

Covid 19: Effects of Financial Inclusion Flagship Schemes in Rajasthan

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Abstract

The outbreak of the Covid-19 pandemic is an unexpected shock to the Indian economy. The economy was already in a parlous state before Covid-19 struck. With the prolonged countrywide lockdown, not only Rajasthan but whole country, especially weaker section of society lost their jobs and revenue streams. The Rajasthan government has decided to declare 19 schemes as flagship programs in the state following the coronavirus outbreak. This research paper deals with effectiveness of these financial inclusion schemes on low income groups of society. All information provided in paper is based on the recent data and information presented in journal articles, research papers and government reports.

Key Words: Covid 19, Pandemic , Flagship ,Coronavirus Outbreak

Introduction

The Rajasthan government has decided to declare 19 schemes and programs of nine departments as flagship programs in the state following the coronavirus outbreak. Flagship schemes mean that selected schemes or programs will be of higher priority than others. Collectors will hold weekly and the chief minister's office will monthly review of the schemes. A daily update of their implementation will be tracked by the administration, These schemes are majorly related to health, education, social security and employment and have been upgraded as flagship programs to provide relief to people from covid 19 pandemic and empowering the weaker section. These schemes are as follows:

Flagship Financial Inclusion Schemes	Details
1.Shudh k Liye Yudh	Campaign against adulteration
2.Nirogi Rajasthan	Medical and health welfare
3.CM Free medicine Yojna	Free medicines of coronavirus to BPL
4. Cm free Test Yojana	Covid 19 free test is provided to weaker sections of society

5. Ayushman Bharat Mahatma Gandhi Rajasthan Swasthya Bima Yojana (AB-MGRBSY)	Health insurance scheme
6.Rs. 1 kg Wheat	Food and civil supply department
7.Mahatma Gandhi English Medium School	Free Education scheme
8.Mukhyamantri Kanyadaan / Hathleva Yojana	Girls empowerment scheme
9.Benefits under Rajasthan Silicosis Policy 2019	Health and security concerns of the mining laborers.
10.Mukhyamantri Ekalnari Samman Pension Yojna	Under this scheme, Widow, Divorced, Parityaktya Women age 18 years and above are getting pension of `500 per month.
11.Mukhyamantri Vradhjan Samman Pension Yojna	Under old age pension to Women having age of 55 years and above , Men having age of 58 years and above are eligible for getting `500 per month and after age of 75 years `750 per month.
12. Mukhyamantri Vishesh Yogyjan Samman Pension Yojna	Specially abled persons below age of 8 years are given pension of rs.250 per month, and it is rs.500 per month for the age of 8 and above.
13.Palanhaar Yojna	A person taking responsibility of caring and bringing up such a child is called "Palanhar". In this Scheme `500 per month is given for the children of 0-6 years, `1,000 per month is given for school going children
14.Rajasthan Agriculture Processing, Business and Export Promotion Scheme	The policy's objective is to encourage agro-processing and agricultural exports and increase farmers' income in the state
15.Chief Minister Small Scale Industries Promotion Scheme	To promote small scale industries of Rajasthan
16.MSME act –Self Certification	Economic growth and employment generation
17.Rajasthan Investment Promotion Scheme	Provide benefits to eligible manufacturing and

	services sector enterprises.
18.Jan Soochna Portal	Easing the access to information for the beneficiaries of welfare schemes.
19.Jan Aadhar Yojna	fulfills this objective and unifies the entire service delivery ecosystem of the state with a single-card, single-number,

Research Objectives

The main objective of the study is to know the impact of various flagship programs and schemes by government of Rajasthan on weaker section of societies in pandemic situation of covid 19. Other objectives of this research can be defined as follows:

1. To examine the current level of adopted schemes by lower income groups.
2. To know the level of financial inclusion used by low income families.
3. To understand the impact on sustainability on the success and growth of the flagship programs
4. To examine the initiatives taken by government of Rajasthan to adopt suitability in pandemic.
5. To analyze the main issues and challenges associated with the flagship programs and schemes in Covid 19 outbreak.
6. To know the awareness levels of common masses in Rajasthan

Review of Literature

In the opinion of Principal secretary (planning) Abhay Kumar(2020), to provide relief to people from Covid19 pandemic and empowering the weaker section, the state government has announced making 19 important schemes and programs related to health, education, social security and employment as flagship schemes.

According to Indra Patil, (2020) Ever since the spread of the pandemic, the state government has responded actively to the emerging needs. The response of the government can be understood as a two-pronged approach: one, containing the spread of the virus through lockdown, screening, quarantine, testing and treatment. Two, taking a host of welfare measures to alleviate the impact of COVID-19, particularly among the vulnerable groups.

Vishal Baid, CII Rajasthan chairman, said: “The Chief Minister’s Small Scale Industry Promotion Scheme, new RIPS Scheme, Food Processing Schemes are visionary initiatives of the state government. It will create an inclusive, balanced and strong industrial development

atmosphere in Rajasthan and will also establish the state as the most preferred investment destination. In current conditions, the status of flagship schemes will boost the confidence of the investor.”

Jain (2016) made an attempt to analyze the awareness level of various financial services available for house hold workers in Jaipur city. It has been concluded that dream of complete financial inclusion cannot be fulfilled until there is a launch of mass awareness drive for educating the masses about availability and usage of these services. Bank is further required to introduce need based product offerings so that unbanked people can be financially included.

Neha Sharma (2017) has revealed that financial inclusion in Rajasthan state is 75.3 percent and the state has a poverty rate of 64.2 percent. Hence as per the low, medium and high classification of extent of financial exclusion in Indian states, Rajasthan lies in low index of financial inclusion.

According to Du & Bradstreet, COVID-19 no doubt disrupted human lives and global supply chain but the pandemic is a severe demand shock which has offset the green shoots of recovery of the Indian economy that was visible towards the end of 2019 and early 2020.

KPMG India Chairman and CEO Arun M Kumar said: "Apart from providing robust safety nets for the vulnerable, a focus on ensuring job continuity and job creation will be imperative". "And there is urgent need to mobilize resources to stimulate the economy for increased demand and employment".

Research Design

Research Design is needed because it facilitates the smooth sailing of the various research operations there by making research as efficient as possible yielding maximal information with minimal expenditure effort, time and money. This topic is an exploratory research design that helps in discovering new insights and ideas to generate possible solutions and explanations. Data is collected through Self observation ,questionnaire ,market reviews, ,research papers, journals, articles, Financial website and case studies. The data collected were processed and analyzed through Tabulation, Pie charts and statistical computation. The main research area of the present topic were rural people, undeveloped society, deprived segments, daily wage earners within Rajasthan.

Research Methodology

The whole study is basically based on primary data, which was collected with the help of questionnaires, by sending them to be filled by, rural people with the help of business facilitators (BFs) and Business Correspondents (BCs) . Primary data was collected from approx.150 respondents out of 500 participants of 2 villages of Rajasthan on basis of stratified random

sampling method. 150 respondent of each program were interviewed for the study . From the 500 respondent only 150 respondents took interest in filling the complete questionnaires, hence able to fill only 150 responses. Due to covid lockdown the responses collected are very less. Secondary data has been collected from research papers , journals , articles ,financial website and case studies. Universe of the study is whole Rajasthan state. Different modes of data presentation figure and tables etc. are used to analyze this Case study .Questions are plotted by pie diagrams & frequency table.

Findings and Inferences

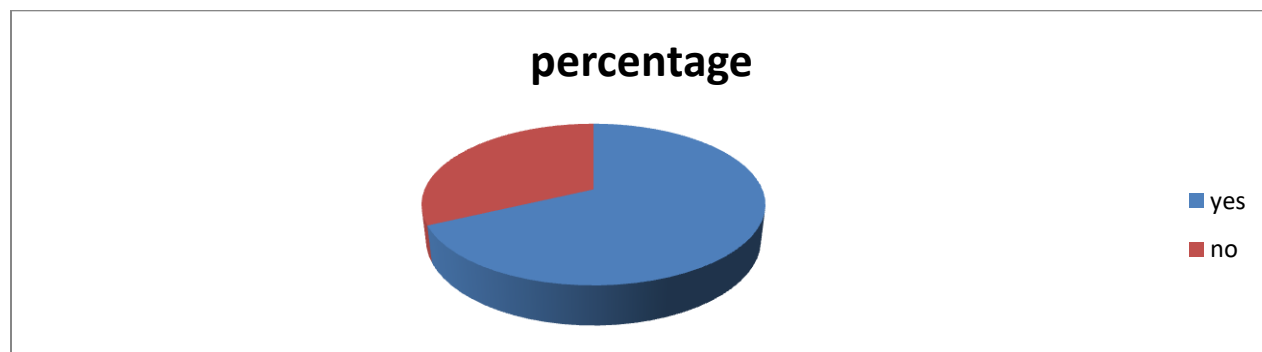
On the basis of questionnaires following analysis are made:

Table 1: Flagship scheme awareness

Yes/no	Frequency	Percentage
Yes	100	70
No	50	30

Source:Computed and Compiled from questionnaire through survey

Figure 1



Analysis: From the above figure one can say that around 70% of Low income groups or rural people are having awareness of flagship programs introduces by government of Rajasthan in Covid 19 situation.

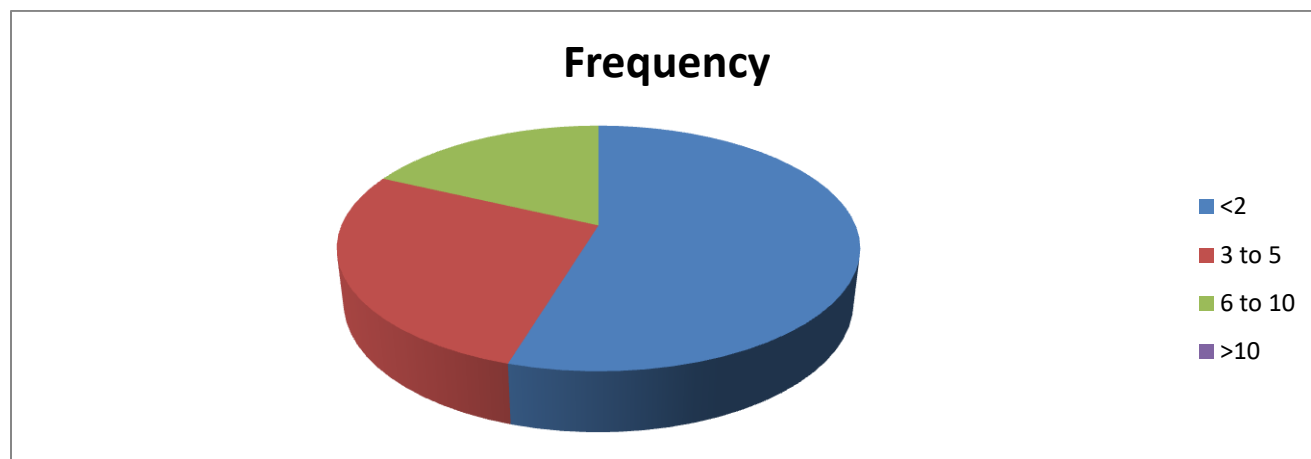
Table 2: Number of schemes that daily wage earners Known

Number	Percentage
<2	55

3 to 5	27
6 to 10	18
>10	0

Source: Computed and Compiled from questionnaire through survey

Figure 2



Analysis: From the above figure one can observe that around 55% of Low income groups or rural people are having knowledge of less than 2 flagship programs ,27% are aware of 3 to 5 schemes ,18 % have knowledge of 6 to 10 schemes and nobody known more than 10 flagship financial inclusion schemes introduced by government of Rajasthan in Covid 19 situation.

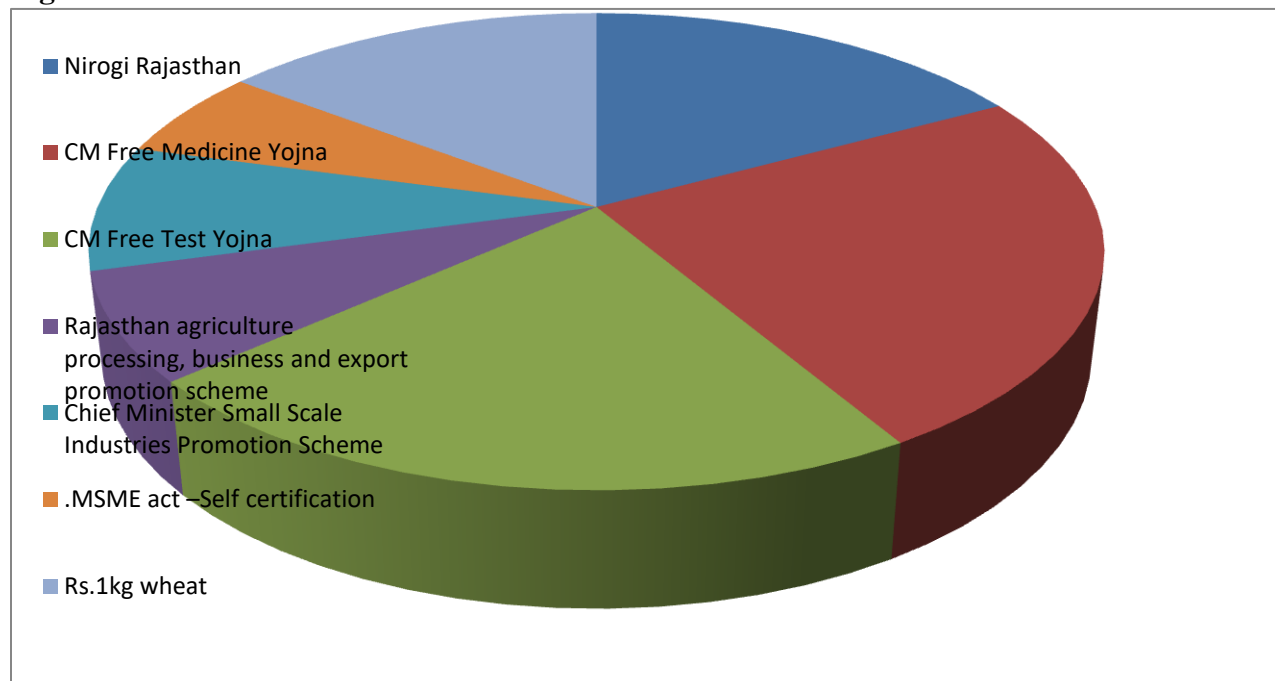
Table 3: Utilization of Schemes

Flagship Schemes	Frequency	Percentage
Nirogi Rajasthan	14	14
CM Free Medicine Yojna	20	20
CM Free Test Yojna	18	18
Rajasthan agriculture processing, business and export promotion scheme	6	06
Chief Minister Small Scale Industries Promotion Scheme	7	07

MSME Act –Self certification	5	05
Rs.1kg wheat	12	12
Mahatma Gandhi English Medium school	8	08
Palanhar Yojna	10	10

Source: Computed and Compiled from questionnaire through survey

Figure 3



Analysis: From the above figure one can observe that around 14 % of rural people are using scheme of "Nirogi Rajasthan", 20 % are using CM free medicine yojna, 18 percent are using CM free test Yojna and so on.

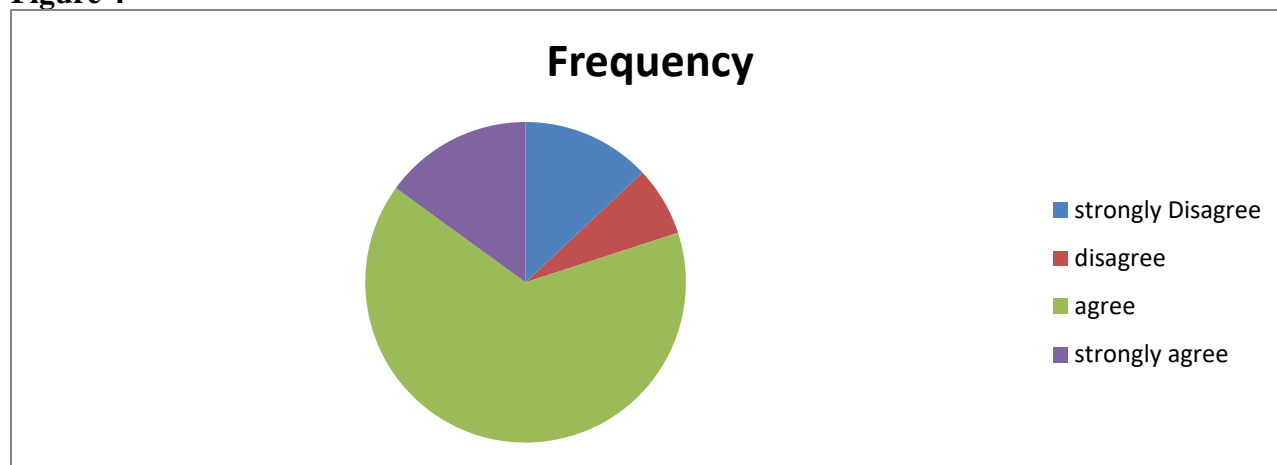
Table 4 :Benefits of the scheme

Options	Frequency
Strongly Disagree	13

Disagree	7
Agree	65
Strongly agree	15

Source: Computed and Compiled from questionnaire through survey

Figure 4



Analysis: From the above figure one can say that 65 % of people are satisfied with flagship schemes and 7% are not satisfied with the schemes.

Other Inferences :

- 1.The COVID-19 pandemic and the corresponding lockdown has resulted in an unprecedented exodus of migrant workers from cities to rural areas. With no means of transportation, many migrant workers are walking hundreds of kilometers towards their villages. Others are stranded in cities, living in difficult conditions.
- 2.Also, the government has started online registration of workers who wish to come into or move out of the state on the *Jan Soochna Portal*, an online website for information dissemination. According to the government, around 10 lakh workers have applied to come back to Rajasthan.
- 3.With an increasing number of returned migrants in villages, there has been an increase in the demand for work under MGNREGA (Mahatma Gandhi National Rural Employment
- 4.There are about 4.5 lakh Micro, Small and Medium Enterprises (MSMEs) in Rajasthan, providing employment to over 50 lakh people. Many local products like blue pottery of Jaipur, block-printing, marble carving, metal crafts have high demand across the country.

5.The government has permitted Fair Price Shops to sell products, such as masalas, sanitisers, and hygiene products, in addition to food grains. A WhatsApp helpline has been set up for complaints regarding hoarding, black marketing, and overpricing.

6.The government has declared village service cooperatives as secondary markets to facilitate farmers to sell their produce in their own villages. It has announced free renting of tractors and other equipment for small and marginal farmers.

7. The state government has announced an aid of Rs 50 lakh to the families of frontline health workers who lose their lives due to COVID-19. Drug Supply Control Room has been set up at the Rajasthan Pharmacy Council to ensure uninterrupted supply and home delivery of medicines. Also, the government has issued instructions to provide free medicines to senior citizens and other patients with chronic illnesses.

8.The government launched ‘Project Smile’ to connect students and teachers online during the lockdown. Under this project, study material and content videos prepared by the Education Department are sent through specially formed WhatsApp groups to students.

9.The Rajasthan government is providing Rs 2,500/- to identified beneficiaries, which includes Below Poverty Line (BPL), State. A one-time cash transfer of Rs 1,000/- to over 15 lakh construction workers has been announced. Similarly, cash transfer of Rs 1,000/- has been announced for poor people deprived of livelihoods during the lockdown.

10.The government has allotted Rs 60 crore (approximately Rs 50,000 per panchayat) to Panchayati Raj Institutions to deal with COVID-19 at the local level, and to purchase PPE kits and sanitizer.

Limitations of the study

- 1.Due to lockdown, it was very difficult to fill questionnaire from rural people.
- 2.Reliance on figures provided by Business facilitators and Business correspondents.
- 3.It was difficult to convince illiterate people to fill questionnaires.
- 4.During interviews people did not divulge accurate facts.
- 5.Present topic covers large area of research so sound problem of time and Budget.

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