

EXECUTIVE SUMMARY

Skoch Development Foundation's Samavesh is a programme aimed at alleviating poverty through a dovetail of financial literacy and financial inclusion. Samavesh is based on one and a half decade of Skoch Group's own ground research in the hinterlands of the country. These insights empowered the group to propagate its own model of inclusive growth in 2007 which is aimed at targeting poverty at the grassroots level. The interventions through Samavesh programme are aimed at the same with focus on three areas – financial inclusion, digital inclusion and social inclusion.

While inclusion have got the attention of the policy makers in the recent years, the issues haven't been addressed in a holistic manner yet. Skoch Development Foundation, a not-for-profit Section 25 company, launched Samavesh programme in 2012 with an objective to address these issues in a holistic manner.

The idea is to bring financial literacy to the grassroots level and empower people to take care of their own finances. This happens with collaboration with community based organisations in the rural areas.

Samavesh also reaches out to introduce banking, provident fund, insurance, investments and even high-end products like ETFs to a longlist of citizens from different walks of life in order to empower them. The introduction to financial products, training in using them and insights into earning annuity income by becoming change-agents helps attack poverty by generating and protecting livelihoods.

In the area of digital inclusion, Samavesh goes beyond the text book definition of digital literacy and helps people actually use their mobile phones to do productive financial management. This empowers people to use a wide range of digital products such as BHIM UPI, IMPS and RTGS etc for digital payments. Moreover, beneficiaries are trained to do online transactions as well as buying and looking for financial products on the internet.

Social inclusion begins with income protection and having a social security base that protects in all-weather situations. Samavesh guarantees the same by introducing a gamut of insurance products that protect beneficiary's life, health, cattle and crops. At the same time, provident fund is introduced to help income protection and financial advisories are provided to ensure inflation-proofing of wealth.

It started with a rollout on 30th November 2012 at Chakrata block of Dehradun district in Uttarakhand. Since then, it has been expanded across the country. More than 6,000 people have been trained under the scheme so far and many continue to be trained and bridge the divide from have-nots to haves. The main objectives of the Samavesh programme are defeating poverty, women empowerment, promoting village-level entrepreneurship, livelihood linkages and creating additional revenue stream for industry. Major targets of the programme are the following:

- To create a resource base of financially and digitally literate resource persons. This includes electronic payments, credit and debit cards, RuPay, BHIM, UPI and so on.
- To work with community-based organisations in rural areas to achieve the expanded objective of working at the grassroots directly and training people first hand.
- To work in urban areas in educated, literate communities to help promote advanced financial products beyond banking and insurance.
- To dovetail electronic delivery of citizen services with delivery of financial services.



- To provide direct financial services (without intermediaries) to those who need them the most via digital means.
- Encourage and promote the use of digital / electronic cash.
- Implemented through community participation.
- To make them aware about Gold ETFs, SIPs, Mutual Funds and benefits of investing in these capital market instruments.
- To promote income protection through Provident Funds, income generation through annuities and stock markets as well as livelihood creation for banking correspondents through promotion of supply side service delivery
- To promote supply side and demand side measures to achieve the objectives of credit availability, livelihood promotion and poverty alleviation.

Samavesh programme has been organised across the country. After a start in Uttarakhand, it was organised in Gujarat, Uttar Pradesh, Maharashtra and Delhi. However, the participation in the programme has been from all over the country.

A series of Samavesh programmes was held in New Delhi during 2017-18. Beneficiaries came from different parts of the country including Bihar, Rajasthan, Madhya Pradesh, Jharkhand, West Bengal and the North Eastern states. A large number of beneficiaries also participated from the Southern states.

So far, more than 6200 people have been trained under the programme.

Definitive impact was evident from the first Samavesh programme itself that was held in Dehradun, Uttarakhand. The participants were educated on the need for savings through bank account; demat account; banking products, i.e., loans, fixed deposits and recurring deposits; need for insurance and avenues for investment leveraging exchange traded funds that allow investor to purchase paper gold with as low as 100 rupees.

While almost all financial inclusion initiatives in the country have been undertaken from the supply side, Samavesh programme seeks to address it holistically both from supply as well as demand side.

Samavesh Snapshots



| | |
|-------------------------------|--|
| Total Number of Beneficiaries | 6000 |
| Major States Covered | Uttarakhand, Uttar Pradesh, Bihar, Maharashtra, Punjab, Jharkhand, Gujarat, Madhya Pradesh, Andhra Pradesh, Telangana, Tamil Nadu |
| Area of Training | Basics of Banking, Account Opening, KYC, Savings, Fixed and Recurring Deposits, Jan Dhan, Micro-credit, Gold ETFs, SIPs, Mutual Funds and benefits of investing in these instruments |
| Partners | National Stock Exchange, Punjab National Bank, New India Assurance, YES Bank, United Bank of India, SBI-Life and NPCI, Reserve Bank of India, Pension Fund Regulatory and Development Authority (PFRDA) of India |

Every Skoch intervention starts with extensive field research. Soon after our inception we spread out far and wide to observe from the ground realities in the country in order to further our propagation of a fair deal to the hapless, voiceless and powerless.

- We spoke to people from all walks of life from across the lengths and breadths off a large and diverse India.
- We did sample studies, held seminars and study classes, made alliances with local organisations that promoted grassroots development and empowerment, encouraged crosspollination of ideas and efforts, and gathered valuable data in our bid to gauge the progress of inclusion to the people it was targeted at.
- We still do all of these, and the more knowledge we glean, the wiser we become. Our activities at the grassroots also form the backdrop to the conferences we hold every year.

Areas covered

| Sector | Products discussed and demoed |
|----------------------------|---|
| Banking | Bank accounts Recurring deposits Fixed deposits Cheques and fund transfer |
| Insurance | Life insurance General insurance: Crop insurance Cattle insurance Home insurance |
| Investments | ETFs Mutual Funds Stock markets SIPs |
| Pensions | Annuity pension products Pensions from PFRDA/EPFO |
| Digital Payments | UPI BHIM IMPS NEFT/RTGS P2P transfers Digital wallets Other NPCI-run products such as ECS |
| General financial advisory | Inflation proofing investments and income Protecting funds from market losses Safety guidelines while trading |

Pradhan Mantri Jan Dhan Yojana is unarguably the biggest financial inclusion drive by any country in the world. Close to 32 crore bank accounts have been opened under the scheme, which was rolled out in August 2014, a few months after Narendra Modi-led National Democratic Alliance (NDA) stormed into power.

In this backdrop, a Samavesh programme was held in Pilibhit, Uttar Pradesh, in November 2014. It was a resounding success as over 2,700 women from every nook and corner of Pilibhit participated in five-day training.

While opening a bank account was a major issue when we organised the Samavesh programmes in Uttarakhand and Gujarat, the main issue that emerged in Pilibhit was what comes after opening a bank account?

Pilibhit Samavesh programme was focused on addressing the gap between Jan Dhan and livelihood linkages. Various authors have also written about the necessity to have Dhan in addition to Jan Dhan accounts to make them usable – including the World Bank’s global Findex report which showed dormant accounts in India.

To bridge that barrier, several livelihood schemes were highlighted during the programme.

1. Financial awareness
2. Vocational training awareness in locally relevant areas like papad making, mushroom cultivation, sanitary napkins making
3. Making of bricks and sapling pots from dung.

The scope and target of Samavesh programme has been gradually broadened. Initially, the focus was on women Panchayat representatives and members of Self Help Groups (SHGs), it has been broadened to include rural entrepreneurs and other members from the public. These include:

1. Banking correspondents
2. Salaried class personnel
3. Small businessmen and investors
4. Representatives from the industry
5. Government officials

Note: The programme is customised keeping in mind the needs and requirements of the targeted beneficiaries participating in the programme each time.

Targeted beneficiaries and their takeaways from Samavesh

| Beneficiary | Areas covered | Benefits |
|--------------------------------|---|--|
| Government employees | Banking, digital payments, investments and insurance | Better access to capital markets Easier understanding of credit |
| Grassroot beneficiaries | Bank accounts, crop insurance, general investments | Financial inclusion Digital payments benefit without intermediaries Crop and cattle protection Inflation proofing of income |
| Private sector employees | Mutual funds, SIPs, investments, insurance, high-level banking products | Wealth management Income protection Annuity Provident fund |
| CSC workers and banking agents | Investments, banking, payments and markets | Digital payments boom based income Additional source of funds Skill development |
| Other beneficiaries | Financial inclusion products, Gold ETFs, | Consumer protection in capital markets Income protection Provident fund Insurance benefits |

In Mumbai, Samavesh programme was held in June 2017. Small entrepreneurs, especially from the villages of different parts of Maharashtra were given training on new investment opportunities and livelihood linkages. Village Level Entrepreneurs (VLEs) were made aware of new investment opportunities and how to leverage them.

The scope was further broadened during the programmes held in New Delhi in 2017-18. Apart from the rural entrepreneurs, banking correspondents and Panchayat representatives, beneficiaries included people from the Micro Small and Medium Enterprises (MSME), industry leaders, salaried class and government officials, from the Centre as well as the states.

The areas of training is also being gradually itemised and broadened. Apart from the basics of banking, mobile banking and introduction to financial markets, the training targeted at the government officials and industry leaders have more sophisticated products including Exchange Traded Funds, Mutual Funds, Systematic Investment Plans (SIPs) and for the poor -- inflation proofing their savings. Samavesh programme has garnered wide support from the government, regulators, financial institutions, industry bodies and civil society.



The programme has been supported by leading financial institutions including:

1. The National Stock Exchange,
2. Punjab National Bank,
3. New India Assurance,
4. YES Bank,
5. United Bank of India,
6. SBI-Life Insurance and
7. NPCI.

This has also been recognised and supported by the central and state governments and regulatory bodies including the Reserve Bank of India (RBI) and Pension Fund Regulatory and Development Authority (PFRDA) of India.

Skoch Group roped in the Rural Litigation Entitlement Kendra as its outreach partner for Dehradun Samavesh programme. In Pilibhit and Gujarat as well, local partners were roped in for mobilisation and outreach.

Samavesh programme was launched after one-and-a-half decade of field research, action research and national consultations by Skoch group. With changing technological and economic dynamics, the need and scope are bound to change.

Our interventions have brought definitive change at the grassroots level and we further endeavour to catalyse the inclusive growth of the country through broadened and more enriched Samavesh programme with the final aim of poverty alleviation through financial and digital literacy that promotes livelihood generation. ■

GENESIS OF SAMAVESH PROGRAMME

Since its inception in 1997 SKOCH has been working relentlessly on the issues impacting inclusive growth. Through our extensive field research and consultations we have identified three key elements that impact inclusive growth. These three elements are – financial inclusion, social inclusion and digital inclusion. These are the three legs on which all our interventions stand.

We started our grassroots level field research in late 1990s. Those days there was hardly any policy action or discourse on these three critical elements of inclusive growth. SKOCH Group spearheaded the deliberations and discourse on these issues and is proud to note that today it has come to the forefront. Recommendations emerging from our grassroots level work have helped shape the key policies from Swabhimaan to Jan Dhan and Digital India. It is heartening to note that today financial and digital inclusion have become focus areas of policy-making.

However, there still remains a big gap. All financial inclusion initiatives in the country have been undertaken from the supply side, not the demand side. Therefore, livelihood promotion and credit needs of the people at the grassroots have largely remained unmet. Even the growth of Self-Help Groups (SHGs) has suffered in the recent years. Samavesh as an idea was born to bridge this lack of financial and digital literacy, which is one of the key precipitating factors for exclusion.

To begin with, SKOCH, in the consulting space was helping the Fortune 500 companies with their India business strategy. India's strength has always been the growing middle class, which is aspirational and ambitious. It was the same segment, which was repeatedly targeted by the global majors, both in the product and services sector, during the 1990s. While we engaged with them, we were intrigued ourselves to see that this celebrated '200 million middle-class' was not buying as expected. This prompted us to find out as to where lays the gap? Inspired by Mahatma Gandhi, we took to the Padyatras across the country. To our dismay, we discovered that there is total gap between demand and supply. We were running a supply-side governance system rather than the demand-side governance. This resulted in people not receiving the desired benefits and the money being spent was being wasted. Also the layers of intermediary departments also became a bottleneck and acted as a stumbling block. We also felt that people lack financial literacy and the knowledge of their social rights and social security. This inspired SAMAVESH to a great extent.

During one of the interactions with a newly elected woman Gram Pradhan from a remote village called Darkaan situated in Mori block in Uttarkashi district, Uttarakhand, we were told that she used all her devolutions sorting the water problem by laying a pipeline that flew water by gravity in her village of about 250 families and also getting the electricity poles sanctioned. This immediately resulted in a 24x7 water supply and electrification of the village. It saved women from trudging miles in search of water upstream and using earthen stoves burning fuelwood for cooking—thereby preventing all sorts of respiratory diseases. She was invited to share her experiences at one of our conferences and while addressing a union minister she said, that while sending the money from your ministry to me, do not send it through departments in-between, send it to me directly. The minister agreed. More than a decade ago, she hinted at the virtues of direct benefit transfer—perhaps became the harbinger of the scheme later on.

Every SKOCH intervention starts with extensive field research. Soon after our inception we spread out far and wide to observe from the ground realities in the country in order to buttress our propagation of a fair deal to the hapless, voiceless and powerless. From across the lengths and breadths of a large and diverse India, we talked to people from all walks of life, did



sample studies, held seminars and study classes, made alliances with local organisations that promoted grassroots development and empowerment, encouraged crosspollination of ideas and efforts, and gathered valuable data in our bid to gauge the progress of inclusion to the people it was targetted at. We still do all of these, and the more knowledge we glean, the wiser we become. Our activities at the grassroots also form the backdrop to the conferences we hold every year.

We have organised 53 SKOCH Summits so far. Every SKOCH summit has deliberated on social, digital and financial inclusion. SKOCH has also been credited with having organised the only conference in the North Eastern Region (NER) on financial and digital inclusion in 2006. This was possibly the first conference in NER, where the government system and banking system came together. There, it emerged that at the grassroots, the lines are really blurring and social spending schemes need to be better targeted through the banking system. So, if there is a NREGA payment then it is better served if it goes through the banking and the post office system, so that there are fewer leakages. It was a long journey from 2006 till about late 2008 when that recommendation was actually accepted, and it was advised that NREGA payments should be done only through banks and the post office system in conjunction.

In 2008, SKOCH Group got a reference from the then Prime Minister's Economic Advisory Council asking for feedback on how to further strengthen various Bharat Nirman schemes. SKOCH thanked them for having acknowledged, accepted and implemented the earlier recommendation on NREGA payments, being routed through the banking and the post office system. However, those payments were getting delayed for two reasons. The first reason was either the banks were unwilling to cope with the load or they were unable to cope with the load arising from the NREGA scheme. The second issue was related to the transaction fee. SKOCH advised for transaction fee to banks in order to make it viable. Our recommendations have been largely accepted.

In 2008, Rajasthan Government introduced Bhamashah Financial Empowerment Scheme. It was among the first financial and digital inclusion initiative taken by the state government. It had very visible imprint of SKOCH recommendations. The scheme reinforced the fact that financial inclusion had direct economic benefits. Such a whole-village approach, we have seen, has worked admirably well in the case of Bank of Baroda. The bank has introduced a slew of services that extend credit facilities to small and marginal farmers, agricultural labourers and cottage industry entrepreneurs. Its initiatives include opening of specialised outlets of Gram Vikas Kendras (GVKs) and Multi Service Agencies (MSAs). The Baroda Swarojgar Vikas Sansthan (BSVS) is another initiative for capacity building and provided appropriate training for skill upgradation to unemployed youth and women for employment. The bank also had the Baroda Kisan Credit Card scheme (BKCC), which aimed to empower the farmers, providing them the opportunity to manage and utilise their funds in the manner they deem fit.

We have first-hand experience of most financial and digital inclusion initiatives taken in the past over two decades. We studied the schemes like Shatabdi Gram Yojana of the Bank of India; Integrated Village Development Programme of the Bank of Baroda, or Micro-Credit Scheme of the State Bank of India. The involvement of Self Help Groups (SHGs) has proved to be a major catalyst to financial inclusion in these schemes.

Kalahandi in Orissa—tainted as one of the most backward districts in India—which was totally cut-off from the mainstream and remained untouched by the wave of development until the State Bank of India decided to bring Kalahandi into the national mainstream. The rural branch



of SBI in Farah, Kalahandi is manned only by one official who opens the branch, runs errands, plays manager and teller's role, and spends evenings spreading awareness about banking benefits. He has been able to mobilise about 200 women SHGs of about 10 women each, who have inculcated the savings habit, opened bank accounts, taken credit and, are involved in income generation activities like bamboo craft, toy-making, fisheries etc. This was just the beginning. Once known for starvation deaths, pockets in Kalahandi are now embarking on the long road to progress and prosperity. There are many such initiatives of SHG mobilisation—early examples being Union Bank of India in Neerpara, Kerala; Neemrana, Rajasthan and Jind, Haryana and Sangrur, Punjab by PNB; Chittoor, Andhra Pradesh by Corporation Bank;³ Bidadi, Karnataka by Canara Bank;⁴ Pondicherry by Indian Bank; and so on. We have been there witnessing progress through the journey. Today there are as many as 2.8 million SHGs across the country, and these are mostly women who were hitherto involved only with daily household chores.

During 2005, we came across another interesting intervention called Wadi. This was by NABARD at Vansda, Gujarat. It was a dry land inhabited by tribals and had small holdings of land from one acre to five acres. They had no access to education, and had adopted old and traditional ways of farming. With the help of BAIF—a local NGO—these tribals started cashew and mango cultivation, and many other income generation activities. SHGs were formed and were trained in pot-drip making, digging ponds for watershed, vermicompost making and so on. They were also trained into a habit of thrift and savings. What actually started as an agri-forestry-horticulture development programme has turned out to be a financial inclusion project

Former RBI Governor and the then Chairman of the Prime Minister's Economic Advisory Council C. Rangarajan informed us in June 2007 that the financial inclusion attained through SHGs was sustainable and scalable on account of its various positive features. One of the distinctive features of the SHG-bank linkage programme has been the high recovery rate. Financial inclusion will undoubtedly result in additional costs, for instance, in extending the outreach to include small borrowers. Stressing on the need of capacity building, he further said, while part of it can be borne by the banks themselves, some part of it, particularly that relating to promotional efforts and building capacities, will have to be borne by the government.

In 2007, SKOCH team studied and documented a micro-insurance initiative of Life Insurance Corporation called Jeevan Madhur. We visited Ullagram, Chennai; Nomula, Nalgonda; and, Anad and Vattappara, Thiruvananthapuram. LIC had roped in over 3,000 NGOs across 400 districts to take the benefits of that micro-insurance to rural India. This was perhaps the very first example of insuring individuals from economically underprivileged sections that provided life cover. The scheme had brought in relief to a population which otherwise was excluded from the insurance cover. Even at that time we had felt and strongly advocated that there still is a need for an integrated insurance product that has a single interface between the insured and the insurer. Technology should be used to allocate the disaster, cattle, health, and life insurance component to the insured—largely the poor who not only lack access but also are illiterate. Our recommendations have found ground in subsequent schemes including the Swabhimaan scheme introduced by Manmohan Singh government and Pradhan Mantri Jan Dhan Yojana of Narendra Modi government.

SKOCH propounded its model of inclusive growth way back in 2009 based on its learnings from over a decade through several field visits, studies, impact assessments, round table discussions



and think-tank activities. The programme puts a high degree of emphasis on functional literacy with the objective of reaching direct financial services (without intermediaries) to the people who need them the most. It makes a case for micro products to address the financial needs of people at the bottom of the pyramid.

In the first decade of our operation we focused on field research, action research, national consultations, learnings and recommendations. We realised that there were huge gaps, despite some commendable government interventions taken based on our recommendations. With a view to address those gaps, we decided to act on our learnings and make definitive interventions targeted at the inclusive growth of the country. From there came the idea of Samavesh.

The first Samavesh was held in Dehradun district of Uttarakhand in 2012. Planning and conceptualising Samavesh took over half a dozen field visits spanning five months. Initially, the SKOCH team conducted a dip-stick survey of rural areas of Dehradun district, visiting Chakrata, Vikasnagar, Kalsi and Doiwala blocks. The team interacted intensely with business correspondents and bank managers from Punjab National Bank, Allahabad Bank, State Bank of India, Canara Bank and Union Bank in addition to NGOs. As a natural corollary, the team interacted with elected panchayat members and citizens across 16 villages in these blocks to understand their felt needs, including Bagwan – actively known for its work in forming SHGs and linking them with insurance.

The results were quite encouraging and it was clearly understood that there is a mismatch between supply and demand, which can be corrected, and the basic reason discovered for this anomaly was lack of financial literacy. Subsequently, SKOCH teams spent over 320 man-days spanning over 2,800 man-hours surveying villages across all six blocks of Dehradun (Chakrata, Doiwala, Vikasnagar, Kalsi, Sahaspur, Raipur) interacting with elected Panchayat members, citizens, business correspondents, bankers, insurers, block level officer, and government functionaries, in order to assess penetration of financial services and do a felt-needs assessment.

It was an exercise during which one representative from each Gram Panchayat – 150 of them - in Kalsi and Chakrata blocks, to start with, were identified for financial literacy training. In addition, 56 elected representatives, one from each Ward in Dehradun urban area, were also identified. Another 100 small entrepreneurs, Small and Medium Enterprises and other interested individuals were also shortlisted.



Creating training modules and material was an uphill task, as there existed none. What has been recommended by RBI or prepared by banks for use at Financial Literacy and Credit Counseling Centres (FLCCC) was found to be not only inadequate but also incomprehensible by even most of urban literate youth. SKOCH took upon itself the task of filling up this vacuum and with the help of Punjab National Bank (lead bank for the district); Oriental Insurance Company; Life Insurance Corporation; National Stock Exchange; and, NGOs, organised a three-day intensive training workshop for preparing 15 Master Trainers, including SKOCH volunteers. SKOCH teams worked relentlessly with these Master Trainers to create the curriculum that was to be imparted using play-way methods, games like snakes-and-ladder, skits, audio-visuals, and group discussions keeping in mind trainees' grasping capacity. The financial inclusion training for Panchayat and Ward representatives was concluded with recognition of their efforts by distribution of certificates during a congregation that announced the completion of Leg-1, while kicking-off Samavesh for the rest of the Dehradun district. ■

ACCELERATING INCLUSIVE GROWTH

Introduction

Financial inclusion has become an issue which is at the centre stage of all international and national deliberations, in the context of formulating development strategies that touch the lives of the economically weaker segments of the population, to increase their participation in the process of economic growth and social development. It involves the all-important process of ensuring access to a range of financial services such as bank accounts, credit, remittances and payments, insurance facilities and financial advisory services, at an affordable cost to the economically vulnerable groups.

Financial inclusion in India got a fillip with the launch of Swabhimaan scheme in 2011 and it got further boosted by the introduction of Jan Dhan scheme in 2014. However, the focus of these government schemes has been largely on opening bank accounts. The objective of financial inclusion is not achieved by merely opening a bank account.

Financial inclusion is not only the process of ensuring access to financial services or making available timely and adequate credit when needed by vulnerable groups, such as weaker sections and low income groups, at an affordable cost. In our context, definition of financial inclusion is much wider. It is not only providing accessibility of the entire range of financial products and services, it must also be appropriate, fair and transparent. In that sense, we can say that around 90 per cent of the population is financially excluded, with most of us not knowing what an appropriate financial product is suitable for us. So, we have to go a long way forward. Today, what we are seeking to do is first improving access to various financial products and services for the entire population and ensuring that such access is provided by mainstream institutional players. Enabling people to get credit from small institutions, moneylenders and the like is not financial inclusion. Access has to be through mainstream institutional players and only then such access will be fair, transparent and cost-effective.

There are two parts to financial inclusion: One, supply side issues that range from access to a bank account to product gaps like savings, micro-pensions and micro-insurance, etc., backed by a technology-enabled, low-transaction cost mechanism front-ended by intermediaries like bank branches, banking correspondents, post office and a variety of other outreach mechanisms that also need to work under a financial literacy umbrella of some sorts. These are well-defined issues with relatively simpler answers and therefore, often get confused as the be-all and end-all of financial inclusion.

It is the demand side issues where far more daunting challenges lie. Financial exclusion forms part of a much wider social exclusion, faced by some groups who lack access to quality essential services such as jobs, housing, education or health care. Societal causes such as ageing combined with the technological gap increase financial exclusion. However, many factors for exclusion are on supply and demand: banks refusing to open full transaction bank accounts for certain groups of people; lack of accessibility, inadequate product design, bad service delivery and high price associated with transaction bank accounts deterring people to access and/or use those services. Belief that bank accounts are not for poor people, concerns about costs or the fear of loss of financial control also play a role. Underpinning financial exclusion are problems of poverty, ignorance and environment:

SKOCH Group started its grassroots level work on financial inclusion in 1990s, much before it got the attention of the policymakers. In fact, over a decade of grassroots level work and advocacy by SKOCH Group was instrumental in the formation of the schemes like Swabhimaan and Jan Dhan. SKOCH Group suggestions have found an echo in these financial inclusion drive.



The official articulation of the inclusion policy began in earnest when the Reserve Bank of India (RBI), in its annual policy statement of 2005-06, recommended banks “to review their existing practices to align them with the objective of financial inclusion.” The contours of the Financial Inclusion Plan (FIP) were developed further with the introduction of the Business Correspondents (BC) model in the following year and the government’s acceptance of the Rangarajan Committee recommendations on Financial Inclusion in 2008. The panel defined financial inclusion in watertight terms: “Financial inclusion denotes delivery of financial services at an affordable cost to the vast sections of the disadvantaged and low income groups. The various financial services include credit, savings, insurance and payments and remittance facilities. The objective of financial inclusion is to extend the scope of activities of the organised financial system to include within its ambit people with low incomes. Through graduated credit, the attempt must be to lift the poor from one level to another so that they come out of poverty.”

This was a very valid definition in a country plagued by wrenching social inequalities. Accelerating inclusive growth is the underlying objective of SKOCH Group. Apart from financial inclusion the other key elements on which inclusive growth stand are digital inclusion and social inclusion. Financial, digital and social inclusion are the three legs on which SKOCH model of inclusive growth stands.

SAMAVESH, an initiative of SKOCH Development Foundation, a not-for-profit Section 25 company, is targeted to bridge the gaps in financial, digital and social inclusion, the three critical elements of inclusive growth. It is a grassroots level intervention targeted at socially, economically, digitally and financially excluded section of the society. The programme has been supported by leading financial institutions including the National Stock Exchange, Punjab National Bank, New India Assurance, YES Bank, United Bank of India, SBI-Life and NPCI. This has also been recognised and supported by the Centre and state governments and regulatory bodies including the Reserve Bank of India (RBI) and Pension Fund Regulatory and Development Authority (PFRDA) of India.

The programme targets Village Based Entrepreneurs offering rural e-commerce and digital services including transactions, CSC operators and self-employed youth intending to become Business Correspondents and expand their services portfolio, in addition to elected women Gram Panchayats Members and SHGs. They are given financial and digital literacy covering basics of banking and financial markets, digital transactions, investment instruments, SIPs and so on. The scope has been broadened to include government employees, including bureaucrats, small entrepreneurs and representatives from industry and civil society.

Defeating poverty, women empowerment, promoting village-level entrepreneurship, livelihood linkages and creating additional revenue stream for industry are the main objectives of the SAMAVESH programme. Major targets of the programme are listed below:

- To create a resource base of one financially and digitally literate resource person as Master Trainer. This includes electronic payments, credit and debit cards, RuPay, BHIM, UPI and so on.
- To dovetail electronic delivery of citizen services with delivery of financial services.
- To reach direct financial services (without intermediaries) to those who need them the most via digital means.
- Encourage and promote the use of digital / electronic cash.
- Implemented through community participation.



- To make them aware about Gold ETFs, SIPs, Mutual Funds and benefits of investing in these instruments.
- To promote supply side and demand side measures to achieve the objectives of credit availability, livelihood promotion and poverty alleviation.

Defeating Poverty

The poor clearly require a range of financial services, such as opportunities to safeguard earned income, or credit to enable them to maintain minimum levels of consumption throughout the year. The rural economies within which the majority of poor people live and work are characterised by numerous small transactions. Although the units of exchange in these 'paise economies' appear small and insignificant to outsiders, they are an essential component of rural households' livelihoods. The extent of financial services demanded by the poor is only now being fully appreciated. Although we do not attempt to debate poverty definitions, it is recognised that the poor are not a homogeneous group, and that they have different needs and levels of access to financial services.

Poverty is a result of low level of assets, coupled with low returns. The poor have very few assets beyond their own labour, which is inevitably spent in tedious, back-breaking, low paid work. They often possess little or no land and also tend to lack education, skills and good health. In addition, the poor have limited access to such public assets as community infrastructure, basic services and government schemes. It is seen that rural poverty is becoming increasingly concentrated among households whose primary source of income is casual labour, both in agriculture as well as the rural non-farm sector.

The poor in the urban areas too have the same basic financial service needs such as secured savings, credit and additionally, mechanism to transfer remittances back home like their counterparts in rural areas.

Research shows that poor people value financial services, want more of them, worry when they don't have them, but are often frustrated by them when they do get them. They know that managing money is important, and that managing money well gives them a better chance to manage their lives and livelihoods well. Those lives and livelihoods are complex, diverse, dynamic and vulnerable, and the poor want their financial services to respond by being reliable, convenient, continuous and flexible. They are aware that their most dependable forms of social security are their own money and asset-management skills, so they need a wide range of intermediating terms, from a tiny advance of a few rupees to tide over a current food shortage, through loans for investment opportunities, to long term saving instruments that help them manage retirement, widowhood or disability.

A useful distinction can be made between livelihood promotion and livelihood protection. Promotion is concerned with improving standards of living, principally through increasing productivity and incomes. Protection is essentially social security concerned with maintaining living standards and incomes at a given level, and defending livelihoods against unexpected shocks. Clearly the two concepts are complementary. The promotion of livelihoods will tend to make them more robust and able to withstand shocks, whilst sound protection will lay the basis for livelihood promotion.

Experts agree that one of the critical gaps in the ability of poor households to acquire wealth is the dearth of the right type of financial services—low cost credit, safe ways to save, efficient

means to move their cash, emergency relief and the availability of long-term products that can be used for their later years. The Consultative Group to Assist the Poor (CGAP), a donor consortium run by the World Bank, estimates that around three billion people lack basic financial services such as savings accounts and access to credit.

Financial sector reform is a part of development policy and therefore, should focus on creating a broader array of financial services for a broader section of the deprived or underserved population.

An important question that arises logically is: has commensurate financial deepening been taking place at the micro-level? There is sufficient anecdotal evidence to suggest that the poor or less well-off people find it difficult to open a bank account in any area—rural, urban or semi-urban. Thus, not only is the common individual deprived of access to banks for generating savings or availing credit, but so is the financial system of resources commensurate with the burgeoning growth of incomes all over the country. It is this very feature that the process of financial inclusion seeks to address.

Improvements in financial services, both formal and informal, must be tailored to the needs of the poor. This requires innovative approaches for increased awareness about the benefits and the kind of financial services available and finally, their accessibility in remote unbanked areas.

Belief that bank accounts are not for poor people, concerns about costs or the fear of loss of financial control also play a role. Underpinning financial exclusion are problems of poverty, ignorance and environment:

- Poverty: being on a low income, especially out of work and on benefits.
- Ignorance: low levels of awareness and understanding of products caused by lack of appropriate marketing or low levels of financial literacy.
- Environment: lack of access to financial services caused by several factors, including:
 - geographic access to bank branches or remote banking facilities;
 - affordability of products such as insurance, where premiums often price out those living in the most deprived and risky areas;
 - suitability of products like current accounts, which offer an overdraft and an easy route to debt;
 - cultural and psychological barriers, such as language, caste, perceived/actual racism and suspicion or fear of financial institutions.



There is a large overlap between poverty and permanent financial exclusion. Both poverty and financial exclusion result in a reduction of choices which affects social interaction and leads to reduced participation in society. A major cause of poverty among rural people in India today is the lack of access for both individuals and communities to productive assets and financial resources. High levels of illiteracy, inadequate health care and extremely limited access to social services are common among poor rural people. The financially excluded typically exhibit one or more of the following characteristics:

- Lack of a bank account and the financial services that come with it.
- Reliance on alternative forms of credit, such as doorstep lenders and pawnbrokers.
- Lack of other key financial products, such as insurance, savings products and pensions.
- Lack of capacity and livelihood alternatives.

SOCIAL INCLUSION

By Social Inclusion we mean empowerment of people by making them aware of their rights so that they can themselves work towards alleviation of poverty. The World Bank defines Social Inclusion as: “The process of improving the terms for individuals and groups to take part in society, and the process of improving the ability, opportunity, and dignity of those disadvantaged on the basis of their identity to take part in society.” Social Inclusion is critically important for accelerating inclusive growth. Following are the important areas that impact social inclusion:

Inadequate Physical Capital

A vast majority of financially excluded regions suffer from low level of investment in roads, bridges, canals, power supply and market linkages. Absence of these leads to a general malaise in the local economy. An example of how introduction of such facilities changes lifestyles is evident from the Pradhan Mantri Gram Sadak Yojana (PMGSY), which has been extensively studied by SKOCH Group. A team of SKOCH Group studied the PMGSY during the summer of 2008 at Samotakabas village, Sikar; Khedisuwa and Swamikabas villages in Jaipur in Rajasthan; Umri and Chakur villages in Wardha, Jhanzorli, Mithaghar and Sarvepada villages in Thane, Maharashtra, in addition to Kalahandi in Orissa and Karauli in Rajasthan. The benefits reported were easier access to markets, better prices for farm produce, faster repair of electrical faults, access to mechanised farming, increase in girls attending schools, improvement in healthcare services and so on. Further, NREGS has enabled people to get employment and guaranteed wages, which are getting directly transferred to their accounts. Most of these people did not have bank accounts earlier. These projects have played their respective roles in bringing economic enablement and empowerment to the people at the grassroots.

Underdeveloped Social Capital:

Gram panchayats, commodity cooperatives, local administration and even local markets in the financially excluded regions are not well developed.

Low Productivity:

Regions that have a low degree of financial inclusion, also exhibit a low level of agricultural productivity.

Poor Market Linkages:

Particularly true in case of north-eastern states substantial quantities go waste because they cannot be marketed. Development of the local economy with forward and backward market linkages is essential for upliftment of the local economy and rural poor. Ethnic minorities are facing wide-ranging economic and social disadvantages and day-to-day humiliation and degradation and denial of justice.

Low Education:

Ethnic minorities have been excluded from the education system. There are many such examples. Out of a few known to us include Van Gujjars, who are the inhabitants of Rajaji National Park in Uttarakhand. This tribal minority community—by virtue of them being nomadic—have apparently not been able to find their place in the national census and have remained excluded for generations. Illiterate as they are, not only do they not have any access to credit, formal or informal, but they are also not exposed to any other sort of financial services. Due to their nomadic nature, their non-stationary existence has made them depend



largely on agricultural resources. Another example is the Nishi tribal village called Sangram situated on the Sino-Indian border in remote Arunachal Pradesh. It is a living example of a subsistence economy. With no formal access to education of any sort and the social milieu that is loaded against the girl child, who is bartered for economic benefits, they along with many such others have ever remained excluded from the national mainstream, both socially as well as financially. There exist hundreds of similar stories wherein the conditions of poverty have prevailed more than ever before.

Limited Employment Opportunities

Incidence of landlessness, lack of education and capacity leads to migration and further marginalisation.

Social Discrimination

Factors like high rural households having no bank account and also high share of rural households without specified assets indicate higher incidence of rural unrest and political instability and emergence of Naxalism. Equal access to education for women and girls will be ensured; poverty eradication programmes will specifically address the needs and problems of such women; women's access to credit for consumption and production will be enhanced.

DIGITAL INCLUSION

By Digital Inclusion we mean use of information and communication technologies for empowerment of people and alleviating poverty. Technology is a great enabler and can play pivotal role in accelerating inclusive growth.

There are significant and untapped opportunities to use technology better on behalf of citizens and communities. These include improved service planning, design and delivery, particularly to address the needs of disadvantaged groups and individuals.

The digital divide is a challenge of both access and the ability to effectively use information and communications technologies (ICTs). ICT consists of connectivity, computer hardware and software, content, services and education. Inclusion can no longer just be seen as having a device and a connection. Inclusion and reform need to be taken very carefully together in an understanding of what we need, when we say that we want the benefits of growth to reach out to the large amount to the people of this country.

Genuine partnership and empowerment is needed by looking at Business Correspondent (BC) model, what is coming up in the UID Project, and more importantly, the modern technology offerings that are available today.

At the heart of digital inclusion, however, lies the fundamental issue of IT accessibility. The concept is quite straight-forward: people cannot be included in something they cannot access. IT accessibility, a statement of IT capability or enablement, most commonly enables digital inclusion by addressing ability or age-related barriers that prevent a person from accessing or interacting with information or services that are delivered electronically. In addition, IT accessibility supports digital inclusion by helping remove barriers to using or benefiting from online information and services based on a person's technical proficiency, native language, or literacy level.

Incorporating accessible technology in governmental initiatives to develop digital communities helps agencies to improve productivity in municipal services and deliver better social and community outcomes. ■



CM SPEAK

Speech of Vijay Bahuguna, Chief Minister, Government of Uttarakhand on occasion of launch of National Project SAMAVESH – financial literacy programme on 30th November 2012 at Dehradun



Namaskar!

Shri Sameer Kochhar, Chairman, SKOCH Group; Smt K Kamala, Senior Vice President, National Stock Exchange; Dr Avdhash Kaushal, Chairman, Rural Litigation Entitlement Kendra; Shri Gyan Bhushan, Chief General Manager, Securities and Exchange Board of India; Shri A G Das, Chief General Manager, Pension Fund Regulatory Authority of India; Shri C D Srinivasan, Chief General Manager, Reserve Bank of India; our elected representatives from Gram Panchayats and Wards, dignitaries who have travelled from Chakrata and Kalsi blocks, friends from media, and dignitaries.

I am delighted to be present here on the occasion of national rollout of financial literacy programme – SAMAVESH. I thank SKOCH and all other dignitaries on the dais for choosing Dehradun district to be made country's first fully financially literate district. Uttarakhand is one of the leading states in the country to have a very high degree of women's participation in governance. Prior to 73rd Constitutional Amendment, participation of women in Panchayats was minimal. It has changed now. It also establishes the fact that women have a role to play not only in family but also in society at large.

Women have a more pronounced need to save and Uttarakhand has a quite a large number of Self Help Groups already formed. But it is not to say that we have achieved all that we aim to. Efforts like this will go a long way in helping the state in achieving its goals faster.

When Swabhimaan was launched by Smt Sonia Gandhi two years ago was dedicated to empowering the common man in general and women in particular. This was the first campaign to make targeted and concerted efforts to ensure ease of access of financial services for the *aam aadmi* to the organized financial system.

Two years later, we have all seen the results – all the 73,000 villages – below the population of 2,000 have been financially included and have become bankable. Financial literacy has a prominent role to play as it prepares people to ask and demand from the system rather than subjecting people to schemes that government thinks they need.

Smt Sonia Gandhi had also said that such empowerment must include access to cost effective, trouble-free and safe avenues for savings, credit, remittances and micro-insurance. Unless we provide adequate safeguards to protect savings - and to extend timely credit, we will also not be able to deliver other essential services, such as education and health care - which need reliable credit and savings institutions.

The UPA Government, under the leadership of Prime Minister, Dr Manmohan Singh, firmly believes that the benefits of economic growth must reach the *Aam Aadmi* at every level. The policies of the government are specifically designed to ensure inclusive growth, particularly of the marginalised and weakest sections without whose empowerment, our country's progress will always be impaired.

Information technology also has a role to play in financial inclusion. It eases access and provides tools to banking and financial institutions to reach their intended beneficiaries.

“It is an excellent initiative by the SKOCH. The state government will provide all help in realising the goals of the financial literacy programme. Women’s participation is pivotal for the success of any government’s development programmes. State GDP is growing by 11 per cent; however, there is need to take the benefits to women from marginalised sections. As recommended, we will also introduce financial inclusion in the curriculum of high schools.”



This linked with Aadhaar programme of Government of India will bridge the gap of credit, livelihood linkage, capacity building, life and general insurance. I would urge the banks in Uttarakhand to take a proactive approach in creating economic activities through credit linkages of Self Help Groups and enhanced priority sector lending. I do understand that Uttarakhand has a difficult terrain and therefore banks must think out of the box and use facilities like technology led banking and branchless banking. Role of counseling and financial literacy cannot be undermined in getting our rural population under the financial services fold. In this regard the banking facilitator model proposed by Reserve Bank of India is a good model and I would request the banks to look at using elected Panchayati Raj members as banking facilitators. It will also be our endeavor to engage with private sector to electronically deliver all pervasive citizen services and financial services towards inclusive growth – in line with the 12th Five Year Plan of the Government of India – as part of this national pilot.

I wish SAMAVESH all the best for its success and hope that it proliferates to other districts soon. ■

UTTARAKHAND - 2012

After one and a half decade of nationwide extensive field research and consultations the first edition of SAMAVESH programme was rolled out on 30th November 2012 at Chakrata block of Dehradun district in Uttarakhand. Over 350 Gram Panchayat representatives from Chakrata and Kalsi block - the most unbanked and excluded blocks of Dehradun district participated in the programme. In addition, about 150 beneficiaries representing urban Wards of Dehradun; Small and Medium Enterprises (SMEs); and, small investors etc. also participated in the programme.

Why Dehradun?

Location for the SAMAVESH programme is chosen based on the felt-needs. While banking penetration is low across the country, the situation in Dehradun was far more alarming. Banking penetration was extremely low. Because of difficult terrain banks were unwilling to go in the region.

As per the 2011 Census, total population of Dehradun district stood at 16,98,560. At the time when SAMAVESH programme was held the district was divided in six blocks – two blocks hills, while the four part hill and part plain. There were 403 Gram Panchayats and 40 Nyaya Panchayats. Banking penetration in the district was among the lowest.

Targeted Beneficiaries

Gram Panchayat representatives from Chakrata and Kalsi block - the most unbanked and excluded blocks of Dehradun district were mobilised for the training programme. Representatives from urban local bodies also participated. There was enthusiastic participation from urban Wards of Dehradun. Representatives from Small and Medium Enterprises (SMEs), small entrepreneurs and investors also participated in the programme.

Partners

The programme was launched in partnership with National Stock Exchange (NSE). Organisations participating in the launch training programme included:

1. Ministry of Panchayati Raj, Government of India;
2. Unique Identification Authority of India (UIDAI);
3. Reserve Bank of India (RBI);
4. Securities and Exchange Board of India (SEBI);
5. Pension Fund Regulatory and Development Authority (PFRDA);
6. Punjab National Bank
7. National Stock Exchange

Rural Litigation Entitlement Kendra (RLEK), Dehradun, was roped in as outreach partner. They contributed significantly in mobilisation and content development.

Trainers

SKOCH group had created a resource base of master trainers who underwent an intensive training program on all financial products. They in turn converted the lessons into local language tool kit including games, skits, films, lessons and tests etc. These master trainers then conducted the community-training program through this first ever community-training toolkit covering all financial services. SKOCH's own teams had spent a considerable amount



of time in rural Dehradun for nearly two months to get a first-hand feel for local issues and felt needs.

Outcomes

The participants were educated on the need for savings through bank account; demat account; banking products, i.e., loans, fixed deposits and recurring deposits; need for insurance and avenues for investment leveraging exchange traded funds that allow investor to purchase paper gold with as low as 100 rupees. SAMAVESH's endeavor is that by the end of 2013, all the remaining 4 blocks of Dehradun will be covered. Dehradun district will then become nation's first completely financially and digitally literate district covering all financial and relevant citizen services. The participants were also made aware of schemes like Aadhaar and MGNREGA, which also aim at financial inclusion.

Chief Minister of Uttarakhand, Vijay Bahuguna, was the chief guest for the convocation function in which the participants received their financial literacy certificates. While speaking on the occasion, Bahuguna, welcomed the initiative taken by the SKOCH Group. While hailing the role of women in the state's development process, he said that they have played an important



“Our main aim is to make one woman in each Gram Panchayat financially and digitally literate. The programme aims at financial inclusion with special emphasis on women contrary to other financial inclusion schemes, which have not adequately focused either on financial literacy or on women who have a much more pronounced need to save. It also does not limit the financial inclusion vision to mere opening of no-frill accounts that no one uses.”

Sameer Kochhar, Chairman, SKOCH Group

“We hold regular workshops, awareness programmes and seminars on investor education. But reaching out to women at the grassroots through Samavesh is unique and is likely to touch a chord with them.”

Chitra Ramkrishna, Joint Managing Director,
National Stock Exchange



role in accelerating inclusive development of the state and their participation is pivotal for the success of any government development programs. There is also an immediate need to take the benefits to women from marginalised sections from Scheduled Castes and Scheduled Tribes, backward areas, hilly regions and border areas. He also accepted the recommendation made by the SKOCH Group and the National Stock exchange to introduce financial inclusion topic in the curriculum at high school level in the state.

The Chief Minister also asserted that the state government is going to pay subsidy amount directly to the beneficiaries account and it will be mandatory for everybody to have a bank account. "Stress would be given to financial inclusion considering it one of the important aspects of inclusive development," said Bahuguna. He even stated that central government had agreed to adopt cluster approach to extend banking services in the hilly terrain of the state. The chief minister also highlighted that fact that the state government has made provision of separate funding for development of backward areas. The state has already constituted Horticulture marketing boards for marketing of produces of mountainous areas, he added.

The Chief Minister also requested that the recommendations of the conference be forwarded to him so that the state government can provide help in implementing the recommendations.

While highlighting the advantages of savings, K Kamala, Senior Vice President, National Stock Exchange, said, "savings has a very important role to play in our life and people should be made aware of different forms of investments through which they can save and create wealth."

"The NSE is a market infrastructure institution with the intent not just to service the very rich investor or only big institutions. The small retail investor is an equally important customer for us," maintains Chitra Ramakrishna, Joint Managing Director, NSE. She is sensitive to gender needs pertaining to savings and running the households and believes that they need to save and invest easily. "We hold regular workshops, awareness programmes and seminars on investor education. But reaching out to women at grassroots through SAMAVESH is unique and is likely to touch a chord with them," she added.

Congratulating SKOCH Group for such a novel initiative among marginalised sections, especially women, Hrushikesh Panda, Additional Secretary in the Union Ministry for Panchayati Raj said, "There is a need to strengthen gram sabha and women's participation in panchayats to facilitate gender empowerment. Integration of financial services with the panchayat system is a must to achieve financial inclusion."

A.G. Das, Chief General Manager, PFRDA introduced the new pension scheme and its benefits for unorganised workers. Gyan Bhushan, Chief General Manager, SEBI highlighted SEBI's role in investor protection and Shishir Kumar, Assistant General Manager, RBI spoke about RBI's framework for financial inclusion. Ashutosh Ojha, Assistant Director General, UIDAI conducted a session on how digital technologies coupled with the Aadhaar number can be used for better accessing social services and spending.

Various other distinguished speakers and experts addressed the gathering and threw light on diversified issues related to financial literacy and need of inclusive development. It is noteworthy that financial literacy is the cornerstone of any financial inclusion program. Kochhar further said, "Our objective is to reach directly to the people who need financial services the most and to apply over a decade of learning from our field visits, conferences and workshops on inclusive growth in the programme." ■



GUJARAT-2014

The second edition of SAMAVESH programme was held in Gujarat. It started on 21st February 2014. The programme was organised in association with the Government of Gujarat and was held at Mahatma Mandir in Gandhinagar. Gujarat Livelihood Promotion Company Ltd (GLPC) was roped in to help with grassroots mobilisation of beneficiaries.

Why Gujarat

SKOCH has been engaged with SEWA for over a decade and has extensively travelled and covered their intervention in promotion of livelihoods. It was also found out that the women at the grassroots level in Gujarat are quite enterprising and are rather aware of their entitlements and rights. Yet, there were not many avenues either to increase their livelihood or awareness about the banking and insurance. While Gujarat has been at the forefront of economic development, the situation in rural areas remain challenging. Gujarat was chosen to accelerate rural growth and small entrepreneurship.

Targeted Beneficiaries

Nearly 500 women were identified from across 8 districts of the state who participated in a two-day programme split over various sessions that covered, basics of banking, digital /

Two hundred and thirty one women from across Gujarat were equal dialogue partners in “Samavesh – Accelerating Inclusive Growth” an ongoing financial literacy programme of Skoch Group being run in association with NSE for the second year. YES BANK also supported this programme. Conducted in Gujarati, the day-long training covered practical aspects of banking, markets and citizen services to help women participate in economy and governance better. These participants came from eight districts - Mehsana, Banaskata, Panchmahal, Surendranagar, Gandhinagar, Vadodara, Ahmedabad and Patan. Gujarat Livelihood Promotion Company, Gujarat Informatics Ltd. and Department of Science and Technology were state partners for this exercise. Varesh Sinha, Chief Secretary, Government of Gujarat delivered the valedictory address. “It is our responsibility to empower the gender not only in terms of protecting her rights but also in building capacities to help them engage in income generation activities. Financial literacy is an important aspect of this empowerment,” said Sinha while speaking on the occasion.



mobile banking, investment instruments, capital markets, State social welfare programmes including Aadhaar linkages and insurance and pensions.

The training programme covered representatives of SHGs, elected Gram Panchayat Members and PACS functionaries who were imparted training to become Master Trainers. Experts at GLPC also went through the training so that they could do the follow up in the districts where the beneficiaries came from so that the impact of SAMAVESH financial literacy programme is wide based.

Trainers

Domain and financial experts from Skoch Group and industry representatives imparted the training. The NSE was represented by Ms Bhavika Wanchoo and the proceedings were chaired by Mr Varesh Sinha, Chief Secretary, Government of Gujarat. Invited speaker was Dr V Thirupugazh, Principal Secretary, Panchayati Raj, Government of Gujarat.



Here is the list of the resource persons:

- Mr Sahil Shah, NSE
- Mr Mihirsinh Parmar, NSE
- Mr Hemal Desai, Yes Bank
- Mr Anil Santwani, Yes Bank
- Mr Sharad Saraiya, Yes Bank
- Mr Hetal Champaneria, Yes Bank

Outcomes

The women were quite enthusiastic and participated in discussions asking various kinds of questions. More importantly, many of them, for the first time learnt about the benefits of banking and deposits. They had so far, preferred to keep the money at home and did not go to the bank. A few of them who were involved in vocations like cattle and dairy, did not know about cattle insurance. Few had suffered in the past due to loss of cattle life and the re-investment they had to make to earn their keep. As far as the possibility of investing in the Gold ETFs was concerned, it resonated well with women as they could see an opportunity to buy gold at a denomination as low as one gram and without any fear of possessing physical gold.

While speaking on the occasion Mr Varesh Sinha said, "Even though the state is doing well across several indicators, financial literacy is something which is the need of the hour. It provides people security and also brings the idle cash into the mainstream banking." He further added, "It is only through programmes like SAMAVESH that the government can take the social security, pensions, banking and insurance to people. It is they who needs to understand more about the annuity income." ■

MAKING JAN DHAN MEANINGFUL

The third edition of SAMAVESH programme was held in Pilibhit district of Uttar Pradesh. The programme was an overwhelming success as over 2,700 women from every nook and corner of the district participated in five-day financial literacy programme. Besides classroom training, street plays and other pedagogical innovations were used to create financial awareness among women. Several suggestions and recommendations that emerged from the programme have been included in the policy action of the Centre as well as the state government.

Pilibhit is among the most backward districts in the country. Almost 40 per cent of the population is illiterate and nearly equal numbers are below poverty line. Connectivity to Pilibhit is also poor. Roads are in a dilapidated condition and the city is connected only with a meter gauge train. Financial awareness among the common people is very low. In this backdrop, SKOCH Group chose Pilibhit for the SAMAVESH programme. Our motto is to reach out to the people who need it the most. SKOCH team organised the programme quite successfully despite several difficulties – be it traveling in three wheelers in the dark chilly night or working from early morning till late night without a break and proper food.

A team visited villages and identified those who needed the training the most. Women from the far-flung villages were encouraged for participation. It was quite a challenge to convince the women to come out of their home as they are always engaged in some household works and often not allowed to step out of the house. However, proving some of the preconceived notions wrong, women turned up in unexpectedly large number and participated actively in the programme.

Targeted Beneficiaries

Panchayat representatives and marginalised women from across Pilibhit district were mobilised for the training programme. Participants were selected from different parts of the district, mostly villages. A substantial participation was from Panchayats, municipality and Self Help Groups (SHGs). They were asked to create awareness among other people. Over 200 girls from colleges and schools were also given training. They were motivated to further create awareness in and outside their family.

Partners

Partners for the programme included

1. Yes Bank
2. IDFC
3. Canara Bank

Trainers

Professionals and trainers from several cities, including Delhi, Lucknow, Agra and Bareilly travelled to Pilibhit to create financial awareness. This included 15 trainers, mostly banking and financial professionals and 15 professionals from SKOCH Group that organised the programme. Master trainers drawn from the National Stock Exchange (NSE), YES Bank and Canara highlighted the importance of financial inclusion and livelihood linkages. All these institutions having little or no business stake in the district showed exemplary dedication. Local NGOs were used for livelihood related areas and a demonstration of these vocations was also set up during the training programmes. Following are the master trainer details:

- Ms Nivya Nair, NSE
- Mr Gautam Gupta NSE



A comprehensive study of the scheme by Skoch Group revealed that almost half of the households in the district are still outside the banking net and even those who have managed to open an account have no idea about its use. And, this is not a stray incident as government data show that while the Pradhan Mantri Jan Dhan Yojana (PMJDY) was an instant success in opening more than 100 million accounts in less than four months, almost three-fourth or 74 million accounts had zero balance as on 26th December 2014.



- Mr Pawan Bhardwaj, NSE
- FLC Counsellor, Canara Bank, Lucknow
- Staff Training College Faculty, Agra
- Agri Information Officer, Bareilly
- Agri Information Officer, Moradabad
- Cluster Head, Yes Bank, Moradabad
- Assistant Vice President, Yes Bank, Bareilly
- Assistant Vice President, Yes Bank, Lucknow
- Assistant Vice President, Yes Bank, Moradabad
- Mr J S Parihaar
- Mrs Rekha Parihaar

Outcomes

Several livelihood schemes were highlighted during the SAMAVESH. Besides financial awareness, the programme included vocational training awareness in locally relevant areas like papad making, mushroom cultivation, sanitary napkins making and making of bricks and sapling pots from dungs.

Appreciating the SKOCH Group's initiative, Maneka Gandhi said the awareness and training programmes would help bridge gap between Jan Dhan and livelihood linkages. The minister said she is supporting several employment-linked schemes in the district.

What women learnt at Pilibhit:

1. Basics of banking
 - a. Account opening
 - b. KYC
 - c. Savings, Fixed and Recurring Deposits
2. Jan Dhan Yojana
 - a. Jan Dhan Yojana
 - b. Key benefits
 - c. KYC Norms
 - d. Overdraft facility
 - e. Insurance
 - f. Pensions and social security
3. Livelihood Linkages
 - a. SHG Formation and Bank Linkage
 - b. Micro-Credit
 - c. Locally relevant Vocations (mushroom cultivation, mehendi and bio-products)
4. Micro-investments linked with markets like Gold ETFs

"We believe that there is an urgent need for financial literacy to achieve the goals of financial inclusion from demand side rather than supply side. SAMAVESH is an attempt to address this gap. It is heartening to note that financial literacy has now been made an integral part of Jan Dhan scheme," said Sameer Kochhar, Chairman, SKOCH Group.

Besides classroom training, street plays and other pedagogical innovations were used to get the message across. Each participant was given a participation certificate.

“I have taken loan from a moneylender in my village for buying a buffalo. Most of the earnings I make from buffalo, I give to the moneylender,” said Neelam Devi from Himmatnagar village. She represents one of the rural households that are indebted. NSSO data show 31 per cent of the households in the hinterland was indebted in 2012 as compared with 27 per cent in 2002 with average debt rising more than four times in a decade.



Maneka Sanjay Gandhi, Minister for Women & Child Development Ministry was the Chief Guest for the concluding ceremony, which was attended by nearly over 5,000 women from across the district. They have ever since conducted several financial literacy camps and opened bank accounts at the doorstep of those who could not access banking.

After the training, one of the participants said she now understands the importance of having a bank account, but her real concern is livelihood. “I am told that how micro-credits linked to the account can help in starting small businesses,” said a participant.

They were shown the process doing the livelihood-linked works like Papad making, making of bricks and sapling pots from cow dungs among others.

A large number of them showed interests in getting involved in these activities, as it required very little investments. Trainers assured financial and technical help to participants in starting these livelihood activities.

Livelihood Linkages

Several livelihood schemes were highlighted during the SAMAVESH. Besides financial awareness, the programme included vocational training awareness in locally relevant areas like papad making, mushroom cultivation, sanitary napkins making and making of bricks and sapling pots from dungs.

Appreciating the SKOCH Group’s initiative, Maneka Gandhi said the awareness and training programmes would help bridge gap between Jan Dhan and livelihood linkages. The minister said she is supporting several employment-linked schemes in the district.

Policy Recommendations from the Programme

Until now the focus of Jan Dhan scheme has been on opening accounts. Targets have been set on the number of accounts. In fact, if we go by the official figures, the achievements have been excellent. The 75 million accounts opening target was achieved two months ahead of the schedule and now a new target of 100 million has been set for 26th January 2015.

Financial inclusion is imperative to eradicate poverty. But merely opening an account won’t solve the problems. For example, no transaction has taken place in three out of the four accounts opened under Jan Dhan. If the accounts remain dormant the account holders won’t be entitled for the associated benefits like overdraft facility and insurance cover. Now the bigger challenge is to ensure that the people have the money to keep in the account and transact. For this livelihood linkage is crucially important.

All the welfare schemes of the centre and the state governments should be linked to the Pradhan Mantri Jan Dhan Yojana. Subsidies should be provided through Jan Dhan accounts. Jan Dhan should also be linked to the National Rural Livelihood Mission and MGNREGA scheme.

Micro credits must be extended to poor without hassle to enable them get out of the vicious cycle of unemployment and poverty.

Banks must be proactive and have faith in the poor. For example, Bank of Baroda as lead bank recently provided job related trainings to nearly 2,000 individuals. However, it extended credit to only 7 people. This highlights a serious problem in the system. Firstly, the banks run such training courses just to comply with the government’s diktat and don’t have faith in it. Secondly, they grossly ignore poor when it comes extending the credit.

More than half of the women who participated in Samavesh complained of irregularities in the process of opening bank accounts. Banks were asking for money if they did not possess the requisite documents.



Trainings should be provided only in those areas that are locally relevant and have job opportunities available. The situation should be created where people demand for the banking services. They should feel the need and open the account. It should be demand driven, instead of pushed through by the government diktat and regulations.

Quotes and Feedback

- Beneficiary Group 1
 - The importance of saving money has been understood as a security for the future
- Beneficiary Group 2
 - We have understood banking and the importance of it. We need livelihood training followed by credit from the bank.
- Beneficiary Group 3
 - We barely manage three square meal for the family. It is difficult for us to save. We are keen on receiving training on mushroom cultivation and brick making from cow dung.
- Beneficiary Group 4
 - We need stable income to support our families. We hardly get any support from menfolk.
- Beneficiary Group 5
 - We have heard of some bank giving some kind of training on sewing and stitching. But no body ever told us where to go.
- Beneficiary Group 6
 - We were encouraged to come out of our house and participate in a programme like this. We all have cows and buffaloes at home. It will be easy for us to take up a vocation like brick making and so on.
- Beneficiary Group 7
 - People always told us to leave Pilibhit, like others, if you want to earn money. After attending this programme, we feel that we will be able to earn money here itself if we are given proper guidance.
- Beneficiary Group 8
 - Banks are ready to help. But they say, open an account first and then we will give you loan. We do not have proper documents to open a bank account.
- Beneficiary Group 9
 - I had taken loan from local moneylender for buying a buffalo. It took me more than a year to pay back. I am now told that in order to buy another buffalo, I can go to a bank rather than moneylender.
- Beneficiary Group 10
 - We went to RSETI for training on zari. In absence of proper guidance, we were discouraged to join.
- Beneficiary Group 11
 - We do not have Aadhaar cards. We will appreciate if somebody could help.
- Beneficiary Group 12
 - We were told about our entitlements and rights as women. Have also understood that economic independence will give us empowerment. ■



Pilibhit: A Case Study

While inheriting a history that can be traced back to the Hindu epic of Mahabharata when it was ruled by Mayurdhwaj or King Venu, a great devotee of lord Krishna and a loyal friend of Arjun, Pilibhit derives its name from a local village where people build yellow-coloured mud walls around their dwelling units to protect themselves from wild animals. Ruled by the Muslim rulers and then the Marathas, Pilibhit has its share in the Independence struggle with the hanging of 21 locals by the British in January 1909. Even after six decades of Independence, almost a half of Pilibhit's population is yet to be liberated from the bondage of poverty.

Located at sub-Himalayan Plateau belt on the boundary of Nepal and the originating point of Gomti river, Pilibhit is among the backward districts of India. Almost 40 per cent of the population is illiterate and nearly half of the masses are below the poverty line. Connectivity to Pilibhit is very poor. Roads are in a dilapidated condition and the city is connected only with a meter-gauge train. In a list of 423 towns and cities in India, Pilibhit is ranked third from the bottom in terms of hygiene and sanitation, according to a government report. Financial awareness among the common people is very low.

In this backdrop, SKOCH Group chose Pilibhit for the Samavesh programme as its motto is to reach out to the people who need it the most. SKOCH team organised the programme quite successfully despite several difficulties—be it traveling in three wheelers in the dark chilly night or working from early morning till late night without a break and proper food.

“This is what makes us different. We work at the grassroots and try to reach out to the people who need us the most,” said SKOCH Group Chairman, Sameer Kochhar.

A team visited and identified women from the far-flung villages who were encouraged for participation. It was quite a challenge to convince the women to come out of their home as they are always engaged in some household work and often not allowed to step out of the house. Proving some of the preconceived notions wrong women turned up in unexpectedly large number and participated actively in the programme.



Show me the money

While carrying out financial literacy training at Samavesh, many irregularities came to the fore including instances of poor asked to pay ₹ 500 for opening zero-balance Jan Dhan account

When 54-year old Ranjana Devi (not the original name) from Himmatnagar village went to a bank to open an account under Jan Dhan, she was asked to show an identity and residence proof or pay ₹ 500. Neither she had any identity and residence proof, nor was she in a position to pay the money demanded. So she could not open the bank account.

Ranjana is not alone. More than half of the women who participated in the training programme complained about irregularities in the process. The banks are asking either for money or documents that they don't possess.

This is clearly illegal as Jan Dhan accounts are being opened with zero balance and self declaration. It must be probably a demand for bribes. As regards the documents required for opening the accounts, the Reserve Bank of India (RBI) has clarified that even those persons who do not have officially valid documents can open an account. The account can be opened on the basis of a self-attested photograph and putting his/her signatures or thumb impression in the presence of an official of the bank.

However, such accounts have limitations regarding the aggregate credits (not more than ₹ 100,000 a year), aggregate withdrawals (nor more than ₹ 10,000 in a month) and balance in the accounts (not more than ₹ 50,000 at any point of time). These accounts would be valid normally for a period of 12 months. Thereafter, such accounts would be allowed to continue for a further period of 12 months, if the account-holder provides a document showing that he/she has applied for any of the officially valid document, within 12 months of opening the account, according to a RBI statement.

Skoch Group raised these irregularities with the lead bank of the region—Bank of Baroda—and other stakeholders in Pilibhit. Even though, the senior bank officials admitted that denying bank account to any individual because of money or document is illegal, they did not rule out such practices.

“This is a crime. Those involved in such practices must be punished,” said S K Mathur, General Manager of Canara Bank in Lucknow. Mathur, who participated in the Samavesh, said such irregularities dampen people's confidence in the system.

EXPERT VIEW

MP Maneka Gandhi speaks

I want to make Pilibhit the Mehndi Capital of India. I have bought seeds from Sadri and given to a farmer in Pilibhit. I have directed that farmer to distribute the saplings for free to whoever wants in Pilibhit. There is a huge and growing demand for mehndi in India. A lot of mehndi is imported from Pakistan to meet the local demands. Why can't we grow it in India? I want Pilibhit to lead.

Ensuring jobs for poor, especially women, is my top priority for Pilibhit as a Member of Parliament in the Lok Sabha from this constituency. Financial inclusion initiative under Pradhan Mantri Jan Dhan Yojana will prove to be very useful. But this is only one step. Jan Dhan account in itself won't solve all the problems. What is required is skills and employment.

I have taken a number of steps in the past six months to ensure gainful employment in the region. The initiatives include setting up facilities for *papad* making to *mehndi* plantation and training for running beauty parlours.

After months of negotiations, Shri Mahila Griha Udyog, the makers of famous Lijjat Papad, has agreed to set up an unit and start operation from Pilibhit. They have bought land at Gohania Chowraha in Pilibhit town and they will soon start *papad* production. They will train at least 1,000 women in Pilibhit to make *papad*. Lijjat Papad is the creation of a group of uneducated women. It symbolises women entrepreneurship. By getting associated with Lijjat Papad, even an uneducated woman can earn ₹4,000-5,000 per month. Women will be given kneaded flour to make *papad*. The finished product will be bought back and sold in the market. So, the women need not worry about any investments required to start the business. At the same time, all their products will be bought by Shri Mahila Griha Udyog, which is a co-operative. It is an organisation of the women, by the women and for the women.

The second initiative is related to making of various products out of dung. I have a *goshala* (cow shelter) in Delhi. There used to be heaps of dung which was mostly wasted. Now with the help of a simple machine, a lot of products are made out of the dung including bricks and sapling pots. The machine costs ₹45,000. You just need to put dung and husk. Bricks are used at crematorium in place of wood. Sapling pots replace polyethylene. Both these products are environment friendly. Sapling pots, on the one hand discourage the use of polyethylene and on the other hand work as a manure that helps in a healthy growth of the sapling.

I requested the maker of the machine to supply it in Pilibhit. I am also working with a local NGO to popularise its use. I have requested the banks to provide loans for the machine. Bank of Baroda is the lead bank in Pilibhit. My request to them is to liberally extend credit for these machines. We have a plenty of dung and husk in Pilibhit and this endeavour, for sure, will prove very successful.

The third area of my focus is *mehndi* cultivation. It can prove to be a game changer. Here I am taking an inspiration from Sadri in Rajasthan. Mehndi cultivation has brought a huge transformation in socio-economic condition of Sadri, which used to be among the most backward places in India. Today, the economics of Sadri revolves around mehndi cultivation and processing.

Mehndi can be grown in any parts of the country. It requires very little water. I want to make Pilibhit the Mehndi Capital of India. I have bought seeds from Sadri and given to a farmer in Pilibhit. I have directed that farmer to distribute the saplings for free to whoever wants in Pilibhit. I want to see it growing all across the district. Even a small landowner can make substantial money out of *mehndi* cultivation. *Mehndi* processing will also generate employment. There is a huge and growing demand for *mehndi* in India, especially in marriages be it among Hindus or Muslims. A lot of *mehndi* is imported from Pakistan to meet the local demands. Why can't we grow it in India? I want Pilibhit to lead.



The fourth initiative I find worth mentioning here is trainings for running beauty and health centres. VLCC has agreed to set up a centre in Pilibhit. They have agreed to provide training to over 500 women and also provide jobs, either in Pilibhit or outside. This training will be very useful for young educated girls. After the training they can either start beauty parlours or work with other centres.

I have also set up a computer training centre here. No money is charged for the training. I will request especially the youth to learn computers. Whenever I meet any youth, I ask them to take at least the basic computer training. It is very useful in whatever career they choose.

Bank of Baroda has run several training programmes. They have trained 1,500-odd people in Pilibhit. I have requested the bank to provide training, covering those areas which are locally relevant. Banks have also been directed to provide credit liberally for starting small ventures. ■

Edited excerpts from her speech during Samavesh Utsav at Pilibhit.

VOX POPULI

“ Through the training, I have understood banking and the importance of it. Livelihood training was also very important. If bank gives me money for buying the machine, I can start making bricks and sapling pots from dung.”

Vimlesh Devi, Mudiya, Ratanpuri

“ We were encouraged to come out of our house and participate in a programme like this. We have cows and buffaloes at home. It will be easy for us to take up a vocation like brick making and so on.”

Roopmati & Ramdevi, Barha, Pilibhit

“ We were told about our entitlements and rights as women. We have also understood that economic independence will give us empowerment.”

Santosh Rani & Taravati, Khajuaha village

“ I went to RUDSETI for training on zari. In absence of proper guidance, I was discouraged to join.”

Lata Kashyap, Ekta Nagar, Pilibhit

“ For first time I heard of accident insurance. Otherwise, each time something wrong happened, I took help from moneylender.”

Kavita Maurya, Nagwa, Pilibhit

“ No body ever told us that life insurance means securing the family's future as the survivor (nominee) will get money in case of any mishap.”

Heeba Khan, Pilibhit

“ I have been getting widow pension. Each time I have to stand in a queue. It will be beneficial if a bank account is opened so that the money goes straight into it. I was told here that it is very easy to open an account.”

Dulari Devi, Mangatpur

“ I have learnt a very important lesson today that keeping money in the bank is a safer option than keeping it at home. Moreover, the bank will also give interest. So a bank account is very important for us.”

Samara Fatima, Mujib Manjil, Panjabiyan, Pilibhit

“ I have understood the benefits of Fixed Deposit (FD) and Recurring Deposit (RD) and also that these can be availed only after opening a bank account.”

Savitri Devi, Sriram Colony, Pilibhit



“ People always tell me to leave Pilibhit, like others, if I want to earn money. After attending this programme, I feel that I will be able to earn money here itself if I am given proper guidance.”

Premvati, Barha, Pilibhit

“ I have heard of some bank giving some kind of training on sewing and stitching. But no body ever told me where to go. People here showed us the way.”

Malti, Nai Basti, Pilibhit

“ Banks are ready to help. But they say, open an account first and then we will give you loan. I do not have proper documents to open a bank account. Today I came to know that it could be opened with just a self-declaration.”

Ramkali, Mangatpur

“ We need stable income to support our families. We hardly get any support from menfolk. We are feeling empowered by coming here. We will open bank accounts and want to start something on our own together.”

Yashoda, Kaushalya & Kokila Devi, Mudiya, Ratanpuri

“ The training was like an eye-opener. I have understood the importance of saving money as a security for future. So far, I have hardly any savings.”

Gargi Katiyar, Nai Basti, Pilibhit

VILLAGE BASED ENTREPRENEURS – FOUNDATION OF DIGITAL INDIA

Village based entrepreneurs are changing the face of the Digital India movement by increasing the scope of inclusion and service provisioning. The easier and wider accessibility enables a wider outreach, a report by Team INCLUSION

Dayanand Prasad is a middle-aged man from Nalanda, Bihar. He suffers from Polio but his handicap did not prevent him from becoming a Village Level Entrepreneur (VLE) under the CSC Scheme and enrolling as many as 35,000 people for the UIDAI. He is not the only one, an ordinary citizen of India, making a difference to the country by acting as a facilitator to the transformation of the rural India. Rural India supports as much as 68.8 per cent of the total population. Mahatma Gandhi saw the future of India in the villages. He believed that the cities would never be able to accommodate the burgeoning population in a dignified manner. He idealised diverse self-governing communities in rural landscapes. Prime Minister Narendra Modi is no different. He envisions India as a global superpower and aims to empower the villages to help support the dream of a digital and empowered India.

In May 2006, Common Service Centres (CSC) scheme was launched as a strategic cornerstone of the National e-Governance Plan (NeGP) to introduce e-Governance on a massive scale. The scheme offers web-enabled e-Governance services in rural areas, which will be facilitated by VLEs, which have become central to the scheme because of their entrepreneurial traits, strong social commitment as well as respect within the community. They enable dissipation of information among rural individuals, which holds the key to stimulate economic growth, capacity building and provision of livelihood and empowerment of the poor and marginalised sections of the society. There are nearly 2.3 lakh VLEs operating across India. Many people remain unaware of their efforts to facilitate technological transformation and unify the urban-rural information divide, but SKOCH Group, a Gurgaon-based policy think-tank endeavours to mainstream the achievements of such VLEs that have made a difference to rural e-commerce as well as delivery of government services.

During last six months, SKOCH has organised several workshops for capacity building of such VLEs at New Delhi and Mumbai. Nearly 250 VLEs were hand picked from across the country via a rigorous selection procedure to be invited to go through the programme and also acknowledge their contributions. Some of them were also conferred the SKOCH Award for having done exemplary work not only in serving the community but also creation of additional employment opportunities for the village youth.

Most of them came out of their village for the first time. City culture and heritage tour was part of their capacity building and awareness programme. Their queries were answered and business and operational hurdles were understood so that these could be attended to by the relevant stakeholders at an appropriate opportunity.

They shared their experiences with the tasks they have undertaken as agents to deliver government services. Harita Deore, a VLE from Nashik works with food licensing department. She voiced the difficulties she faced in convincing small vendors and hawkers about the necessity of the license as they are unable to gauge the importance of such licensing. Ramshida T C from Kerala said, "My problem is not the intricacies of various services including licenses, government services or financial transactions but lack of technical support to understand the working of latest software and its updates. It hampers my business."

The capacity building session that was organised by SKOCH in association with BSE-IPF and YES Bank focused on alternatives apart from banking that included, mutual funds, Systematic Investment Plans (SIP), Gold Bonds and Gold ETFs.

While the VLEs are spurring rural e-commerce, all is not rosy with their business. Many had concerns regarding digital payments and had as much as a million rupees stuck in the pipe.



Lack of literacy and awareness at the grassroots level is a major stumbling block in proliferation of services. Many do not have Aadhaar and several others do not have PAN. Linking of PAN, bank accounts and Aadhaar also becomes a hassle as in some cases the names do not match.



Lack of literacy and awareness at the grassroots level is a major stumbling block in proliferation of services. Many do not have Aadhaar and several others do not have PAN. Linking of PAN, bank accounts and Aadhaar also becomes a hassle as in some cases the names do not match. This has also led to wrongful linking of bank accounts and people have suffered.

Mahatma Gandhi had once said, “Be the change you wish to see in the world.” A village based entrepreneur embodies this statement while acting as a transforming force to change the rural India and integrate it into the growth process of the country and also inspire many others to take up similar initiatives to support the government’s efforts to provide easier and wider accessibility of services to each individual of the country. A digital integration of the nation requires a transformation at the grassroots level and VLEs act as the agents of this transformation.

Supporting their services and providing better assistance along with technical training and support is essential to help them in their endeavour to assist the government and to enable and empower them to provide better services. The inclusion of rural India into the partly-digitised urban society is a step towards societal integration that remains essential to form a united entity to grow and develop, while reaping fruits of industrial revolution. It is only when the micro-agents organise themselves to play their role, can the macro-miracle for a Digital India be witnessed. ■

MUMBAI – 2017

Samavesh programme was organised in India's commercial capital Mumbai in June 2017. Small entrepreneurs, especially from the villages of different parts of Maharashtra was given training on new investment opportunities and livelihood linkages. Village Level Entrepreneurs (VLEs) were made aware of new investment opportunities and how to leverage them.

Why Mumbai

Small entrepreneurs from villages were invited to participate in the training programme in Mumbai. Being the financial and commercial capital of the country Mumbai city offer several learning experience to the small entrepreneurs from the villages. While they were given training about the investment process and opportunities available in stock markets, at the same time they were given exposure to those places. They were taken to the stock exchanges and were also made aware of the nitty-gritty of the primary as well as secondary markets.

Targeted Beneficiaries

Small entrepreneurs were mobilised from different parts of Maharashtra. Majority of them were those running the Common Service Centres (CSCs). About 200 village level entrepreneurs attended the programme.

Partners

The programme was organised in conjunction with the Bombay Stock Exchange (BSE). YES Bank also supported the programme.

Trainers

Financial and domain experts from Skoch Group, BSE and YES Bank provided the training. From BSE the trainer was led by Omkeshwar Singh, Head-Mutual Funds.

Outcomes

The conference not only allowed the VLEs to broaden their horizon on subjects concerning the nation as a whole but also provided a platform to address their problems to the experts and seek solutions for the same.

Many VLEs vocalised their problems relating to digital payments and their apprehensions relating to them. Skoch Group in association with YES BANK Limited also provided an exclusive session for financial literacy to enable them to make better investment choices and expand their wealth creating avenues.

Omkeshwar Singh, Head-Mutual Funds, BSE addressed these village level entrepreneurs and educated them about the various alternatives to bank savings like mutual funds, systematic investment plans and Gold bonds. He elaborately discussed the costs and benefits of every option and addressed their questions regarding them.

While in conversations with the VLEs, Mr Dayand Prasad talked about his journey as a village level entrepreneur. He has been working under the CSC scheme since the last three years and understands the importance of literacy in driving the wave of digitalization. Illiteracy and lack of awareness about the services makes it difficult to convince the rural population about their benefits and necessity. The introduction of Aadhar Enabled Payment System is a newer step towards digital payments. It has received wider acceptability than the currently available methods like NEFT, Card transactions, IMPS etc as was noted by participants to the programme.

NEW DELHI – 2017-2018

A series of Samavesh programme was organised in the national capital New Delhi during the year 2017 and 2018. Rural entrepreneurs, banking correspondents, small businessmen and investors, representatives from industry and the government participated in the different programmes. The programme was customised keeping in mind the needs and requirements of the targeted beneficiaries.

Why New Delhi

Skoch Group's endeavour has been to benefit the people from different region of the country and different section of the society through the Samavesh programme. People from the different parts of the country, especially the North India participated in the programme. Connectivity and exposure to the trainee were the major deciding factors while opting for New Delhi as the venue for the training programmes during the year 2017 and 2018

Samavesh – New Delhi – December 2017

Samavesh programme was organised in New Delhi in December 2017 as part of the Golden Jubilee celebration of Skoch Summit. The 50th Skoch Summit was also organised in December 2017. Around 150 beneficiaries including CSC operators from Bijnore area in Uttar Pradesh participated in the programme.

Partners

This edition of Samavesh was supported by NSE, NPCI, SIDBI and United Bank of India.

Trainers

Trainers included Dr Deepak B Phatak, Director, SKOCH Development Foundation and Professor, IIT-Mumbai, Mr Gaurav Kapoor, Regional Head – North, NSE, and Mr Anoop Kumar Tandon, Chief Manager, Staff Training Centre, United Bank of India, among others.

Outcomes

The curriculum covered Basics of Banking, Mobile Banking, Introduction to Financial Markets, Investments (including Mutual Funds, ETFs), SIPs and so on with the objective is to create a team of Master Trainers so that they can replicate the training at places where they come from. Samavesh Saathi, as they were called, were trained on the following areas:

- Digital Payment Systems
- Pradhan Mantri MUDRA Yojana
- Inflation proofing Savings of the Poor (e.g. markets, ETF, SIP etc)
- Jan Dhan Yojana (Social Security, Banking)

The CSC operators found a new opportunity to extend these services to their customers. These small entrepreneurs and self-employed youth went through the training to learn new instruments of investments as well as availability of micro-loans under MUDRA Yojana. Digital Payments under Bhim, AEPS, UPI and Bharat QR were some areas that were touched upon by Mr Gaurav Loomba, AVP, NPCI. He said, post demonetisation, RuPay card transactions have noticed a phenomenal rise from 6.22 million to 18.16 million in volume and the value of these transactions has spiked from 11.97 million to 30.06 million in November. As per NPCI

estimates the volume, both for transactions as well as in value terms will register phenomenal growth on a month-on-month basis.

One needs to invest to: earn return on your idle resources; generate a specified sum of money for a specific goal in life; and, make a provision for an uncertain future. One of the important reasons why one needs to invest wisely is to meet the cost of inflation. An introduction to the capital markets, avenues for investment including Gold ETFs, Mutual Funds and SIPs. Mr Gaurav Kapoor, Regional Head – North, NSE said while answering to queries that because, ETFs trade like stocks, you can short sell them, buy them on margin and purchase as little as one share. Another advantage is that the expense ratios of most ETFs are lower than that of the average mutual fund. When buying and selling ETFs, you pay your broker the same commission that you'd pay on any regular trade.

Even today, there remains strong apprehension about digital mode of payments. The trust towards cash is deeply embedded in our everyday functionality. Concerns about security, efficiency and cost of digital payments are seen as hurdles and prevents people from making payments online. Surmounting digital illiteracy and lack of trust in digital payments is crucial in creating a cashless society. This aspect was addressed additionally by Mr Anoop Kumar Tandon, Chief Manager, Staff Training Centre, United Bank of India (UBI), who took the participants through the entire lifecycle of Jan Dhan Yojana and MUDRA Yojana.

SAMAVESH – New Delhi - March 2018

During March 2018, Skoch Group invited 120 Banking Correspondents, rural entrepreneurs – CSC operators, skill developed youth, skill development Master Trainers and self-employed – from across the country to attend the Financial and Digital Literacy Programme organised in the national capital.

Partners

The programme was organised in conjunction with SBI Life; National Stock Exchange (NSE) and National Payments Corporation of India (NPCI).

Outcomes

The participants attended the programme and interacted with the Faculty over three modules, namely:

1. Life Insurance (PMJJBY)
2. Markets and Investments
3. Digital Payments

The Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) is one of the several ambitious social security programmes initiated by Prime Minister Mr Narendra Modi. An introduction to the importance of life insurance benefit that is provided and availed by many was made by the trainers. There were three different sessions taken, one each on Micro Insurance, Group Insurance and Agency Formation as a livelihood. The focus was on securing life following simple procedures and affordability. The entrepreneur participants also found a new opportunity to extend these services to their customers.

The participants went through the training on Digital Payments under Bhim, IMPS, UPI and Bharat QR were some areas that were elaborately explained and discussed. As per NPCI estimates the volume for digital transactions across, UPI, Bhim and IMPS, both for transactions as well as in value terms is registering a phenomenal growth on a month-on-month basis.

Gold ETFs, Mutual Funds, SIPs and an overall introduction to the capital markets were the areas delved in-depth by National Stock Exchange. Participants were not only keen to understand how to earn returns on their idle resources but also to make it an annuity. The fact that market instruments and investments are one of the best means to beat inflation was received well. During the Q&A, most of the questions were focused on Gold ETFs and the SIPs.

SAMAVESH – New Delhi - April-June 2018

During April-June 2018, a total of 746 persons were trained on digital payments and investments that were drawn from across 322 central government and state government departments. These people are trained in batches of 25 to enable close interaction not only with the faculty but also amongst peers. 21 sessions were organised split over 14 days. This also included, 120 village level entrepreneurs, skill development youth and students and women who were imparted financial and digital literacy training. As follows:

| SAMAVESH Achievement April - June 2018 | | |
|---|--------------------------|----------------|
| SI No | Description | Numbers |
| 1 | No of Days | 14 |
| 2 | No of Sessions | 21 |
| 3 | No of Central Ministries | 8 |
| 4 | No of States | 30 |
| 5 | No of Departments | 130 |
| 6 | No of Smart Cities | 86 |
| 7 | No of Municipalities | 19 |
| 8 | No of Districts | 30 |
| 9 | No of State PSUs | 27 |

Profile of participants in SAMAVESH that targeted government employees as well as grassroots level participation is as follows:

| SI No | Description | Numbers |
|---------------------------------|-------------------------------------|------------|
| 1 | Principal Secretary (State) | 10 |
| 2 | Secretary (State) | 26 |
| 3 | Joint Secretary and HoD (Centre) | 15 |
| 4 | Transport Commissioner (State) | 9 |
| 5 | Municipal Commissioner (State) | 25 |
| 6 | Head of Department (State) | 11 |
| 7 | MD & CEO (PSU) | 7 |
| 8 | Director (State) | 26 |
| 9 | Dist Collectors/Magistrates (State) | 19 |
| 10 | State e-Gov Mission Team (SeMT) | 9 |
| 11 | Other Government Employees | 469 |
| 12 | Grassroot Level Beneficiaries | 120 |
| Total No of Participants | | 746 |

SAMAVESH – New Delhi - July-September 2018

During July-September 2018, a total of 319 persons were trained on digital payments and investments that were drawn from across 120 central government and state government PSUs, and departments. These people are trained in batches of 25 to enable close interaction not only with the faculty but also amongst peers. 11 sessions were organised split over 7 days. This included, 90 village level entrepreneurs, skill development youth and students and women who were imparted financial and digital literacy training. As follows

| SI No | Description | Numbers |
|-------|-------------------------------|---------|
| 1 | No of Days | 7 |
| 2 | No of Sessions | 11 |
| 3 | No of States | 6 |
| 4 | No of Central PSUs | 16 |
| 5 | No of State PSUs | 16 |
| 6 | Private Sector Organisations | 88 |
| 7 | Grassroot Level Beneficiaries | 90 |

Profile of participants in SAMAVESH that targeted PSU and Industry employees as well as grassroots level participation is as follows:

| Sl No | Description | Numbers |
|--------------|-------------------------------------|----------------|
| 1 | Executive Director (PSU) | 4 |
| 2 | Chief General Manager (PSU) | 20 |
| 3 | Project Director (PSU) | 8 |
| 4 | Executive Engineer (PSU) | 18 |
| 5 | MD/CEO (Industry) | 23 |
| 6 | COO (Industry) | 5 |
| 7 | Executive Vice President (Industry) | 17 |
| 8 | Head - CSR (Industry) | 6 |
| 9 | Head - IT (Industry) | 4 |
| 10 | Other PSU Employees | 53 |
| 11 | Other Industry Employees | 71 |
| 12 | Grassroot Level Beneficiaries | 90 |
| 13 | Total No of Participants | 319 |