

reserve bank of india: RBI to soon launch financial literacy drive in 9 states

NEW DELHI: The Reserve Bank will soon launch a financial literacy drive in 80 blocks in nine states on pilot basis to educate people on e-transactions, formal sector borrowings and [insurance](#) purchases.

Six NGOs registered with the Depositor Education and Awareness Fund -- CRISIL Foundation, Dhan Foundation, Swadhaar Fin Access, Indian School of Micro Finance for Women (ISMW), Samarpit and the PACE Foundation -- have been selected to execute the pilot project in collaboration with banks.

"The Reserve Bank is initiating a pilot project on financial literacy at the block level to explore innovative and participatory approaches to financial literacy," [RBI](#) said while inviting expression of interest from agencies to conduct impact assessment of Pilot CFL (Centre for Financial Literacy) Project.

The pilot project, RBI document said will be commissioned in the 9 states of Maharashtra, Chhattisgarh, Bihar, Odisha, Karnataka, Telangana, Andhra Pradesh, Haryana and Uttar Pradesh across 80 blocks by the 6 NGOs in collaboration with the sponsor banks.

The total cost of the pilot project over a period of three years is Rs 18.40 crore.

The aim of the CFL is to inculcate the habit of making a household budget and recording financial transactions, encourage transactions in savings accounts, and active saving by depositing in banks through [fixed deposits](#) and recurring deposits.

Besides, the pilot project aims to ensure people borrow from formal finance institutions and approach banking Ombudsman for redressal of their grievances.

It will also "encourage e-transactions through electronic means viz NEFT, RTGS, IMPS, Internet Banking, Mobile Banking, UPI ([Unified Payment Interface](#)) etc", the document said.

The NGO will be educating people to buy life insurance and pension products.

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