

Dipstick Study on Financial Literacy Centres Status, Constraints & Way forward in Bihar, Uttar Pradesh, Madhya Pradesh and Odisha

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Summary of Recommendations

Financial Literacy Centres serve as an important tool to advance the agenda of financial inclusion by providing information and literacy on various financial services and products. With the incorporation of RBI guidelines in 2012, even lead banks are required to set up FLCs at district level, wherever required. Further revised RBI guidelines in 2016, laid down operational mandates for the conduct of camps by FLCs and rural branches of banks to be followed by lead banks. With a total of 942 FLCs currently operating in the country, there is a need to assess the effectiveness of the same as well. Such an assessment will not only help in gauging the impact of these initiatives but can also lay down examples of effective delivery models which can be replicated. The following study therefore aims to assess the competencies of the existing centres being operated by Lead District Banks and RRBs in the four focus states in order to derive operational and policy recommendations for improvement. A total of 22 FLCs have been surveyed under the study from Bihar, Uttar Pradesh, Madhya Pradesh and Odisha with the aim to understand the commonalities and differences in the structures.

There were several issues and gaps pertaining to the working of FLCs, which got highlighted during the course of the study. Some of the common issues include- variable remuneration to FL Counselors, insufficient monetary incentives to BCAs for financial literacy, Lack of infrastructure availability to FLCs, poor database management and tracking (MIS) systems; performance assessment of FLC, Lack of coordination with other banks and stakeholders, etc.

In order to address the issues and gaps, following are some of the recommendations which were cited in order to improve the working and structure of the FLCs in the four focus states:

- Innovative and new strategies of delivery (in addition to standard camp method) and improving materials to include all programmes and services
- Potential roles for NGOs/CBOs/MFIs/BCs to align with and support FLCs.
- Community level institutional structures of SRLM can be leveraged
- Modular capacity building of FL counselors through standard/certified trainers/agencies

Bank level

- Increase/standardize remuneration of Financial Counselor in alignment with experience and profile of person
- Number of staff could be increased in view of the quantum of work expected
- Standardization of resources available to FLCs
- Standardization of performance assessment parameters and system
- Extension of Financial Literacy Centre at the Block level for better implementation

Chapter- 1 Background of the study

Need and Relevance

Financial Literacy Centres serve as an important tool to advance the agenda of financial inclusion by providing information and literacy on various financial services and products. With the incorporation of RBI guidelines in 2012, even lead banks are required to set up FLCs at the district level, wherever required. With a total of 1,181 FLCs currently operating in the country, the literacy initiative through indoor and outdoor activity can be cumbersome, where each such centre has a coverage base of 3 lakhs¹ to train. While drilling down more specifically to four poorest states of India i.e. Madhya Pradesh, Bihar, Odisha and Uttar Pradesh, 13.29² crore of population are below poverty line, each centre needs to train potential clients of more than 5 lakhs. Further with the launch of Pradhan Mantri Jan DhanYojana, Prime Minister Social Security Schemes, where more than 15 crore accounts were opened and 10 crore people were insured; the need of financial literacy becomes all the more important. Looking at the spread and quantum of work under the FLCs there is also an acute need to assess the effectiveness of the same. Such an assessment will not only help in gauging the impact of these initiatives but can also lay down examples of effective delivery models which can be replicated. The study therefore aims to assess the competencies of the existing centres being operated by Lead District Banks and RRBs in the four focus states in order to derive operational and policy recommendations for improvement.

Scope and Objective of the Study

Given the importance and outreach of the Financial Literacy Centres, the study aims to understand the various mechanisms undertaken by the same and also highlights the status and challenges faced by the FLCs being operated by Commercial Banks, RRBs, and Co-operative Banks in four poorest states of India i.e., Madhya Pradesh, Bihar, Odisha and Uttar Pradesh. By the end of the study it seeks to propose recommendations to further strengthen the centers through the policy and advocacy initiative.

Given the background, the main objectives of the study are:

- a) To understand and document the current status of Financial Literacy Centres run by Lead district banks and RRBs vis a vis the FLC guidelines of RBI
- b) To understand the monitoring review and monitoring mechanisms and outcomes of FLC activities

¹Considering HHs in India living below Poverty line according to Tendulkar Poverty Estimates and Census of India, 2011.

² Tendulkar poverty estimate and Census of India, 2011

- c) To identify and access successful models in terms of their strength and weaknesses to achieve the scale and sustainability and document critical success factors.
- d) To provide recommendations on improving the effectiveness of Financial Literacy Centres
- e) Assess the readiness of the existing FLCs for campaigning for financial inclusion under PM Jan Dhan Yojana and the new pension and insurance schemes (APY/PMJJBY/PMSBY).

The study will cover the following aspects;

- Outreach and activities of FLCs; materials and modules used; infrastructure available; human resources
- Costs and funding structure for FLCs
- Monitoring and review of progress and outcomes and compliances
- Challenges faced by FLCs

Sample and Methodology

The study had been conducted mainly in the form of interviews with relevant stakeholders. Given the sample size it was the most adequate technique to get an overall understanding from different perspectives. Further during the camps a lot of inferences could be derived by virtue of observations and focus groups discussions.

Mainly Staff members from FLCs run by Commercial Banks, RRBs, Co-operative Banks were interviewed across the state; Zonal office, Regional Office, Local Head Office of different Banks. Head office of RRBs and Co-operative bank were approached in order to complete the assigned objective. The clients (target groups) who received the Financial Literacy modules/trainings from the FLCs were interviewed to assess the impact created. Further representative from Apex institutions which includes NABARD, RBI and SLBC were interviewed in order to understand the holistic vision of Financial Literacy Centers.

The study has been divided into three phase:

Phase- 1: Preliminary research and literature review

This phase covers four components via; overview of Financial Literacy Centres; the initiatives of Central Bank, scheduled commercial banks, RRBs etc. The study will cover current data of SLBC and other banks. FLCs to be studied will be identified based on certain criteria and data available from secondary sources and through recommendations of SLBC and NABARD.

Phase- 2: State Field Research

Phase 2 of the study focused on institutional assessment of the FLCs, primary data collection were done through two categories of respondents:

| Table 1.1: Status of states, FLCs and clients covered during study | |
|---|-----------------------------|
| Number of States | 4(MP, UP, Bihar and Odisha) |

| | |
|--|-------------|
| Total Number of FLCs surveyed | 22 |
| Total number of banker interviews | 22(one/FLC) |
| Total number of client interviews | 91 |

In addition, interviews of other important stakeholders at state level were conducted including NABARD, SLBC convener, RBI Regional Director etc...

The research team attended financial literacy camps and trainings of FLCs on sample basis and reported observations. Case studies of successful FLCs were documented.

Phase-3: Documentation and formulating recommendations

During this phase, the field based data, desk research; quantitative data was compiled and triangulated. Based on it, the recommendations will be framed to improve the effectiveness of FLCs.

Dissemination and Expected Outcomes

The policy paper will form an important base document for supportive policy advocacy efforts for FLCs by various stakeholders. The paper will be shared with various concerned stakeholders including Department of Financial Services, RBI, Financial Inclusion departments of banks, RRBs, NABARD, SIDBI, technical agencies, sector experts etc. A list of stakeholders will be shared for more information. This will be followed up with meetings with specific stakeholders such as DFS, RBI, banks, NABARD, NRLM etc. for follow-up on the recommendations of the policy paper. A roundtable with senior banker will be organized to share the findings and recommendations for policy changes at the level of banks.

Limitations of the study

- A number of bank's FLCs were not covered due to various administrative glitches and time bound nature of the study.
- The findings of the study should not be generalized for the reason that the sample size was limited and indicates the pattern only for FLCs established by lead banks.
- The observations/ recommendations suggested by the end of the study should be viewed solely in the light of policy development and advocacy on FLCs and not in terms of ground level inputs for its working.

Chapter – 2: Financial Literacy Centre (FLC) - A Bird's Eye View

Introduction and Evolution of FLCs

Financial education or financial literacy has assumed greater importance in the recent years owing to the increasing complexity of the financial products and services being offered along with information asymmetry regarding the same. Financial education can broadly be defined as the understanding of financial market products, especially, rewards and risks, in order to make informed choices. Organization for Economic Co-operation and Development (OECD) has defined financial education as “the process by which financial consumers/investors improve their understanding of financial products, concepts and risks, and through information, instruction and/or objective advice, develop the skills and confidence to become more aware of financial risks and opportunities, to make informed choices, to know where to go for help, and to take other effective actions to improve their financial well-being”.³

Looking at the growing importance of financial literacy to achieve the agenda of financial inclusion in the country banks and other financial institutions too are advised to take necessary measures to extend these services to their clients.

In 2007 the Working Group to Examine the Procedures and Processes of Agricultural Loans, appointed by Reserve Bank, had recommended that banks should actively consider opening of counseling centres, either individually or with pooled resources, for credit and technological counseling. Earlier, a similar Working Group constituted by Reserve Bank had also suggested that financial and livelihood counseling is important for increasing viability of credit. Based on these recommendations, and as announced in the Annual Policy Statement for the year 2007-08, Reserve Bank advised the SLBC convenor banks on May 10, 2007, to set up a FLCC on a pilot basis in any one district in the State/ Union Territory coming under their jurisdiction and, based on the experience gained, the Lead Banks may set up counseling centres in other districts. Consequent upon the announcement in the Mid-term Review of the Annual Policy for the year 2007-08, a concept paper on FLCCs was placed on the Reserve Bank's website and feedback received from public as also from banks that had started operating the counseling centres.

Eventually a mid-yearly evaluation of the FLC model in 2009 (covering 30 FLCCs spread across 16 States) indicated the limitations of the model to scale up the efforts in a structured manner. It pointed out that most of the FLCs were situated in urban and semi urban areas with a complete absence in the rural pockets where it is actually needed. Further there was a lack of awareness of the existence of FLCs among its stakeholder/beneficiaries⁴

As a remedy RBI has asked banks to directly set up Financial Literacy Centres (FLCs) in each of the Lead District Manager (LDM) Offices in a time-bound manner. In addition, banks could also

³ Financial Literacy as a tool for financial inclusion and client protection, UNDP, 2012

⁴https://www.rbi.org.in/scripts/BS_CircularIndexDisplay.aspx?Id=7259

consider setting up of need based FLCs in other locations as well. Further, financial literacy initiatives could also be undertaken by all rural branches of Scheduled Commercial Banks including RRBs⁵.

Under the RBI guideline, the Lead Bank and RRBs were needed to set up FLCs with the following objectives:

- To facilitate financial inclusion through provision of two essentials i.e. literacy and easy access.
- To disseminate information regarding the central bank and general banking concepts to various target groups, including schools and college students, women, rural and urban poor, defense person and senior citizens.
- For effective use of financial services by common man.
- To provide financial counseling services in a non-intimidating environment using local languages.
- To advocate advantages of connecting with formal financial sector.
- To provide education on financial planning, responsible borrowing, proactive and early savings, debt counseling, micro pension and insurance.
- To take up any other activity that promotes financial literacy, awareness about banking services, financial planning and amelioration of debt related distress of an individual.

Other points in the guideline are;

- The Financial Literacy Centres (FLCs) will impart financial literacy in the form of simple messages like Why Save early in your Life, Why Save with banks, Why borrow from Banks, Why borrow as far as possible for income generating activities, Why repay in time, Why insure yourself, Why Save for your retirement etc.
- The FLCs and rural branches of the banks would also conduct outdoor Financial Literacy Camps with focus on financially excluded people at least once a month. For the purpose, the help of experienced NGOs may also be taken.
- FLCs and rural branches of banks should maintain record in the form of a register containing details such as name, gender, age, profession, contact details, whether banked or unbanked, details of services availed etc.

Review Mechanism

SLBCs/UTLBCs would review the financial literacy efforts undertaken by banks under their jurisdiction as an agenda item in the SLBC/UTLBC meetings and would submit a Quarterly report on the functioning of FLCs to the respective Regional Offices of RBI within 20 days after the end of each quarter,

The head/controlling offices of the concerned banks would monitor the financial literacy efforts undertaken by their FLCs/branches through periodic reporting and also by resorting to random on-

⁵<https://www.rbi.org.in/scripts/PublicationDraftReports.aspx?ID=526>

site visits. They would periodically (at least once in a year) undertake impact evaluation of their literacy efforts so as to make continuous improvement.

Financial Literacy Material

In order to facilitate effective implementation of the above guidelines, RBI has prepared standard financial literacy material/training modules to be distributed to banks for providing awareness and knowledge of basic banking throughout the country. There are three articles released by RBI for financial literacy campaigns by the banks:

- a) FL guide – Guidance note for the trainer, operational guidelines for conduct of FL camps, FL material in Hindi and English.
- b) Financial diary
- c) Set of 16 posters

Financial Literacy Initiatives by Banks/Apex Organizations

State Bank of India

As per RBI guidelines, the Financial Literacy Centres (FLCs) set up by the State Bank of India will impart financial literacy in the form of simple messages like *Why Save, Why Save early in your Life, Why Save with Banks, Why borrow from Banks, Why borrow as far as possible for income generating activities, Why repay in time, Why insure yourself, Why save for your retirement etc.,*

Apart from providing financial literacy at the centres, the FLCs are also conducting Camps in villages, Seminars and work shops to create awareness among the people. As on March, 2014 203 financial literacy centres were run by SBI across various locations with a total outreach of around 785188 people.⁶

Union Bank of India

Apart from running the Village Knowledge Centres [VKCs] and bank branches to spread financial literacy in rural areas, the Union Bank of India planned to open 24 FLCC across its 14 lead districts to begin with to fulfill its mandate of financial literacy and counseling of the unreached and unbanked sector. As per recent guidelines of RBI all the rural branches are conducting one Financial Literacy Camp once in a month in their command area, for appraising the villagers about the various products of Bank. Currently Union Bank of India has 26 FLCCs⁷.

⁶<http://www.sbi.co.in/portal/web/agriculture-banking/financial-inclusion>

⁷http://www.unionbankofindia.co.in/RABD_Finance_FLCC.aspx

Reserve Bank of India (RBI)

In 2007 the Reserve Bank of India under its project titled “Project Financial literacy” introduced a series of comics to educate people on various financial services and products available. The comics were distributed at camps and through NGOs to literate people, financially. The objective of the project was to disseminate information regarding the central bank and general banking concepts to various target groups, including school and college going children, women, rural and urban poor through comics based module using various characters to familiarize beneficiaries with role and functions of financial products. Apart from focusing on basic themes like the advantages of a monetary system over a barter system, the role of banks in the development of economy and the role & functions of RBI, the interactions also put special emphasis on some of the cautionary advice issued by RBI to the general public like not responding to any fictitious offers of free money, never falling in the trap of very high return from any unknown deposit mobilizing entity and the role of Banking Ombudsman in grievance redressal.

National Bank for Agriculture and Rural Development (NABARD)

Financial Literacy Campaigns/workshops/Awareness programmes have been organized by NGOs, Banks with financial support from NABARD with support of DDMs of NABARD at district level. A lot of NGOs are organizing *Nukkad Nataks/ Stage Shows/FI Quiz* etc. at district level to spread awareness on FL were organized through NGOs in various districts of the state. For creating awareness about financial inclusion in the school through interactive session with students and through fiction/radio play on different facilities provided by banks for rural populace all over the state by the medium of All India Radio, 15 minutes interactive programme and 15 minute info-entertainment radio programme were broadcasted on AIR. Further to distribute standardized Financial Literacy Material developed by RBI to all the major Banks in the state, FL material were printed & distributed to the banks. Also NABARD has been extending financial support to various banks to set up FLC in rural and urban areas (which includes commercial banks, Regional Rural Bank and Co-operative Bank). The Financial Inclusion Fund (FIF) and the Financial Inclusion Technology Fund (FITF) have been set up in NABARD, with contributions from NABARD, RBI and the GoI to facilitate implementation of the FIFs of the banks. While the FIF is basically used for spreading awareness and literacy about the financial matters amongst the targeted population, the FITF is used for introducing technology for achieving the overall goal of total financial inclusion.

In a nutshell, assistance for is available out of the above to the following agencies:

1. Assistance available to Cooperatives and RRBs:

- a. Organizing financial literacy camps - maximum of Rs. 10,000 per programme
- b. Setting up of financial literacy centres - maximum of Rs. 5 lakh per centre – RRBs may establish 1 FLC per district and Coop may establish 1 FLC per block. This support is provided for first year only.
- c. Mobile vans for demonstration of banking technology –Rs. 10 lakh per van
- d. All the above assistance is available to Cooperative Banks at 90% and to RRBs at 80% of the project cost.

2. Assistance available to Commercial banks and NGOs:

- a. Organizing financial literacy camps with grant support upto 60% of project cost subject to a max of Rs. 10,000 per camp for commercial banks.
- b. Publicity material on financial literacy for commercial banks
- c. Organizing financial literacy camps through NGOs with a max of Rs. 7,200/- per programme.

Status of FLCs in Four Focused States

Financial Literacy Centre across four states has been established by Commercial Banks, Regional Rural Banks in Urban, Semi-Urban and Urban areas. As at the end of March 2015, 1, 181 FLCs were operational in the country, up from 942 as at end March, 2014. During the period April 2014 to March, 2015, 84, 089 activities were conducted through which 52, 38, 358 persons participated.

The details of Financial Literacy Centre and activities conducted across four states are as under:

| SI No. | State | No. of FLCs |
|--------|-----------------------------|-------------|
| 1 | Bihar ⁸ | 76 |
| 2 | Madhya Pradesh ⁹ | 66 |
| 3 | Uttar Pradesh ¹⁰ | 75 |
| 4 | Odisha ¹¹ | 63 |
| 5 | All India ¹² | 1,181* |

⁸ SLBC 49th, 50th, 51st and 52nd report, Bihar

⁹ 51 FLCs of Lead District Banks and as discussed with NABARD, RO, Bhopal; 15 FLCs for Cooperative Banks which were given grant facilities.

¹⁰ SLBC, Uttar Pradesh

¹¹ www.slbcorissa.com

¹² RBI Annual Report 2014-15, Page no 72

*Outreach of FLCs during FY 2014-15- 84,089(total activities)/ 52,38,358(total no. of persons attended)

Chapter-3 Status of FLCs - Findings and Observations

The following sections present a broad analysis of the observations and findings gathered from 22 FLCs visited across the four states. The following sections focus on specific parameters/ aspects which were taken into account while carrying out the study. It seeks to highlight the existing patterns, processes and problems (if any) which could be pondered upon. A few case studies are also included by the end of the chapters to highlight examples of differentiated practices in this domain.

Activities undertaken by FLCs

As mandated by the RBI guidelines, the FLCs have to undertake a number of activities spanned throughout a year to create awareness and to link the excluded segment to the banking system. The rural branches of banks are also mandated (by RBI guidelines) to conduct a minimum of one financial literacy camp in a month along with a quarterly reporting structure for all its activities.

Accordingly, organizational guidelines have been setup by the banks which requires the FLCs to design an annual calendar of activities that are to be implemented. Later, the FLC submits the annual calendar of activities to the concerned department (preferably FI department) of bank's regional office. RBI guideline stipulates that FLC should conduct three stage modular sessions with the same set of beneficiaries over 3 months. Emphasis on activities like conducting mega camps, sessions with gram sabha, mini camps, camps through BCAs, etc is currently being pursued with a vision to create financial awareness for masses.

A list of activities conducted by the 22 FLCs (surveyed as part of the study) is given below.

| Table 3.1: List of activities conducted by FLCs | | | | | |
|--|------------------------------------|-------------------|----------------------|-----------------------|-----------------------|
| Particular | No. of FLCs (out of sample) | | | | |
| | MP (5) | UP (7) | Bihar (5) | Odisha (5) | Total (22) |
| Mega-camps (block/district level) | 2 | 1 | 3 | 5 | 11 |
| Village level camps | 5 | 7 | 5 | 5 | 22 |
| Mini camps at BC level | 3 | 0 | 4 | 3 | 10 |
| Gram Sabhas | 0 | 2 | 1 | 1 | 4 |
| Visits to BC locations | 3 | 0 | 4 | 3 | 10 |
| Monitoring and mentoring of BCAs | 1 | 3 | 4 | 3 | 11 |
| Debt counseling/ Counseling of Walk in clients | 5 | 7 | 5 | 5 | 22 |
| COMMUNICATION TECHNIQUES/AIDS | | | | | |
| Mobile van/Mini van | 1 | 1 | 1 | 2 | 5 |
| Nukkad nataks | 2 | 2 | 1 | 3 | 8 |
| Magic show/Puppet show | 0 | 5 | 0 | 0 | 5 |
| Videos (RBI/PMJDY) - Projector | 1 | 5 | 2 | 3 | 11 |
| Powerpoint presentations - Projector | 0 | 5 | 2 | 2 | 9 |

- On an average, around 112 activities are conducted per year with an average attendance of 67¹³ participants per camp.
- While mega camps are targeted to a larger audience with participation ranging between 500-2,000 people, the mini camps usually are conducted for around 60-65 people.
- In most cases the FL activities are conducted at a village level where as the mega camps are organized at the district level to ensure adequate participation.
- All sample FLCs conduct village level camps to create awareness on financial services and products whereas sessions involving the gram sabha are not common.
- Individual counseling of walk in clients is practiced in all the FLCs with an average of 27 clients visiting the centres per month with queries related to credits, sub-service area, and issues with base branches BCAs, JLGs/SHGs etc.
- Some commonly used communication techniques/aids include *nukkad natak*, mobile vans, audio-visual tools, etc.
- Along with the village branches, the base branch also plays an important role in advancing the agenda of FL given large number of footfalls encountered by branches.
- In case of incorporation of new locations/target areas a phase wise strategy is adopted to mobilize the beneficiaries. The BCAs are actively involved in the sensitization process in terms of one on one interaction, awareness activities, local advertisements, etc.
- In a number of instances the FLCs also take support from Voluntary Organisations, NGOs in mobilizing the people, to achieve greater outreach.
- In some places, financial awareness for school students is also undertaken by FLCs. Wall Painting, setting up of galleries, etc. were initiated through FLCs in two school per FLCs in Bihar. Though the initiative is at nurturing stage, negotiations with school officials and government department is currently undergoing.

Coordination and coordination among banks: It was noted that there was a resistance in using the FLCs of particular banks by other banks in the same region. Further the awareness camps were conducted majorly at sub-service area of the host bank. Under such scenario, the outreach of the activities often gets restricted in the particular regions/ locations. It is therefore important for the counselor to work towards bridging this gap through relation building with other bank, recognition, follow up and communication, etc. to increase the outreach of such activities.

Topics covered during the camp

The broad thematic areas covered by the FLCs through the camps and other activities aim towards creating awareness on aspects like money management, importance of savings, advantage of savings with banks, other facilities provided by banks and benefits of borrowings from banks, etc. Indoor based activities are mostly conducted in the form of lectures, along with audio-visual training modules. Camps are the most frequently used outdoor activity which focuses on pension and insurance schemes, PMJDY, etc. The topics covered during the camps are as follows:

¹³ Average attendance= Total Camp conducted per year/total persons attending the programme.

| Table 3.2: Theme covered during the camp | |
|---|---|
| Savings | Need of savings, BSBDA, Financial planning, deposit schemes, expenditure and income mapping |
| Credit | KCC, prompt repayment, Overdue, Priority sector lending, business loans, personal loans, education loan, credit through SHG and JLG, consequence of defaulting, MSE loans, No to moneylenders, interest subvention. |
| Banking Services | BC and its role, PMJDY, Rupay Card, KYC details, Nomination services, Service area concept. |
| Insurance | PMJJBY, PMJSBY, Banks own insurance product, process to enroll, claim process, importance of nominee |
| Remittance | Process and channel available, DBT, Mobile transfer, Inward and outward remittance |
| Pension | Atal Pension Yojana, Government launched pension schemes which includes widow pension and old age pension. |

HR, Infrastructure and Amenities

FL Counselor profile - Usually one financial counselor is assigned for a FLC who is responsible for the overall working and activity of that particular centre. The Financial Counselor is often a retired banker of scale II and above with experience of handling credit and having worked in rural/semi-urban area. The counselor is appointed on Contract basis for a period of one year, subject to satisfactory performance which shall be evaluated by competent authority. Renewal is possible at Bank's sole discretion in terms of extant policies and rules. While the upper age limit for appointment is 65 years, the Counselor should not exceed more than 68 years. The Financial counselor's purview of work spans across conducting of outdoor camps, overseeing activity of BCA, dealing with indoor customers, database maintenance, attend district and block level banker's meeting and monthly submission of progress reports, He is also responsible for arranging visits by higher bank officials from NABARD, RBI etc.

FL Counselor capacity building - Special trainings are provided to the Financial Counselor with an objective to develop professional skills, updating on the financial inclusion initiatives and updating the skills. There are number of programmes, conducted with the help of Apex banks which includes NABARD, RBI. Residential training programme is conducted with the support of Banker's Institute of Rural Development, whereas the ToTs programme on banking ombudsman is supported by RBI, Skill development workshops are also conducted by concerned banks. The Financial counselors are often invited to attend the training programme of BCAs for further understanding on the topic. The training programmes aim to link up various aspects like capacity building, financial literacy, product knowledge and extension of various services and grievance redressal. Excerpts from the four focus states:

FLC Infrastructure - The FLCs are usually setup in rural, semi-urban and urban area and the office premise is situated in places like LDM office, office sharing with RSETI, regional office or independent spaces on rent. The basic infrastructure varies across FLCs of different banks. It was found in a number of centres that the movement of the FL counselor to the field becomes an issue in

the absence of provision of vehicles. Generally, the counselor has to use own vehicle or depend on public transport or they could coordinate with LDM, Regional Manager, RSETI for travel. The FLC is generally equipped with signage, stationery, furniture (which includes chair and table), printed material, almirah etc. The availability of infrastructure which includes laptop, computer system, camera, projectors, mic and genset and other fixed asset varies across banks. However, the FLCs have provision to hire items on rent for FL camp which includes projector, laptop, tents etc.

Financial Resources - The budget of FLCs varies across states and banks. The major chunk of the total budget is allocated to HR (which includes salary, mobile expenses travel and halt allowance). Other items include- expenses for organizing camps, office rent, budget for printing material, stationary, etc. Some of the FLCs surveyed during the study were found to be operating on a 'no cash power' structure, with a reimbursable set up with base branch, LDM office or Regional office bearing the cost. The financial support to set up the FLC is shared between NABARD and commercial bank on mutually agreement basis. In some cases however, the entire cost is borne by NABARD for initial one year. In a few cases the commercial banks (FLCC Society promoted by SBI, LHO, Patna and FLCC, CBI, Gopalganj) have set up a society or trust to monitor, guide and look into disbursements as well. These societies are run with support from CSR wing of bank, for which certain budget is allocated. The variation across budget allocated for banks in different states are¹⁴ shown in table.

| Particulars | Bihar | | Madhya Pradesh | | Uttar Pradesh | | Odisha | |
|---|--------|--------|----------------|--------|---------------|--------|---|---------|
| | From | Up to | From | Up To | From | Up to | From | Up to |
| Human Resource¹⁵ (Counselor Salary) | 10,000 | 55,000 | 10,000 | 46,000 | 12,000 | 24,700 | 10,000 | 20,000 |
| Travel and Halt allowance | 0 | 5,000 | 0 | 2,000 | NA | NA | 0 | Actuals |
| Mobile Expense | 0 | 500 | 0 | 500 | 0 | 500 | 0 | 500 |
| Stationery | 0 | 4,000 | 125 | 5,000 | NA | NA | Expense taken care of by LDM office/RO/ RSETI office/ DCCB office | |
| Postage and courier | 0 | 1,000 | 0 | 500 | NA | NA | | |
| Miscellaneous | 0 | 1,500 | NA | NA | NA | NA | | |
| Expense on Camps¹⁶ | 500 | 7,000 | 0 | 2000 | 0 | 2000 | 500 | 5000 |

Monitoring and Reporting

As part of the monitoring and reporting structure the FLCs maintain book keeping methods to gauge month wise progress. The registers maintained at FLC include PIMC meeting register,

¹⁴ Based on available data

¹⁵ For UBGB, Muzaffarpur ad UCO Bank in Odisha regular bank staff salary is provided.

¹⁶ For Nukkad Natak related activity, a maximum of Rs. 10, 000 is allocated per activity.

outdoor camp register (which includes details of people attended the camp), customer visit register (in which the details of customer, the query and the follow-ups is recorded), expenditure register, tour register etc. These registers are provided during external audits to monitor the progress made during the month/quarter and are also used to plan activities for the next phase. To further ensure support of top management of the bank in the FI process and to ensure accountability of the senior functionaries of the bank, one or more annual review meetings are also conducted at the bank level.

Differentiated approaches – Examples

Case I: Financial Literacy in Uttar Bihar Gramin Bank¹⁷

UBGB follows a unique model in terms of financial literacy. Since March, 2013 the bank has established 18 Financial Literacy Centres, which are operational one per district for all districts in its command area. The Financial Counselor of UBGB is a serving officer of the Bank in Middle Management Grade Scale II or III. The FC is provided with a furnished Office cum residence, a vehicle, Laptop computer, LCD projector, Financial Literacy material, etc. He is also vested with the authority to oversee and supervise the activities of Business Correspondents and the other Branches in the district. Hierarchically his position is second in rank in the region (next to the regional manager). All FCs under UBGB are given a customized, week-long training at BIRD, Lucknow. In 2013-14, the FLCs specifically concentrated on conducting mega financial literacy camps attracting around 2000 people per camp on an average (in some camps the attendance was as high as 7000 also). Nukar Nataks by professional troupe also turned out to be crowd puller. In 2013-14, the FLCs conducted 1928 financial literacy camp (including village level and mega) with a total attendance of around 4,65,753 people. In 2014-15, FLCs concentrated on large number of small village camps within the command area of brick and mortar branches and BCs. Each of these camps were attended by around 40-50 people. The Bank organized around 2,118 camps in 2014-15 attracting 2,63,518 audience. The bank also uses the Business Correspondents to further increase the outreach of FL initiatives. Special efforts have been made to train the BCAs on the same.

Case II: FLC, Central Bank of India, Morena district, Madhya Pradesh

Under central bank of India the Financial counselor in Morena District is vested with special authorities wherein he is not only coordinating with BCAs for mobilizing people for Financial Literacy (FL) Camps but also monitoring them on number of other parameters like extent of branding, knowledge, number of transactions done, remuneration paid to them etc. Even though in most FLCs the counselor overlooks the working of the BCA, what actually differentiates the case of CBOI is the fact that the stated authority has been formalized by the bank. For the same purpose, the bank has come up with small checklist which FLC counselor needs to fill whenever he is visiting the BCAs. Also, in addition to conducting FLC camps, FLC counselor also coordinates with base branch and field representative of corporate BC for any field level or operational issue which the BCA might be facing. Additionally, FLC counselor is also engaged officially in recovery related activities of the bank.

¹⁷ UBGB, Muzaffarpur HO.

Topline findings from client interviews

In order to understand the extent and outreach of the FLCs surveyed during the course of the study, clients from each FLC were also interviewed across the four states. The main objective of the exercise was to understand the impact of the activities conducted by the centres from the client's perspective. It helped in understanding the needs and challenges as identified by the respondents. The survey was conducted across the four states in 22 districts covering 91 customers of FLCs. The survey was quantitative in nature and covered a few qualitative aspects asking them about learning and suggestions.

| Sl. No. | State | Districts Covered | No. of respondents |
|---------|----------------|-------------------|--------------------|
| 1 | Bihar | 5 | 23 |
| 2 | Madhya Pradesh | 5 | 25 |
| 3 | Uttar Pradesh | 7 | 18 |
| 4 | Odisha | 5 | 25 |
| | Total | 22 | 91 |

Client sample characteristics

The clients that were selected had at least one bank account and had attended at least one Financial Literacy Camp.

- 65% and 35% were males and females respectively.
- 9% of the total respondents were illiterate
- 27% have completed primary education, 23% have completed graduation and higher
- 38% of population belongs to farming community, 27% labour class and 25% were self employed.
- The respondents were mainly from Other Backward class, Scheduled Caste and Scheduled Tribe category (67.03%).

It is important to note that through the survey the extent of effectiveness of the FLCs was measured only in terms of four parameters which include access to banking services and channels, availability of affordable credit, access to remittance services, opportunity to buy insurance and pension products.

Use of financial services

- 41% of the total clients interviewed had two or more bank accounts.
- Of total respondents, 54.94% availed various services through the BC channels.
- It was also found that the respondents availed credit products not just through the banks (47.25%) but also through other sources like the MFI (20%) and SHGs (11%).
- The major credits facilities that were availed are KCC, GCC and income generating loans.
- Remittance services were rarely availed through banks (4.39%) and post offices (2%).

- 6.59% are enrolled in pension scheme
- 42.85% are enrolled with different insurance schemes, which include recently launched PMJJBY and PMJSBY.
- 56% have opened PMJDY account through different channels, of which 30.76% have received Rupay Debit Card and 46.42% of populations have used Rupay Card at least once for making transactions. 42.85% have used debit card once in 45 days which includes checking the balance.

Level of Awareness about FLC and its activities

- Out of the total sample around 20.87% of respondents were aware about existence of FLC, 68.42% reported to have visited the centre once for queries related to credit, account opening etc. Majority of such clients had visited FLCs along with their BCAs.
- 9.89% respondents recognized that the camp was organized by FLC whereas around 29.67% thought the same was organized by Commercial Bank and 17.52% thought by RRBs, BCA (20.87%) and others¹⁸ (7.69%).
- 18.68% respondents had attended two activities and 3.29% had attended more than two activities 82.31% were in favour of duration and time/schedules of the camps (usually kept in afternoon, evenings, etc.) at which the camp procedure has undergone.
- 16.48% respondents received information about the camps through the Financial Counselor, 7.69% from the base branch, 51.64% from BCA (21.97% from people representatives (and 13.18% from audio devices (such as mic, prachar vehicle, etc. and others reported to have been informed by SHGs, family, friends etc.

Themes covered and material received during the camps

| Table 3.5: Themes covered and material received during the camps | |
|---|-------------------------|
| Content recall by clients | % of respondents |
| Need of savings | 74.75% |
| Savings bank account | 92.30% |
| FD and RD | 32.76% |
| KCC, GCC, education loans etc. | 85.71% |
| Remittances | 19.78% |
| Insurance | 69.23% |
| Pension | 49.45% |
| Materials received by clients | % of respondents |
| Received some material | 62.18% |
| Financial diary | 58.06% |
| Leaflets/posters | 41.94% |

¹⁸Which includes RBI, NRLM, municipal department, government department, etc...

Other information provided are on information about BCs, high interest rates of informal credit facilities (moneylenders), concept about JLG and SHG, prompt loan repayments, livelihood options, etc.

A large section of the respondents were of the view that it is often difficult for them to understand the various aspects of financial products like FD, RD, remittances, etc. They indicated a need for simpler and easy delivery mechanisms for complex products.

Overall Reflection of the clients

- 34.06% of respondents have enrolled with or availed of at least one financial product after attending the camps - BSBDA (54.84%), insurance (45.16%) and pension (12.90%) scheme, credit (22.58%) (Which includes KCC, GCC and remittances), (9.68%) have enrolled in other schemes.
- Apart from enrollment, around 19.35% clients now initiated early savings with a few instances of availing remittance facility as well.
- 29.67% of the respondents felt that the programmes were significantly useful, while 46.15% felt programme was somewhat useful. Around 24.18% responded, the programmes were of no use at all.
- 89.01% of the clients mentioned that they have also encouraged others to attend the programmes in order to get information on credit and other facilities.
- 23% respondents have contacted the FL Counselor through different means with queries 67.85% of these reported that the queries were resolved appropriately.
- 77% of respondents were willing to attend another session of the programmes. They believed that through the camps and other activities they were able to gain useful information on the need for savings and financial managements. It further helped them understand the various insurance, and pension schemes, SHG and JLGs, process for applying of loan and grant, etc. Even though the overall reflections highlighted a positive demand and interest created by such activities, however certain parameters also indicated the gap that exists in satisfaction level of the respondents on delivery of financial awareness.
- Suggestions made by the respondents for improving effectiveness of Financial literacy programmes
 - Need for regular camps (increase in frequency of the camp) as too many things are clubbed in financial literacy camp.
 - Include facility of financial services through bank at financial literacy camps,
 - Strong follow up by the banks after the camp is conducted
 - More use of audio-visual devices and *nukkad natak* (skit plays),
 - More detailed information on government schemes.

Chapter-4 Recommendations

Certain issues and problems faced by the FLCs could be identified in the course of the study. Some of them are listed below:

- 1. Illiteracy:** low literacy level among the client populations works as a major hindrance in advancing the FL initiative. Given limited exposure and knowledge the clients are often reluctant to participate in the activities and programs. Initial mobilization and sensitization activities are a huge challenge for the FLCs across the states.
- 2. Resistance from other banks:** According to the survey banks(other than Lead Bank and RRBs whose FLC exists in the district) are reluctant to take support from the existing FLCs which ultimately restricts the potential outreach of the FL initiative
- 3. Monetary incentive to BCAs:** BCAs are considered to be an important mechanism to mobilize the community. The base branch and Financial Counselor mainly use the BCAs for community mobilization and follow-ups, the remuneration for this activity is negligible; they show reluctance to go to village to mobilize the community. Monetary support could be provided for this service.
- 4. Lack of infrastructure availability:** in several places there is a lack of adequate infrastructure facilities available for the FLCs to function. The FLC are often run in bank's premise (like LDM office and Regional office). There is no separate premise available where they can make new initiatives.
- 5. Resistance from local money lender:** several FLCs faced problems from the local money lenders as well. the local lenders having an existence in the villages often misguide the clients and create problems in the operations of the FLCs.

Suggestions and Recommendations:

1. Innovative and new strategies of delivery (in addition to standard camp method) may be adopted to make FLCs more effective in delivering outcomes
2. Scope and ways of FLCs to benefit from the body of work done and materials developed through various initiatives so far needs to be explored and institutionalized.
3. Potential roles for NGOs/CBOs/MFIs to align with and support FLCs
4. Coordination among various stakeholders (NABARD, RBI, Banks) and convergence of programmes run by different agencies
5. Need for comprehensive monitoring mechanism and MIS to create a data base and capture the outcomes of these initiatives more effectively at minimum cost. This will need to be supported by public goods investment such as NABARD or other donors.
6. The NRLM platform can be used for higher outreach of programme which is being conducted. Though SHGs are focused on credits, savings and bank linkages, the programme can broaden the knowledge of members in other services and about institutions.

Recommendations for banks

- a) **Increase the remuneration of Financial Counselor:** The remuneration of financial counselor ranges from Rs. 10, 000 to Rs. 30, 000. The Financial Counselor are experienced retire banker with more than 33 years of experience (for sampled FLCs); the remuneration of financial counselor could be increased, to motivate them to stay and ensure effective outcomes.
- b) **Number of staff could be increased:** There is a provision of only one staff for Financial Literacy Centre, whose day profile is to go to the field, conduct the Financial Literacy Camp, deal with the indoor customer and do all other activities of FLCs. The need for another resource person came out for several FLCs to carry out the activities more effectively
- c) **Standardization of resources and performance assessment:** Overall, there is need for standardization of resources allocated by banks for FLCs, including HR, infrastructure such as separate office, equipments (projector, computer etc.), vehicle and petrol expenses, that are required for delivery of FL with desired effectiveness and scale. Accordingly, standard rating system for performance assessment of FLCs should be developed, which will enable recognition of good performance of FLCs. This is important also for motivation of well performing FL Counselors, since they are mostly persons from outside of banking structures.
- d) **Extension of Financial Literacy Centre at Block level:** Block level sub-centre could be created to for larger outreach and deeper penetration of FL initiatives

List of Annexure

Annexure -1 Details of FLC visited

| SI No. | Name of FLC | District | Place of office | Geography | Date of Setting FLC |
|-----------------------|--------------------------------------|-------------|--|------------|---------------------|
| Bihar | | | | | |
| 1 | Madhya Bihar Gramin Bank | Patna | FLC office in separate rented location | Urban | 04-02-14 |
| 2 | State Bank of India | Madhepura | LDM Office | Semi-urban | 01-01-13 |
| 3 | Uttar Bihar Gramin Bank | Muzaffarpur | Office cum Resident office | Rural | 01-03-13 |
| 4 | Bihar Gramin Bank | Lakhisarai | Regional Office | Semi-urban | 07-03-13 |
| 5 | Central Bank of India, FLCC | Gopalganj | Office sharing with RSETI | Urban | 21-12-11 |
| Madhya Pradesh | | | | | |
| 6 | Punjab National Bank | Datia | RSETI's premise | Semi-urban | 18-03-10 |
| 7 | Bank of Baroda | Jhabua | RSETI's premise | Semi-urban | 21-08-11 |
| 8 | Central Bank of India | Morena | LDM's office | Semi-urban | 11-10-10 |
| 9 | State Bank of India | Neemuch | LDM's office | Semi-urban | 29-01-10 |
| 10 | Bank of India | Bhopal | LDM's office/ Separate FLC Chambers | Urban | 2012 |
| Uttar Pradesh | | | | | |
| 11 | Bank of India | Lucknow | Above Branch office | Urban | 31-Mar-12 |
| 12 | Allahbad UP Grameen Bank | Sitapur | In front of Branch Office | semi urban | 1-Jun-13 |
| 13 | Bank of Baroda | Kaushambi | Along with RSETI office | Rural | 21-Dec-11 |
| 14 | Syndicate Bank | Mathura | Separate office in a Government building provided by CDO | semi urban | 20-Oct-11 |
| 15 | Union Bank of India | Varanasi | Separate office | Rural | 15-Jan-10 |
| 16 | State Bank of India | Gorakhpur | Infront of Branch Office | Urban | 30-Sep-11 |
| 17 | Cooperative bank | Rampur | Separate office | Rural | 4-Dec-14 |
| Odisha | | | | | |
| 18 | State Bank of India (SBI) | Jajpur | LDM Office | Semi-urban | Apr-13 |
| 19 | Utkal Grameen Bank (UGB) | Kalahandi | Regional office with separate room & office equipments | Rural | Nov'2014 |
| 20 | Andhra Bank | Ganjam | RSETI Office | Semi-urban | Mar'2012 |
| 21 | UCO Bank | Angul | LDM Office | Semi-urban | June'2013 |
| 22 | Odisha State Cooperative Bank (OSCB) | Khurda | DCCB with separate room and office equipments | Rural | July'2013 |

Annexure 2: Questionnaire for State level Stakeholders: NABARD/RBI Director/SLBC Convener

1. Name of Respondent:
2. Designation:
3. What specific efforts are made to extend FL to the last mile/remote and distant areas and villages?.....
4. What are major outcomes of financial literacy initiatives?(Any state or district level successful case).....
5. In your opinion, which activities are most effective in delivering these outcomes?
.....
6. What is your perception of the quality of activities of FLCs and what are your suggestions to make these more effective?.....
7. What is the support provided to FLCs/bank branches/staff etc?..... infrastructure development, technology, staff training etc
8. Is there a monitoring mechanism to measure effectiveness of financial literacy camps or other activities done by FLCs? If yes, please explain?.....
9. What role bank/BC/MFI can further play in providing financial literacy to people (in the context of of JDY, PMSBY, PMJJBY, and APY)?
10. Any further improvement or innovation in financial literacy tools (IEC)- (books, leaflets, jingles, films, role-plays, PPTs)?
11. Future plans/strategies to promote financial literacy through FLCs (in the context of JDY, PMSBY, PMJJBY, and APY).....
12. Any other suggestion/comments.....

.....
.....
Besides above questions following data can be collected from the SLBC Convener:

1. Total number of villages/districts covered:
2. Total number of Savings bank accounts opened:
3. Total number of bank accounts opened under PMJDY:
4. Total number of FLCs operational in the State.....
5. Number of active BC Agents:
6. Total number of accounts opened by the BCAs
.....
7. Number of RuPay cards distributed among customers
8. Number of financial literacy camps organized in last financial year (FY 14-15):.....
9. Details of FL camps, *nukkadnatak* or any other activity conducted: Any data available at FLC/bank/reported to SLBC.

| | |
|--|---------------------|
| | Number of locations |
|--|---------------------|

| | |
|---|--|
| One FL camp conducted (Session 1) | |
| Two FL camps conducted (covering Session 1 and 2) | |
| Three FL camps conducted (covering Sessions 1, 2 and 3) | |

10. Data on monitoring of FLCs (if available)

Annexure 3: Questionnaire for Financial Literacy Centre Manager/Counselor

1. Name of Respondent:
2. Designation:
3. Name of bank and branch:
4. Number of villages assigned under SSA (sub-service Area):
5. Total number of saving bank accounts with the branch:
6. Total number of bank accounts opened under PMJDY:
7. Number of active BC Agents:
8. Total number of accounts opened by BCs
9. Number of Rupay cards distributed among customers
10. Number of financial literacy camps organized in last financial year (FY 14-15):.....
11. Total number of people attending the FL camps in last FY:.....
12. Location of FL camps: District/Block/GP/Village

13. Date of setting up of the FLC:

14. Location of FLC:.....

15. Details of FL camps conducted: Any data available at FLC/bank/reported to SLBC.

| FL Camp | Number of locations |
|---|---------------------|
| One FL camp conducted (Session 1) | |
| Two FL camps conducted (covering Session 1 and 2) | |
| Three FL camps conducted (covering Sessions 1, 2 and 3) | |

16. How is the existence and role of FLC made known to bank clients?
17. What are the various activities conducted by Financial Literacy Centre during the year?
18. What is the HR allocated for FLC?
19. How many walk in clients did the FLC receive for counseling during the last FY? Out of which how many women walk in to FL?
20. Were all these clients of your bank/branch or from other banks as well?
21. What is the support provided to FLC from the branch?

22. Are all activities done by FLC and bank staff or any other organizations/consultants are hired for specific work? If yes, ask for details.
23. What is the infrastructure available with the FLC for its activities?

- a)
- b)
- c)
- d)
- e)
- f)

24. What are the registers being maintained at Financial Literacy Centre?

| S. No. | Name of Register | Is it properly maintained (Y/N) |
|--------|------------------|---------------------------------|
| 1 | | |
| 2 | | |
| 3 | | |
| 4 | | |
| 5 | | |
| 6 | | |

25. What are the activities done and topics covered in financial literacy camps?

26. What is the duration of the camps and training programmes?

27. Are all participants in camps/trainings provided printed materials?

28. What topics are covered in the programmes?

a) Savings:

b) Credit:

c) Banking Services:

d) Insurance:

e) Remittance:

f) Pension:

29. What measures are taken to make the camps/training programmes interesting for participants?

30. How is the information about the camps disseminated among community members? Is any special efforts being made to mobilize women for this purpose?

31. On an average, what is the distance of the camp/training location from target villages?

32. What specific efforts are made to extend FL to the last mile/remote and distant areas and villages?

33. What is your perception of the quality of activities of FLCs and what are your suggestions to make these more effective?

34. Do other banks use your FLC facility? How?

35. What are the challenges in organizing financial literacy camps and other activities of FLC?

36. Details of costs of operations of FLC (annual):

| Particular | Amount (Rs) | Source of funding (Lead Bank/NABARD/Other) |
|---|--------------------|---|
| Rent, water, electricity, cleaning etc of FLC | | |
| Human Resource (No. of persons and costs) | | |
| Printing of materials | | |
| Local travel | | |
| Cost of organising FL programmes/camps etc | | |
| Any other | | |

37. What is the training received by FLC and bank staff on financial literacy?

38. Name the four (other than opening of a/c) financial services, which people are availing most commonly.

a.

b.

c.

d.

39. What are some key outcomes of financial literacy initiatives? Discuss using the following:

- a. Opening of accounts
- b. Transactions in accounts (increase in transaction etc)
- c. Increase in transaction :
- d. Use of RuPay cards (issuance and use related aspects):
- e. Use of KCC
- f. Improvement in repayment rate
- g. Increase in Deposit accounts (RD/FD)
- h. Awareness regarding benefits of JDY
- i. Others:

40. Which activities are most effective in delivering the outcomes?

41. What role can the BC play in providing financial literacy to people?

42. What is the monitoring mechanism of your branch to measure effectiveness of financial literacy camps? What follow-up activities are undertaken (follow-up village visits etc.)?

43. If funds are available, what other activities/initiatives could the FLC undertake to make better impact? Your valuable suggestions....

44. Is the financial literacy camps being monitored or cross checked by local body representative like Panchayat Pradhan, Sarpanch etc?

Name of the Interviewer:

Date :

Annexure 4: Questionnaire for the Client Interview (Recipient of Financial Literacy)

I. Demographic Profile:

| | Description | Options | Codes | Skip |
|-----|---------------------------------|---|-------|------|
| 101 | Name of respondent | | | |
| 102 | Address | | | |
| 103 | Age of the respondent | <input type="text"/> <input type="text"/> | | |
| 104 | Sex of the respondent | Male | 1 | |
| | | Female | 2 | |
| 105 | Marital Status | Married | 1 | |
| | | Unmarried | 2 | |
| | | Divorced | 3 | |
| | | Widow/er | 4 | |
| | | Separated | 5 | |
| 106 | Caste of the household | General | 1 | |
| | | Scheduled Caste | 2 | |
| | | Scheduled Tribe | 3 | |
| | | OBC | 4 | |
| | | Others | 5 | |
| 107 | Type of family | Nuclear | 1 | |
| | | Joint | 2 | |
| | | Extended | 3 | |
| 108 | Educational Qualification | Illiterate | 1 | |
| | | Literate | 2 | |
| | | Primary | 3 | |
| | | Middle | 4 | |
| | | Secondary | 5 | |
| | | Higher Secondary | 6 | |
| | | Graduation and above | 7 | |
| 109 | Occupation | Farmer | 1 | |
| | | Labour | 2 | |
| | | Self-employed | 3 | |
| | | Unemployed | 4 | |
| | | Housewife | 5 | |
| | | Student | 6 | |
| | | Any other (Please specify) | 7 | |
| 110 | Income generating persons in HH | Only 1 | 1 | |
| | | Only 2 | 2 | |
| | | More than 2 | 3 | |

Primary: up to 5th Standard; Middle: up to 8th Standard; Secondary: up to 10th; Higher Secondary: Up to 12th

II. Basic Banking Financial Services

| | Description | Options | Codes | Skip |
|-----|------------------------------------|---------|-------|------|
| 201 | Do you or any other member in your | Yes | 1 | |

| | | | | |
|------------|--|---|----|-------------------------------|
| | household have a bank account | No | 2 | If No, skip to Q. No: 207 |
| 202 | If no, please specify the reasons | No need | 1 | |
| | | Use other sources (Other institutions services) | 2 | |
| | | Not Aware | 3 | |
| | | Use traditional method | 4 | |
| | | Any other (Please specify) | 5 | |
| 203 | If yes, please specify numbers | Only one | 1 | |
| | | Only two | 2 | |
| | | More than 2 | 3 | |
| 204 | How do you make transactions in bank a/c | Bank branch | 1 | |
| | | Kiosk | 2 | |
| | | PoS/BC/CSP | 3 | |
| | | Any other please specify | 4 | |
| 205 | What is the frequency to use the bank a/c | Once in a week | 1 | |
| | | Once in fortnight | 2 | |
| | | Once in a month | 3 | |
| | | Once in 2-3 months | 4 | |
| | | Once in 6 months | 5 | |
| | | Not used so far | 6 | |
| | | Any other (please specify) | 7 | |
| 206 | What are the services being availed by you through banking channel | Basic Savings Bank a/c | 1 | |
| | | Savings account | 2 | |
| | | Recurring Deposit | 3 | |
| | | Fixed Deposit | 4 | |
| | | Loan (Please specify) | 5 | |
| | | Kisan Credit Card (KCC) | 6 | |
| | | General Credit Card | 7 | |
| | | Overdraft | 8 | |
| | | Remittance | 9 | |
| | | Any other (Please specify) | 10 | |
| 207 | Are you aware of Pradhan Mantri Jan Dhan Yojana | Yes | 1 | If no skip to question no 301 |
| | | No | 2 | |
| 208 | If yes, what are the key features of PMJDY that you can recall? | Basic Savings Bank Account | 1 | |
| | | Overdraft facility | 2 | |
| | | Rupay Debit card | 3 | |
| | | Micro insurance | 4 | |
| | | Financial Literacy | 5 | |
| | | Micro pension | 6 | |

| | | | | |
|--|--|----------------------------|---|--|
| | | Direct Benefit Transfer | 7 | |
| | | Pension | 8 | |
| | | Any other (Please specify) | 9 | |

III. Financial Products

| | Description | Options | Codes | Skip |
|-----|---|---------------------|-------|--------------------------------|
| 301 | Do you have PMJDY account | Yes | 1 | If No, skip to question no 308 |
| | | No | 2 | |
| 302 | What is the frequency of transaction of your PMJDY a/c | Weekly | 1 | |
| | | Fortnightly | 2 | |
| | | Monthly | 3 | |
| | | More than one month | 4 | |
| 303 | Do you have a Rupay Debit Card | Yes | 1 | |
| | | No | 2 | |
| 304 | When did you receive Rupay Debit Card | Within 15 days | 1 | |
| | | Within 30 days | 2 | |
| | | Within 60 days | 3 | |
| | | More than 60 days | 4 | |
| 305 | Have you received PIN for Rupay Debit Card | Yes | 1 | |
| | | No | 2 | |
| 306 | Have you used the Rupay card for withdrawing cash/making transactions | Yes | 1 | |
| | | No | 2 | |
| 307 | What is the frequency of transaction | Within fortnight | 1 | |
| | | Within a month | 2 | |
| | | Within 45 days | 3 | |
| | | More than 45 days | 4 | |
| | | Don't have Card | 5 | |
| 308 | Are you a member of any self Help group (SHG) | Yes | 1 | |
| | | No | 2 | |
| 309 | Do you borrow from any MFI | Yes | 1 | |
| | | No | 2 | |
| 310 | Have you enrolled in any pension scheme | Yes | 1 | If No, go to Q. No.: 312 |
| | | No | 2 | |
| 311 | If yes, do you pay contribution for the pension scheme | Yes | 1 | |
| | | No | 2 | |
| 312 | Have you enrolled for any insurance scheme | Yes | 1 | |
| | | No | 2 | |
| 313 | Have you availed saving services of Post Office ¹⁹ | Yes | 1 | |
| | | No | 2 | |
| 314 | Have you availed remittance facility through PO | Yes | 1 | |
| | | No | 2 | |

IV Services availed from Financial Literacy Centres (FLC):

| | Description | Options | Codes | Skip |
|-----|---|---------|-------|----------------|
| 401 | Are you aware of any Financial Literacy | Yes | 1 | If No, skip to |

¹⁹ Recurring deposit/fixed deposit/National Savings Certificate/Monthly income scheme/Kisan Vikas Patra etc...

| | | | | |
|-------------------|---|--|---|----------------------------------|
| | Centre in your block/district | No | 2 | Q. No:403 |
| 402 | If yes, have you ever visited the centre | Yes | 1 | |
| | | No | 2 | |
| 403 | Have you ever attended Financial Literacy Workshop/training/camp/Nukkad Natak etc | Yes | 1 | If No, the client may be skipped |
| | | No | 2 | |
| 404 | If yes, who was the programme organized by | Financial Literacy Centre | 1 | |
| | | Commercial Bank | 2 | |
| | | Regional Rural Bank | 3 | |
| | | Any other (Please Specify) | 4 | |
| 405 | How many such programme have you attended so far | One | 1 | |
| | | Two | 2 | |
| | | Three | 3 | |
| | | More than four | 4 | |
| 406 ²⁰ | With whom have you visited | Alone | 1 | |
| | | With group | 2 | |
| | | With Family member | 3 | |
| | | Any other (please specify) | 4 | |
| 407 | Is the timing of camps convenient? | Yes | 1 | |
| | | No | 2 | |
| 408 | How you were about FLC Camps | Financial Counselor | | |
| | | Base Branch Manager | | |
| | | BCA | | |
| | | People representative | | |
| | | Through Audio- visual Devices | | |
| | | Any other (Please specify) | | |
| 409 | When you attended the programme (approx date and month) | 1. _____ Date/month _____ 2. _____ Date/month _____ 3. _____ Date/month _____ 4. _____ Date/month _____ | | |
| 410 | What are the themes covered in programme | Savings Bank Account | 1 | |
| | | FD/RD | 2 | |
| | | Need of Savings | 3 | |
| | | Credit | 4 | |
| | | Remittance | 5 | |
| | | Insurance | 6 | |
| | | Pension | 7 | |
| | | Any other (please specify) | 8 | |

²⁰ For Women customers

| | | | | |
|------------|--|--|---|----------------------------------|
| 411 | Did you receive any materials at the programme | Yes | 1 | If No, skip to Q. No.:415 |
| | | No | 2 | |
| 412 | If yes, please give the details of the material | Financial Diary | 1 | |
| | | Leaflets | 2 | |
| | | Posters | 3 | |
| | | Comics/Story/Magazine | 4 | |
| | | Calendar | 5 | |
| | | Any other (please specify) | 6 | |
| 413 | What were some of the new information that was provided in the training/programme | 1. _____ 2. _____ 3. _____ 4. _____ 5. _____ | | |
| 414 | Did you find the material and the programme useful? | Yes, Significantly | 1 | |
| | | Yes, somewhat | 2 | |
| | | No | 3 | |
| 415 | What were the key learning from the FL training/workshop | 1. _____ 2. _____ 3. _____ 4. _____ | | |
| 416 | Did you pay any charges for attending the programme/for the material | Yes | 1 | |
| | | No | 2 | |
| 417 | Did you get benefit from the financial literacy programme? | Yes, significantly | 1 | |
| | | Yes, somewhat | 2 | |
| | | No | 3 | |
| 418 | Did you enroll for/join any financial service scheme (such as opening bank account/enroll for pension/apply for KCC etc) at the end of the programme or few days after attending the programme | Yes | 1 | |
| | | No | 2 | |
| 419 | Did the grievance being settled by FLC? | Yes | 1 | If no, please skip to Q. No. 421 |
| | | No | 2 | |
| | | Didn't met | 3 | |
| 420 | If, yes what are the issue that were solved | Account opening | 1 | |
| | | Rupay Debit card | 2 | |
| | | Credits | 3 | |
| | | Insurance claim settlement | 4 | |
| | | Remittances | 5 | |
| | | Any other (Please specify) | 6 | |
| 421 | How have you implemented FLC training in practice | Yes | 1 | If No, skip to Q. No: 423 |
| | | No | 2 | |

| | | | | |
|-----|---|--|---|--|
| 422 | If yes, what are they | 1. _____ 2. _____ 3. _____ 4. _____ 5. _____ | | |
| 423 | Will you attend similar programme for future | Yes | 1 | |
| | | No | 2 | |
| | | Don't know | | |
| 424 | Will you encourage your family members/relatives/neighbors to attend such programme in future | Yes | 1 | |
| | | No | 2 | |
| | | Don't know | 3 | |
| 425 | What do you suggest to improve Financial Training/ workshop | 1. _____ 2. _____ 3. _____ 4. _____ | | |

Name of the interviewer:

Date: