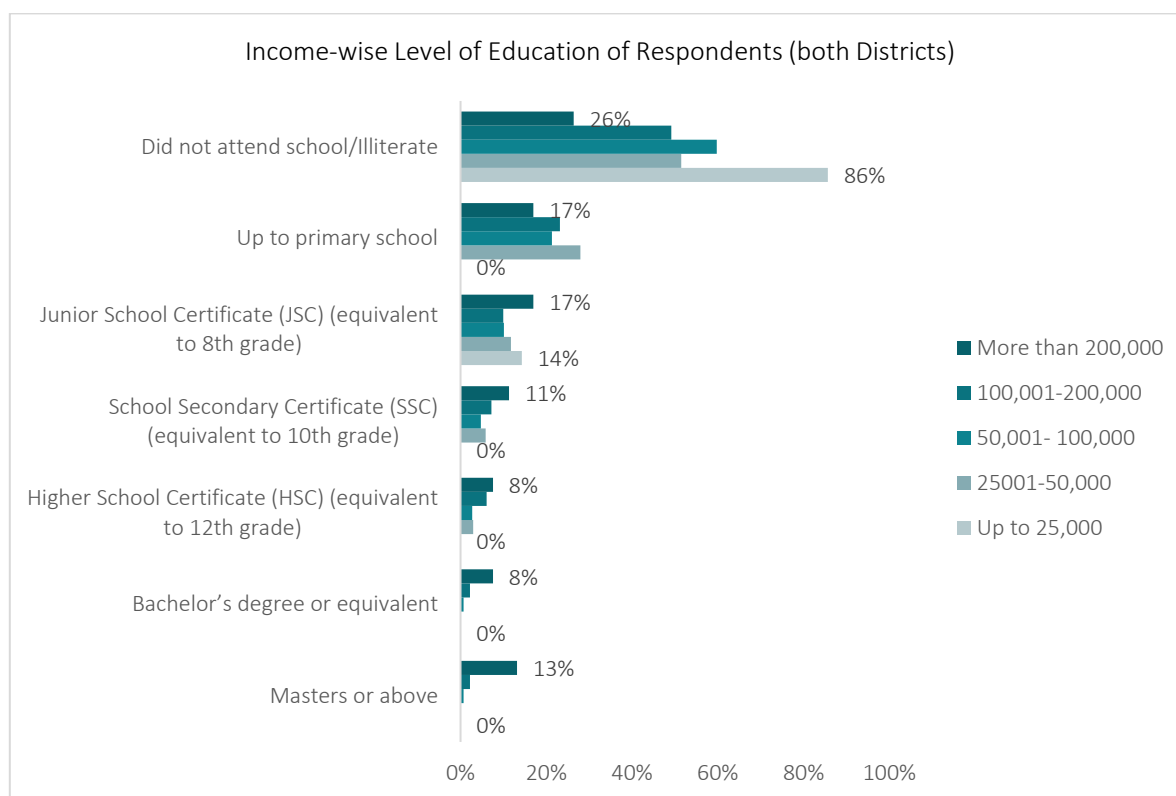


Figure 48: Income-wise level of education reported by respondents in both the districts

Nearly 40% of the respondents with annual household income greater than INR two lakh (i5) have attained education till secondary school and above. As income level increases, illiteracy is also observed to decrease. While 26% of the respondents belonging to group i5 did not receive formal education or is illiterate, it is as high as 86% for the lowest income category (i1). High levels of illiteracy are reported across the other major income groups in Banswara district.

#### d. Familiarity with digital financial services

The study recorded that nearly 23% of the respondents belonging to higher income group (i4) reported using cashless or E-payment modes. On the other hand, only 5% of the respondents falling in lowest income group were using cashless means of payment. Higher income levels are associated with increased use of digital modes of payments.

Specifically, in Banswara, large differentials are observed between the higher income group (i4) and lower income group (i1) with respect to usage of digital means of payment. While 44% of the respondents with annual household income greater than INR two lakh reported using digital means of payment, it was as low as 6% for the respondents with the lowest levels of annual household income (i1). This can be explained in terms of lack of access to smart phones and ATM cards, the two widely used modes of digital payments. Larger number of people belonging to high income group (i4) reported possessing ATM cards and Smart phones. On the contrary, a large proportion of respondents falling in low-income brackets lacked access to the digital modes of payment. 40% of the respondents belonging to the lowest income segment of our sample did not have access to phones and 72% lacked access to ATM Cards in both the districts.

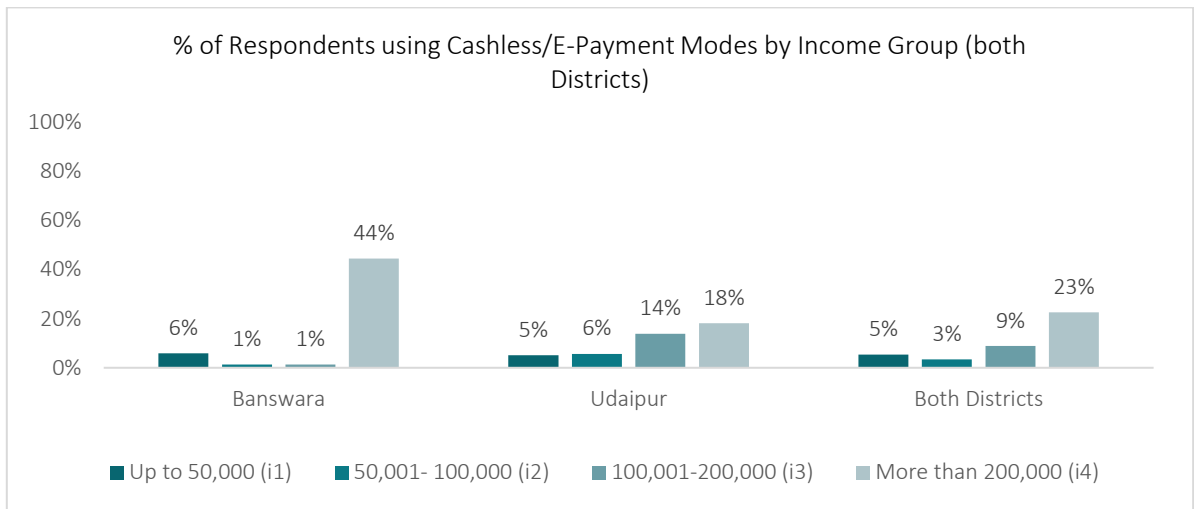


Figure 49: Income-based responses on using cashless payments in both the districts

A related measure to assess adaptability of cashless payments is ownership of smart phones. The respondents were inquired about access to smartphones based on their income groups. The responses validated the reason for not using digital payments was not having a smart phone.

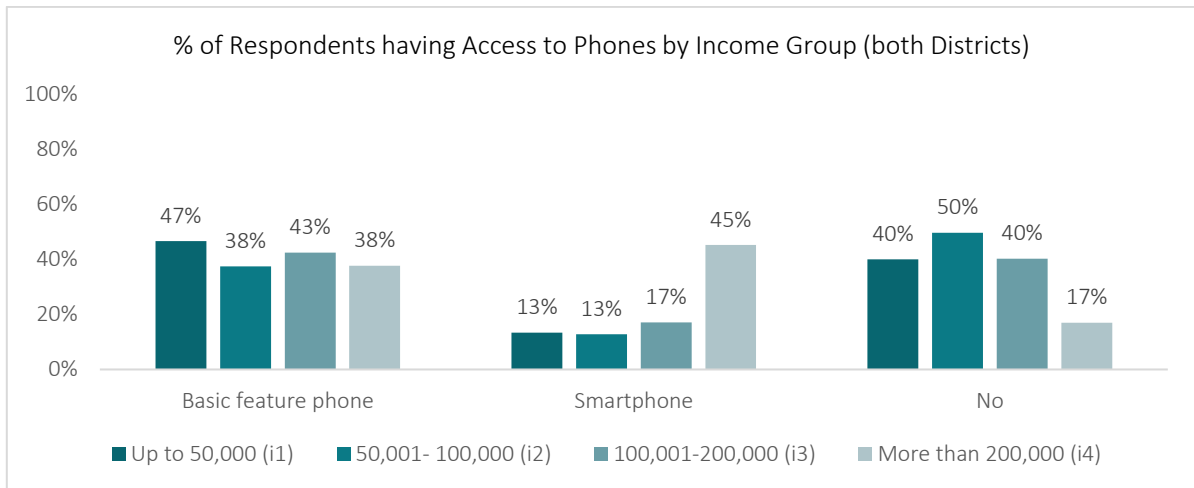


Figure 50: Income-wise phone ownership to assess adaptability of digital payments

**e. Access to IEC related to financial inclusion**

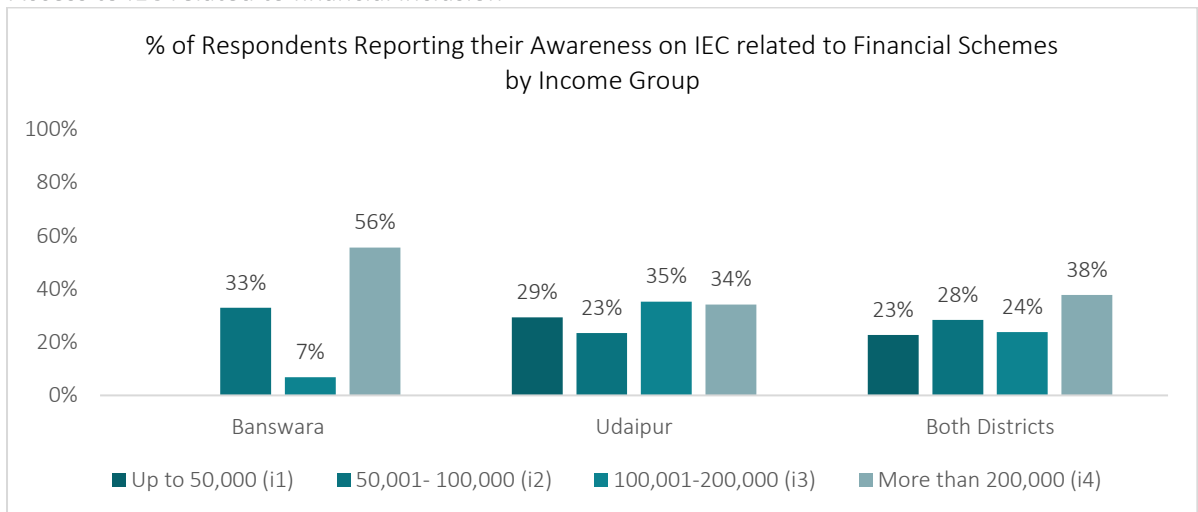


Figure 51: Respondents with access to IEC based on income groups in both the districts

20% of the respondents in both the districts were either aware or have accessed Information, Education, and Communication Campaigns (Financial Literacy Campaigns henceforth) on financial Schemes. Across the

income groups, while 38% of the respondents with annual household income greater than INR two lakh are aware of Financial Literacy Campaigns, only 23% of the respondents falling in low-income group (i1) reported their awareness on such campaigns.

Out of the total respondents that reported to come across IEC Campaigns on Financial Literacy, around 60% reported accessing them through TV /Radio. Across the income groups, 82% of the respondents falling in the lowest income group (i1) accessed Financial Literacy Campaigns on TV and Radios. This segment of respondents was least educated or have not attained formal education and not capable of reading and writing. As the respondents gave multiple responses, it is interesting to note that Newspapers (59%) and Magazines (18%) were also cited as the outreach tools by the lowest income group (i1). Large proportion of respondents (75%) falling in income group i4 reported accessing Financial Literacy campaigns on Newspapers.

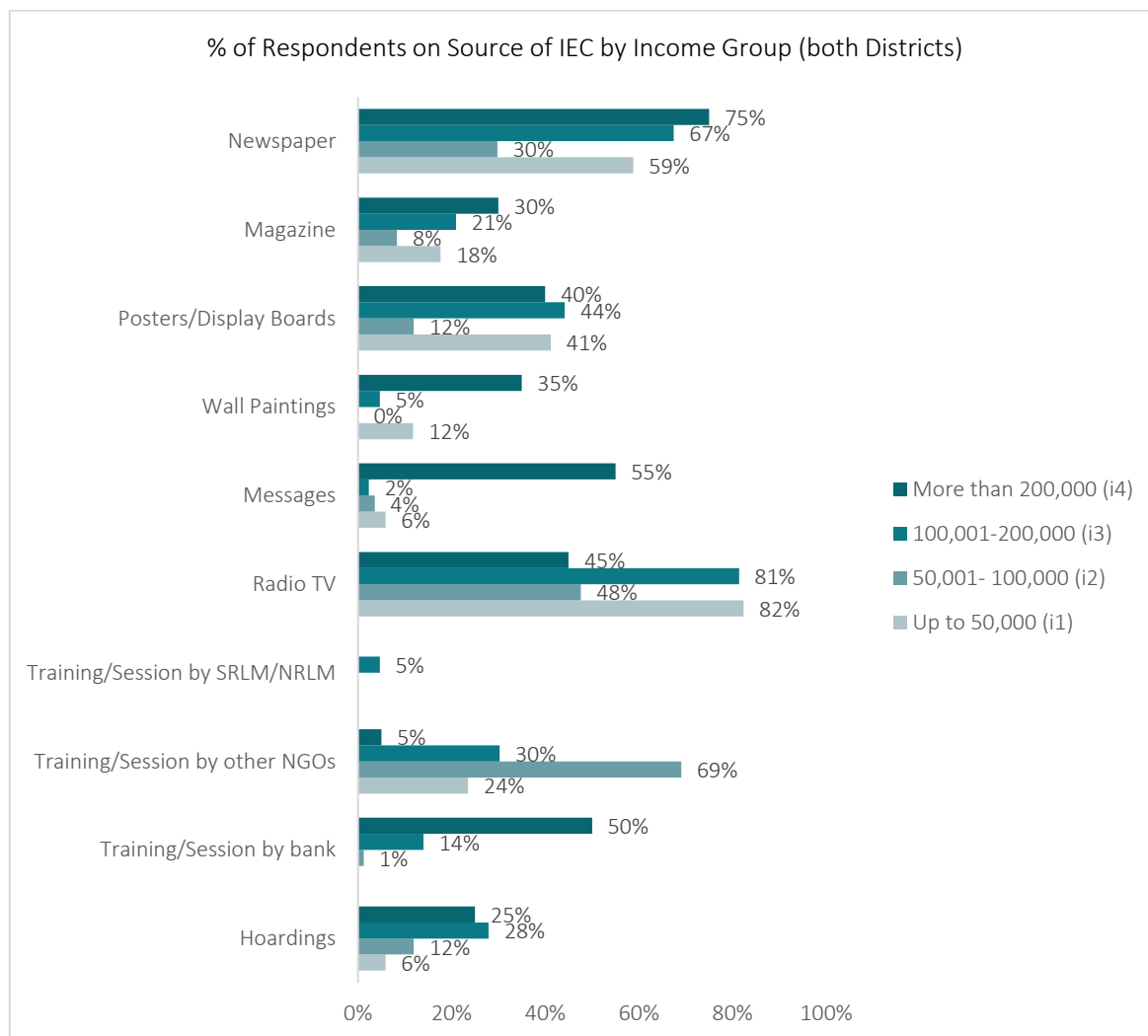


Figure 52: Income-wise sources of consuming IEC reported by the respondents

Multiple responses were collected from a respondent

### 3.3 Need for a facilitator for financial assistance

Potential Sakhis and RAJEEVIKA Sakhis during FGD stated that illiteracy, lack of knowledge and attitude of bank employees towards villagers as the major reasons for villagers’ poor access to banking institutions. The rural population in both the districts emphasized on need for a local facilitator.

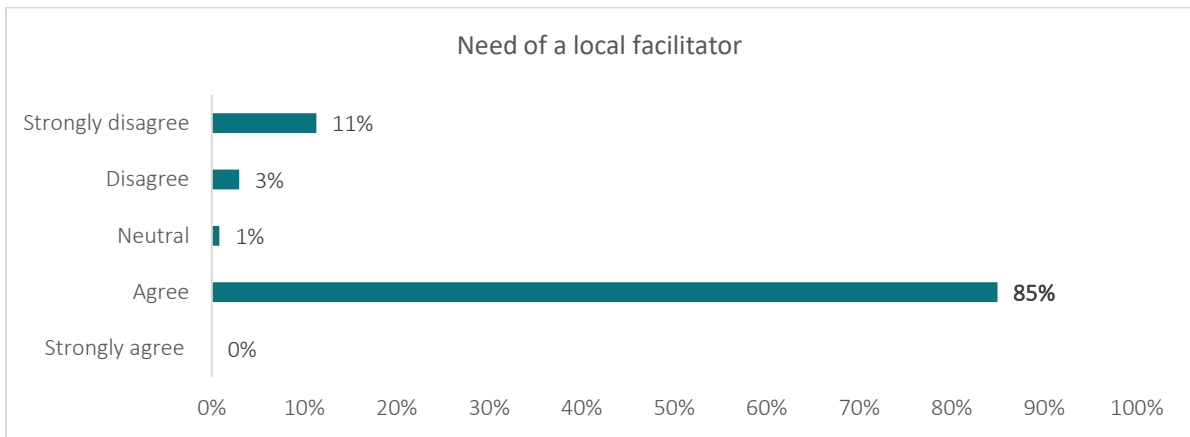


Figure 53: Respondents from both districts on need for a facilitator

One of the program components is creating community cadres to facilitate mainly those processes that the community find difficult to go through to ensure trust of the local public.

85% of respondents stated that they need a 'Local Facilitator' to assist them becoming financially stronger.



Interaction with a Branch Manager of a PSU Bank in Banswara

*“Business Correspondent (BC) Model is beneficial for villagers as well as for the bank. For a bank functioning at the block level, it becomes difficult to serve people turning out for small withdrawals like INR 500-1000. Villagers need to spend both time and money whereas the bank employees have to work under pressure. On the other hand, BCs at the village level provide basic services such as withdrawal to the villagers just with biometrics and Aadhar card. Villagers need not to travel all the way from villages to block headquarters for availing banking services”*

### 3.4 Enrollment to Government Schemes

The recognition and participation of respondents in the national and state level schemes is noted to be on the lower side as per the baseline study. Recognition to schemes such as Jan Aadhar, PDS and Swachh Bharat Yojana found to be comparatively higher than other schemes. Most accessed scheme is Bhamashah followed by Swachh Bharat Yojana for toilets (57% and PDS/ ration (56%).

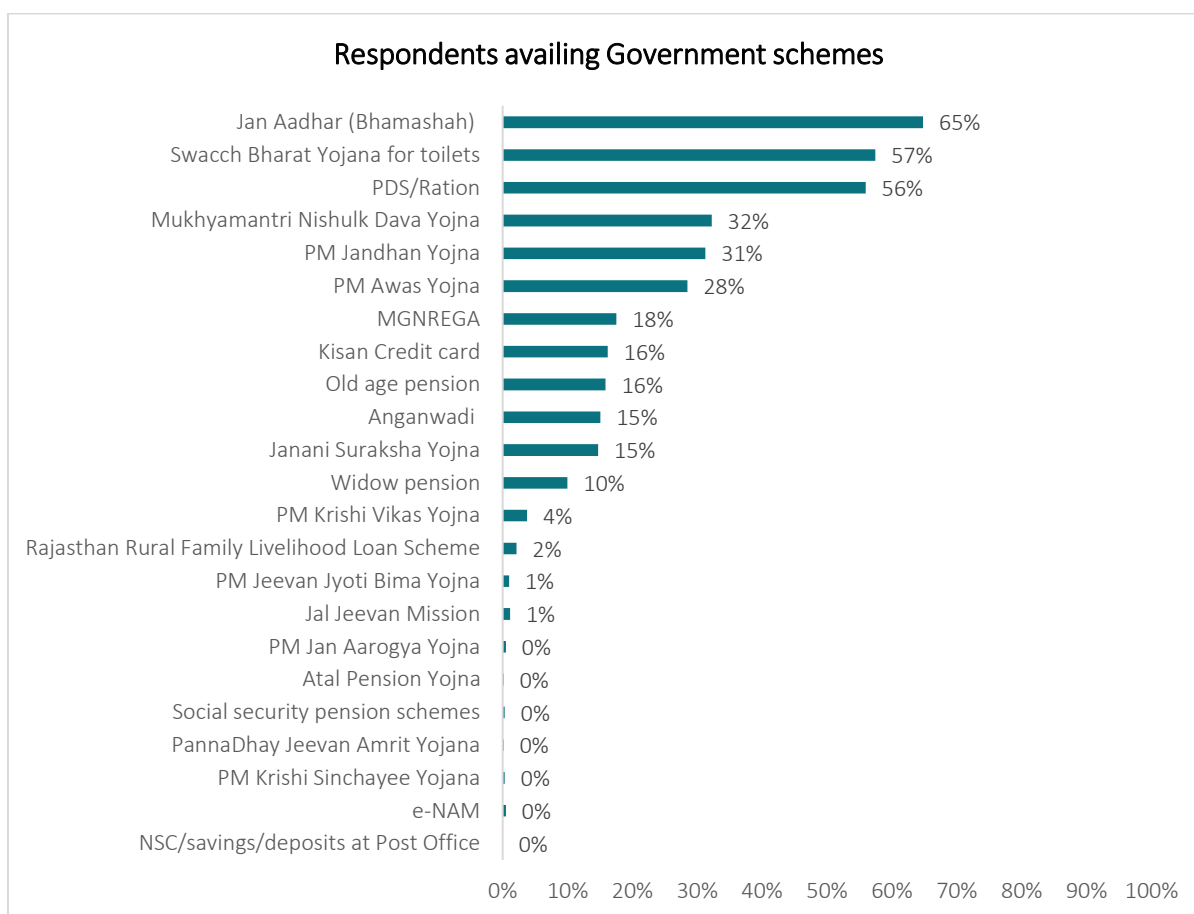


Figure 54: Enrollment to Government Schemes reported in both the districts

Through RAJIVEEKA efforts, Bank Correspondents seem to organize camps for covering people under various insurance schemes such as PM Jeevan Jyoti Bima Yojana, and PM Suraksha Bima Yojana. However, most of the respondents reported to be unaware of the names, benefits, and features of these flagship schemes. Bank correspondents requested villagers to deposit a minimum amount in bank accounts that is sufficient for debiting annual premiums for enrolled schemes. Being associated with SHGs and role of bank correspondent are considered trustworthy as reported by the respondents who agreed to apply for these schemes based on suggestion.

### 3.5 Insights from FGDs with Sakhis

Focused group discussions were conducted with 39 potential Sakhis for 'Mein Pragati' program. Sixteen Sakhis from Udaipur district and twenty-three Sakhis from Banswara district participated in the exercise. The primary objective of the FGDs with Sakhis was to map their capacities to independently function in the community, support community in accessing financial instruments, earn revenue by extension of these services and map indicators to measure impact of 'Mein Pragati' program on Sakhis. A reference check list was developed for conducting FGDs with Sakhis.

Sakhis during FGDs stated that a greater number of Sakhis from Udaipur district were associated with RAJEEVIKA. Sakhis associated with these village level institutions such as village organizations/ cluster level federation of RAJEEVIKA observed to have better knowledge of flagship schemes, confidence, and entrepreneurial traits.





Figure 55: Focused Group Discussion with targeted Sakhis in Banswara

Potential Sakhis who were associated with RAJEEVIKA were more confident in interacting, possessed knowledge about flagship government schemes, and shared operational issues in assessing banking institutions. Following are the inferences on key indicators mapped based on Sakhis’ participation in the FGD exercise.

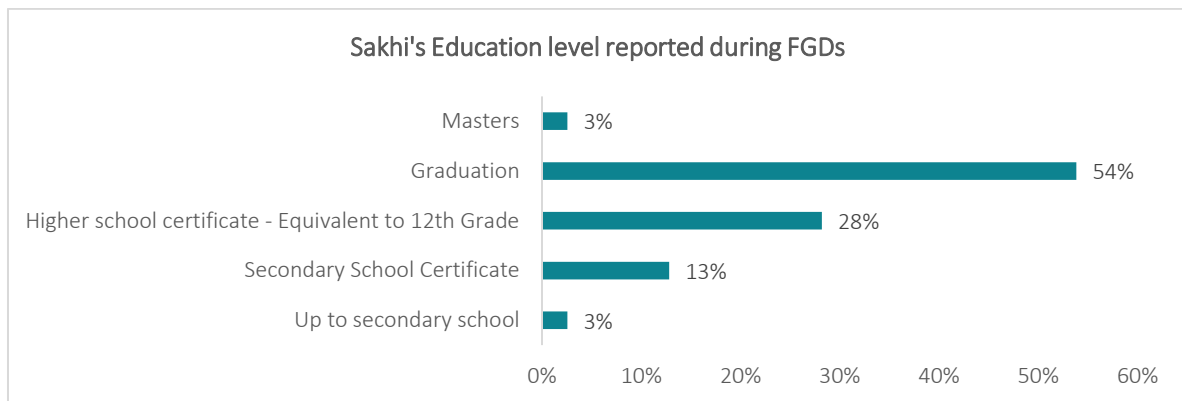


Figure 56: The level of education reported by Sakhis during the FGD in both districts

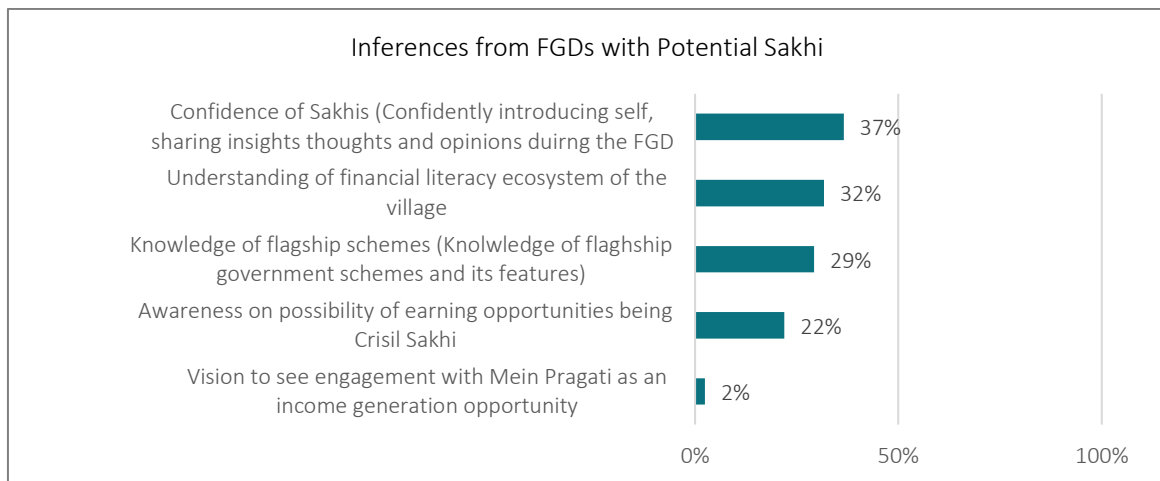


Figure 57: Common responses during FGDs with Sakhis



Figure 58: Community interactions and discussion to draw insights on financial awareness

Table 9: FGD observations in both the districts

Probe Areas	Observations
Confidence of Sakhis	37% of Sakhis who were confident having a conversation about the village profile, occupation of villagers, the status of financial literacy in the villages, major crops, income scales of the households etc. are associated with RAJEEVIKA through SHGs from their villages.
Sakhis associated with RAJEEVIKA	“We did not know anything before we joined RAJEEVIKA. We could not even get out of our homes. We never used to go to the bank, we did not know how to fill in slips. We felt hesitant while talking to unknown people, we had to seek permission from our house if we should talk or not (with unknown people). Now everyone knows we are associated with RAJEEVIKA, now nobody asks where we are going. We just inform them; I am going for a RAJEEVIKA meeting”
Knowledge of flagship government schemes	Only 29% Sakhis who were associated with RAJEEVIKA as Sakhis or Pashu Sakhis; Bank Business Correspondent could share features of flagship government insurance schemes such as PMSBY, PMJJBY, Cheeranjjivi, Fasal Bima. Benefits under these schemes were known to Sakhis. These Sakhis could also speak about services provided by banks such as Recurring Deposits, Fixed Deposits, and services from post office.
Knowledge of Insurance	Nearly 40% Sakhis stated different types of insurance and benefits of having insurance. However, names of the flagship government schemes could only be stated by 29% sakhis.
Mobilization and use of technology	When asked about Sakhis’ role in making villagers, especially women self-reliant in accessing basic financial services, Sakhis stated only one activity which is awareness sessions at the community level.  Sakhis could not talk about the use of cell phones or technology for better financial inclusion. One of the Sakhis could state the use of cell phones for information dissemination through videos. Sakhis also could not state the

Probe Areas	Observations
	efforts required for liaisoning with line departments for increased efficiency of service delivery.
Opportunity for income generation	22% Sakhis could relate association with Mein Pragati programme for income generation. However, they did not think about the same actively or had any plans except two Sakhis. With additional probing, Sakhis were able to state services through which income can be generated; they were keen in learning processes such as Adhar card correction, linking etc. Sakhis also stated that they are interested in getting trained in all e-Mitra services.
Entrepreneurial Aspirations	Sakhis who lead most of the FGDs at Saipur were RAJEEVIKA and SBI Business Correspondents respectively. Both were active entrepreneurs. One of the two Sakhis had undergone training in making soaps and also trains other women to do same business. She was the only Sakhi who aimed at earning decent amount by extending financial services to the villagers; she aspired to earn INR 20-25K per month.

### 3.6 Overall findings from baseline

Category	Findings
<b>Characteristics of respondents</b>	Most respondents reported not attaining formal education (53.2%) and belonging to tribal communities. 36.3% of the respondents were in age group 31-40 years old and largely generated livelihood through agriculture. Around 48% of the respondents reported their annual income to fall within INR 50,000 to INR 1 lakh. 12% of respondents reported an annual income of less than INR 50,000.
<b>Gender-based observations</b>	<p><b>Access to Financial Services</b></p> <p>Most respondents reported holding a bank account wherein female respondents were found to be on the lower end of the spectrum. Both male and female respondents were unaware of financial services other than a savings bank account including functions such as 84% reported not having an ATM card, 60% reported not knowing the process of bank account opening, and 78% were not aware of insurance services. 54% of the female respondents reported not being able to gather confidence to interact with bank staff compared to 27% of the male counterparts.</p> <p>The female respondents reported having greater reliability on SHGs for borrowing whereas male respondents reported money lenders as the significant source. The informal sources of borrowing are reported to be commonly accessed by the respondents such as Moneylenders (40% for males and 32% for females) followed by Friends (33% for males and 34% for females) and relatives (28% for males and 19% for females).</p> <p><b>Digital Payments</b></p> <p>Only 4% of the female respondents in both districts reported using e-payments compared to 20% of male respondents. In Udaipur, 30% of male respondents reported using e-payments.</p>
<b>Education-based observations</b>	<p><b>Access to financial services</b></p> <p>61% of the respondents without attending any formal education, reported money lenders as a source of borrowing followed by friends (50%). 75% of the respondents who did not attend formal education reported not being confident in approaching the bank staff. The confidence level is comparatively reported to be higher among respondents with a higher level of education. 63% of the respondents without a formal education reported to be not aware of any financial service offered by the banks although they hold a savings bank account.</p>



	<p><b>Digital Payments</b></p> <p>99% of the respondents in both districts who have not attended formal education reported not using e-payments. Corroborating it, 90% of such respondents also reported not having a smartphone. More than 80% of respondents whose digital payments attended higher school or education beyond that level.</p>
<p><b>Income-based Observations</b></p>	<p><b>Access to Financial Services</b></p> <p>90% of respondents with annual household income more than INR 2 lakhs reported having knowledge of savings bank accounts. Whereas only 17% reported knowing about other financial services. The respondents with annual income under INR 50,000 reported preferring informal sources of lending such as money lenders (38%), friends (53%), and SHGs (20%). The level of confidence reported by respondents is higher among respondents with an annual income of more than INR 2 lakh compared to lower income groups (43%). 57% of the respondents with annual income between INR 50,000 and INR 1 lakh reported being not at all confident in interacting with the bank staff.</p> <p><b>Digital Payments</b></p> <p>A marginal proportion of respondents in both districts reported using digital transactions that belong to an income group lower than INR 1 lakh.</p>
<p><b>Penetration of IEC Communications on financial literacy</b></p>	<p>58% of the female respondents reported training sessions by NGOs as a common source of IEC on financial literacy followed by TV and Radio (52%). For male respondents, TV /Radio, and newspapers (82% and 89% respectively) were reported as the common sources of IEC penetration. The training offered by NGOs is reported to be attended by 62% of such respondents that did not receive any formal education and 69% of such respondents reported belonging to an income group of INR 50,000 to INR 1 lakh. 75% of respondents with an annual income of more than INR 2 lakh reported newspapers to be a common source of IEC communication.</p>



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