

V K Sharma: Launch of the Financial Literacy Project in Karnataka

Welcome address by Mr V K Sharma, Executive Director of the Reserve Bank of India, at the joint function of the Reserve Bank of India (RBI) and Government of Karnataka on the Financial Literacy Project in Karnataka, Bangalore, 22 March 2010.

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1. On this momentous occasion of the launching of the project on Financial Literacy in Karnataka, it is my honour and privilege to extend a very warm and hearty welcome to Respected Dr Subbarao, Governor, Reserve Bank of India. I also extend a hearty welcome to Shri S. V. Ranganath, Chief Secretary, Govt. of Karnataka, Smt. Shyamala Gopinath, Smt. Usha Thorat, Dr. K. C. Chakrabarty and Dr. Subir Gokarn, Deputy Governors, RBI, Principal Secretaries of the Govt. of Karnataka. I also take this opportunity to welcome the Chairmen and Managing Directors of all banks, all distinguished invitees and guests, Chairman, SLBC, Karnataka, and other senior officials of the State Government, Education Department officials, senior officials of banks, Chairmen of Regional Rural Banks, Lead District Managers, prize-winning students and their proud parents, other students hailing from semi-urban and rural areas and the members of the print & electronic media.

2. Three important events have been scheduled for this afternoon. These events, which are jointly hosted by the Reserve Bank of India and Government of Karnataka, comprise release of textbooks containing material on Financial Education in school curriculum, distribution of prizes to the winners of the State-wide Quiz Competitions and launching of Electronic Benefits Transfer (EBT) Scheme in Karnataka.

3. The background to this momentous event was the decision taken, during the meeting of the respected Governor with Hon'ble Chief Minister of Karnataka, on May 14, 2009 to launch a pilot programme on Financial Literacy in Karnataka in association with the State Government. The programme envisaged introducing financial literacy in the curriculum of schools and colleges in the State of Karnataka. Subsequently, at a high Level meeting between Shri Sudhakar Rao, the then Chief Secretary, Government of Karnataka and Smt. Usha Thorat, Deputy Governor, RBI, it was decided that revision of syllabus and content of textbooks for classes V, VII, VIII and IX would be carried out for the academic year 2010–11. Accordingly, the content for the proposed curriculum change was developed by RBI and formally handed over by the Reserve Bank Governor to the Chief Secretary, Government of Karnataka on September 22, 2009 during the Outreach Programme organized in Doddabelavangala village in Bengaluru Rural district. I am happy to inform you that the textbooks incorporating the content provided by RBI have since been printed and made available by the Government of Karnataka.

4. Another significant decision taken during the meeting of the respected Governor with the Hon'ble Chief Minister of Karnataka on May 14, 2009 was that steps would be taken to make Financial Literacy part of non-formal education. As a follow up to this decision, State-wide Quiz competitions covering the schools, and PU colleges in all the blocks and districts of the State, were held in association with Government of Karnataka, SLBC and the Lead Banks. The literature developed by RBI under "Raju and Money Kumar" series and other material prepared on features of genuine currency notes, etc. were used for conduct of the Quiz competitions in both English and Kannada. RBI, Bangalore, printed around 8.80 lakh booklets for distribution to the targeted schools/colleges through the Lead District Managers and Deputy Directors of the Education Department. The block and district level Quiz competitions culminated in the State Level Quiz Competitions. I am pleased to inform this august audience that distinguished dignitaries sitting on the dais will give away the prizes to the winners of the State Level Quiz Competition.

5. Finally, I would like to say a few words about Electronic Benefit Transfer (EBT) Scheme which is formally being launched today by Chief Secretary, Shri S.V. Ranganath. This was a sequel to Governor's meeting with senior officials of the State Government, commercial banks and financial institutions represented in Karnataka on May 14, 2009, where it was decided that all issues relating to implementation shall be resolved to facilitate its implementation in the State. Accordingly, steps were taken to implement the scheme as a pilot in Bellary, Chitradurga and Gulbarga districts under "One district-multiple banks" model for routing payments through "no frills" accounts, or other bank accounts, under Mahatma Gandhi Rural Employment Guarantee Programme and Social Security Pensions schemes. Such account-holders will be issued biometric smart cards with individual IDs. Later on, the Government of Karnataka identified three other districts viz. Chamarajanagar, Mandya and Dharwad for implementation of the scheme under "One district- one bank" model. This entire initiative is being planned and executed in co-ordination with the State Government, SLBC and the respective Lead banks of the above six districts.

6. I am sure that today's momentous and landmark event would be a watershed in the march of the State of Karnataka towards financial inclusion and inclusive growth and sustainable prosperity and going forward would pave the way for its replication across the entire country.

7. I once again extend my warm welcome to all the dignitaries. My special welcome to the young students whose participation would undoubtedly make today's programme more lively, vibrant and enriching.

Thank you all so very much indeed!