

APPRAISEMENT ON DIGITAL & FINANCIAL INCLUSION OF FARM WOMEN/ ENTREPRENEURS/ FPOS/ AGRI START-UPS

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Introduction

According to Organization for Economic Co-operation & Development (OECD) financial literacy is defined as a combination of financial awareness, knowledge, skills, attitude and behaviour necessary to make sound financial decisions and ultimately achieve individual financial well-being (OECD, 2012). A study conducted by NABARD and CRIER in 2021, a few G20 countries like Australia, Canada, France, Japan and the United Kingdom (UK) have achieved close to 100 percent financial inclusion of women in certain parameters such as account ownership and use of debit/credit cards. India, in 2021, had an insignificant gender gap in terms of account ownership with around 77 percent of women (almost equal number as men) having an account with a financial institution.

This can be attributed to schemes such as the PMJDY. As of August 2022, approximately 55 percent of Jan Dhan account holders were women. A study conducted in Gujarat expressed that Akodara Village is recognized as the “first Indian digital village.” The ICICI Bank sponsored this Village and transformed it into a fully digital village with appropriate infrastructure, guiding the Village towards online transactions, and he says digitalization is the need of the era.

Digital and Financial Inclusion: Across India

The percentage of women making/receiving digital payments increased by only 6.0 percentage points from 2017 to 2021. There was also a gender gap of 17.0 percentage points in the use of digital payments between 2018 and 2021. The gender gap also varies across Indian States in terms of (a) access to bank accounts; (b) ownership of mobile phones and access to internet; and (c) use of mobile phones and internet for financial transactions in 2019-20.

- Tamil Nadu had the greatest number of women who had a bank account that they themselves operate.
- Goa had the highest percentage of women who have mobile phone that they operate and use for themselves, and also for financial transactions.

Identifying the Knowledge on Digital and Financial Inclusion of Farm women/Women agripreneurs/Women-led FPOs/Women-led agri start-ups

The study was conducted in Uttar Pradesh covering 7 Districts viz. Jaunpur, Pryagraj, Kannauj, Kanpur Nagar, Kanpur Dehat, Barabanki and Behraich.

Total no. of the respondents were 85 out of these 62 were farm-women, 21 women FPO member and 2 women agri start-ups. The collected data was statistically analyzed by using suitable simple descriptive statistics (averages, percentages).

For the study distribution of the respondents were 20.0 percent from Jaunpur district, 11.0 percent were from Pryagraj, 5.88 percent from Kanpur Nagar, 29.41 percent from Kanpur Dehat, 25.88 percent from Barabanki and 7.05 percent from Behraich district.

68.24 percent of respondents didn't had access to any of the digital devices or gadgets, i.e., radio, television, landline telephone, mobile phone (basic), smartphone, personal computer, laptop, tablet, and internet because low levels of infrastructure, network quality, and coverage disproportionally affect access for women and girls. This report finds that hurdles to access, affordability, and lack of education, as well as inherent biases and sociocultural norms, curtail women and girls' ability to benefit from the opportunities offered by digital transformation. Their choice of network is often restricted by various factors, such as more basic handsets, fewer choices of SIM, and the cost of data.

Women and girls are more price-sensitive than men. Women often have lower levels of income, and they almost always come second in a patriarchal social order. The reason for this digital gender gap was inequitable access to education and harmful social norms that exist in the "offline" world and impact digital realities and potential benefits for women.

Only 32.94 percent can afford a smartphone because owning a digital device, which can be a computer or laptop, tablet, modem, television, or smartphone, is still a household decision, and women are generally neither users nor dormant users nor influencers in the decision-making process of the purchase of these devices. Digital access and literacy can go a long way in empowering women through meaningful outcomes like self-employment opportunities and access to education and information on health issues, even in states like Uttar Pradesh, which is known for its patriarchy.

Financial literacy is an important aspect that can help women gain greater control over their own lives, boost their self-esteem, and provide them with equal standing in the family and community decision-making. The respondents were asked about PAN Card; 35 percent of the respondents didn't know about it and 16.77 percent respondents didn't know the difference between PAN Card and ATM card. Only 48.23 percent women had PAN Card and out of this, only 26 women had linked their PAN Card with bank account because of lack of awareness. It is clear that women lag behind in economic activity and financial transaction due to poor financial literacy.

A study conducted by NITI Ayog (2019) supports the current study in which, NITI Aayog index of States, based on their performance on Sustainable Development Goals was calculated. According to this index, the worst performers are Bihar, Manipur, Uttar Pradesh, Gujarat, Haryana and Arunachal Pradesh. Majority (49.41%) of the respondents visit bank occasionally because they preferred withdrawal of money through Aadhaar Card from the Community Service Center (CSC), which was more convenient to them. This may be due to their low literacy rate and lack of confidence in handling financial activities independently. Other reason was that they had trust on the local people operating the CSCs. 24.70 percent of the respondents visit bank once in a month because they are either a FPO member or has a start-up or member of other organization i.e. SHG, Producer Group, Farmer Organization. 21.17 percent of the respondents visit bank fortnightly and only 2.35 percents of them visit weekly once.

Individual's socio-demographic factors such as age, education, income and social-participation have found a significant influence on the accessibility of digital financial inclusion. In addition, these factors have effect on usage of digital mode of financial transactions such as payments made and receipts through mobile phone or using the internet.

Thus for policy and practise, is essential to comprehend the barriers faced by farm-women/ women led FPOs/ agri start-ups and the factors that contribute to gender disparities in Digital & Financial Inclusion.

“We have heard a lot about the Internet of Things-I think we need an Internet of Women” - Christine Lagarde (President of European Central Bank)

Reccomendations

- ✓ Increasing access to and control over smart phones so as to get maximum benefit from the available technology.
- ✓ Encouraging women to handle financial activities on their own, through facilitation of financial institutions.

- ✓ Community Service Centers to be strengthened to empower women of their village in digital & financial literacy.
- ✓ Campaign to help women have pan Card and helping them to link with their bank account.
- ✓ Local development organizations/ institutions e.g. KVKs, NGOs to conduct such training programs regularly and mandatorily, in their activities, to create awareness and build their capacity, as they have more influence on them.

“If we help the women to unleash their power to control their own financial management is to invest in economic inclusion of country”