

# Advancing Digital Financial Inclusion for Garment Workers in India

Impact for Women and Business



The garment and textile sector in India employs over 45 million workers, 60 percent of whom are women. Workers have been paid into accounts since 2017, following the government of India's demonetization drive. However, limited support was provided to workers to use and benefit from their payroll accounts. Research conducted in 2019 found that most workers were withdrawing 100 percent of their wages on payday. 57 percent of female garment workers reported needing assistance to use an ATM, and many handed over their ATM card to others to withdraw money.<sup>1</sup>

A study conducted at four garment factories that participated in HERfinance found that financial capability workplace programs can lead to benefits for both workers and businesses.<sup>2,3</sup>

- **Workers** started using a range of financial products and services, including savings, remittances, and mobile financial services. Female workers reported an improved financial resilience and an increase in control over their wages. There also was a ripple effect, with workers sharing learning with their families and communities.
- **Managers** reported that increased worker financial capability to use mobile financial services to pay bills and transfer money led to a decrease in worker absenteeism. They also reported that going beyond compliance to help workers enroll in, use, and benefit from government employee state insurance (ESI) and provident funds (PF) was improving worker-manager relations.



# Female workers became active users of a range of financial services

1 in 3 female workers started conducting financial transactions on their own, including using an ATM without assistance



**1 in 3 women** started conducting financial transactions **on their own**



**79% of women** registered their mobile phone to their bank account

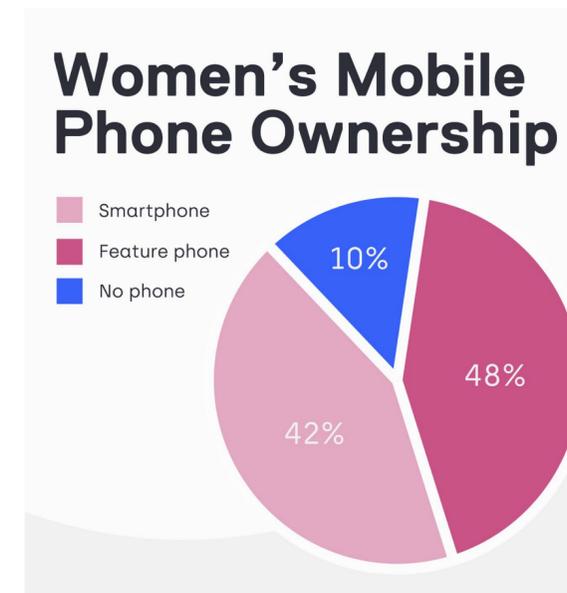
Increased knowledge of and confidence in using mobile financial services led to 79% of women and 91% of men registering their mobile phone to their bank account following participation in the training



**1 in 3 female workers** started using mobile financial services



1 in 3 workers (both male and female) started using mobile financial services, including to pay electricity bills, send remittances, and top up airtime



During the pilot period, one in two women obtained a mobile phone. 48% reported having a feature phone, and 42% a smart phone. In comparison, 99% of men reported having a mobile phone of which 85% were smart phones and 14% were feature phones.

“

I have learned information on using digital financial services during the training. I can now use Google pay and Phone Pe independently; I can send money to my parents and pay my bills online. I feel very happy as it saves my time and also helps me to track the money I spend every month.

- RATHNAMMA, 41 YEAR OLD PEER EDUCATOR, BENGALURU



# Male and female workers increased their financial resilience

**1 in 3**  
**workers**  
started saving most  
months or every month

₹

This infographic features a dark pink background. At the top, the text '1 in 3 workers' is written in large white font, with 'workers' in a smaller font. Below it, the text 'started saving most months or every month' is in a smaller white font. To the right, there is a white circle containing the Indian Rupee symbol (₹). At the bottom, there are three white piggy bank icons, each with the Indian Rupee symbol (₹) on its side, arranged in a row.

↑ 1 in 3 workers (both male and female) started saving most or every month; and keeping savings in their bank account

**2 in 5**  
**workers reported**  
**increased confidence**  
in meeting expected  
and any unexpected  
expenses

This infographic has a light grey background. The text '2 in 5 workers reported increased confidence' is in large black font, with 'workers reported' in a smaller font. Below it, the text 'in meeting expected and any unexpected expenses' is in a smaller black font. To the right, there are two illustrations: a white money bag with a pink exclamation mark and a pink coin with the Indian Rupee symbol (₹).

↑ 2 in 5 workers (both male and female) reported increased confidence to meet future expected costs or unexpected financial emergencies



“Before joining [HERfinance] training I never thought about my old age days and how I will manage. But after the training I have already opened a pension account in the post office and from now onwards I have started saving 1,000/- rupees every month for my future.”

- PRAMEELA BAI, PEER EDUCATOR, BENGALURU

## Financial behaviors within the family changed



**1 in 6 women** have increased control over their wages by making joint decisions on how to manage it with their families

The infographic features a grey background with a pink border. It includes a speech bubble with a rupee symbol (₹) and another with horizontal lines. The text is in a bold, sans-serif font.

↑ 1 in 6 women and 1 in 7 men started discussing their salary with their families and making a joint decision on how to use it



**1 in 6 women** stopped handing over their wages to their husbands

The infographic features a grey background with a pink border. It includes a rupee symbol (₹) in a circle, two hands holding a rupee symbol, and two circles with an 'X' inside. The text is in a bold, sans-serif font.

↑ 1 in 6 women stopped handing over their wages to their husbands to manage

“

I used to depend on my son to withdraw cash and he would take out extra money without my knowledge. I own an ATM card since last 4-5 years but never knew how to use it.

After attending HERfinance training, I have not only started using ATM but also able to navigate a smartphone and make digital payments. Now I can easily check my balance and have better control over my expenses.

- BERNALI, 35 YEAR OLD PEER EDUCATOR, DELHI NCR

## Workers shared their learning with their families and communities

“

I taught my mother and father [in my village] how to use ATM. Earlier they used to stand in long queues at the bank to withdraw money.

- MONU, PEER EDUCATOR, DELHI NCR

“

I have taught 10 people in my community how to use USSD<sup>4</sup> services and 8 out of them are actively using it.

- JONNY, PEER EDUCATOR, DELHI NCR



## Managers reported increased productivity

“

We have observed that now workers are taking less leave to withdraw cash or to pay electricity bills and school fee. This has also strengthened management and worker engagement as more workers are approaching us to learn about different social protection schemes and benefits.

- PRABAKHAR SHARMA, MANAGER, DELHI NCR

“

The biggest advantage we got out of HERfinance is that it acted as a catalyst in promoting linkage of mobile numbers of the workers with their Aadhaar [unique identification number] and bank accounts. This has reduced the burden on our HR team to repeatedly ask the workers to link their phone numbers with ESI and PF schemes.

- SAMEER SHARMA, MANAGER, DELHI NCR



“

During the pilot we realized some of our female workers had been taking time off every month just to withdraw their wages. They lacked confidence with ATMs and so had opened accounts that meant they had to go to the branch instead. Their male counterparts were using ATM cards and therefore weren't affected in the same way.

- ARATI, FACTORY WELFARE OFFICER, DELHI NCR

# Managers reported improvement in worker-manager relationships



↑ 1 in 4 managers increased their rating of relationships with their workforce from positive to very positive



↑ 1 in 2 female workers increased their workplace satisfaction rating from satisfied to very satisfied



“Workers were afraid about making transactions through the bank and were saving money in chit funds, and some had been cheated. This training helped them to overcome their fears and make the right financial decisions. Most of our female workers would not discuss finances with their family members, but nowadays, many involve their families in the budget planning which has improved mutual respect for each other.”

- SHASHIKALA, HR MANAGER, BENGALURU

# HERfinance Resources

The following HERfinance India resources are readily available online:

## HERfinance Posters

A set of seven posters with information about financial services, including how to use mobile banking without internet and financial management. They are available in [Gujarati](#), [Hindi](#), [Kannada](#), [Tamil](#) and [English](#).

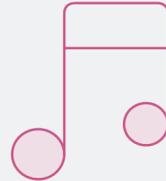


## Financial Capability Strengthening

A set of six financial capability modules to train workers about the technical aspects of how to use their payroll accounts and associated financial services, as well as lessons on financial planning, budgeting, savings, and discussing finances with their families. These modules are designed to help workers manage and control their money, building independence and resilience in the process.

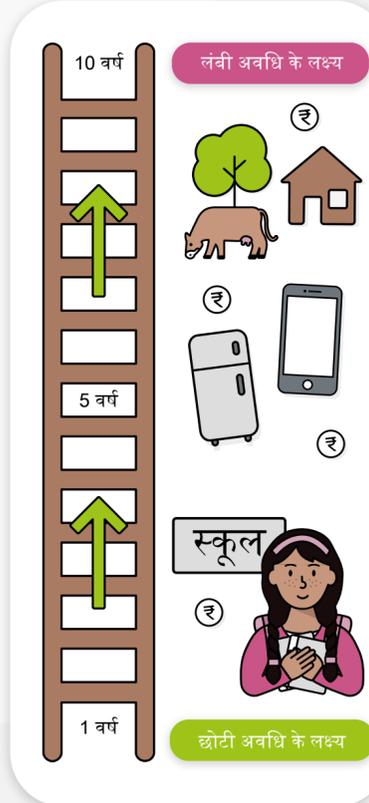
## HERfinance Audio Message

A song that can be played on the public address (PA) system and provides information about using financial services. It is available in Hindi, Gujarati, Kannada, Tamil and Assamese.



# वित्तीय योजना

आपके वित्तीय लक्ष्य क्या हैं?



**ध्यान रखें**  
अपने लक्ष्यों पर चर्चा करें और अपने परिवार के साथ बचत करें  
अपने लक्ष्यों को प्राप्त करने के लिए अपने डिजिटल खाते में बचत करना शुरू करें और अपने खर्च की निगरानी करने के लिए अपने बैंक खातों को चेक करते रहें।

"मेरा लक्ष्य है कि मैं अपनी बेटी को कॉलेज भेजूं। मैं अपने गाँव में खेती के लिए कुछ जमीन भी खरीदना चाहती हूँ। मैंने अपने परिवार के साथ बैठकर योजना बनाई है कि हमें अपने लक्ष्यों तक पहुँचने के लिए हर महीने कितनी बचत करनी होगी।"

# ಇಂಟರ್ನೆಟ್ ಇಲ್ಲದೆ ಮೊಬೈಲ್ ಬ್ಯಾಂಕಿಂಗ್



**ಟೆಲಿಕಾಂ ಸಂಪರ್ಕ ಸೇವೆಯನ್ನು ಹೊಂದಿದ ಯಾವುದೇ ಮೊಬೈಲ್ ಫೋನ್ ಬಳಸಿ**

ಕೀ ಪ್ಯಾಡ್ ಫೋನ್ ಸ್ಟಾರ್ಟ್ ಫೋನ್

ಇಂಟರ್ನೆಟ್ ನ ಅವಶ್ಯಕತೆ ಇಲ್ಲ

**ನಿಮಗೆ ಬೇಕಾಗಿರುವುದು**

ಮೊಬೈಲ್ ನೆಟ್‌ವರ್ಕ್ ಸೇವೆಯಲ್ಲಿ ನೋಂದಾಯಿತ/ರಿಜಿಸ್ಟರ್ ಆಗಿರುವ ಸಿಮ್

ನಿಮ್ಮ ಮೊಬೈಲ್ ನಂಬರ್ ನ್ನು ನಿಮ್ಮ ಬ್ಯಾಂಕ್ ಖಾತೆಗೆ ಲಿಂಕ್ ಮಾಡಿರಬೇಕು

ನಿಮ್ಮ ಬ್ಯಾಂಕ್ ಖಾತೆಯ ಡೆಬಿಟ್ ಕಾರ್ಡ್

**ಯುಎಸ್ ಎಸ್ ಡಿ ಸೇವೆಗಳ ನೋಂದಾವಣೆಯನ್ನು ಈ ಪ್ರಕಾರ ಮಾಡಿ**

ನೋಂದಾಯಿತ ಮೊಬೈಲ್ ನಂಬರ್ ನಿಂದ \*99# ನ್ನು ಡಯಲ್ ಮಾಡಿ

ಮನುವಿನಿಂದ ನಿಮ್ಮ ಬ್ಯಾಂಕ್ ನ್ನು ಆಯ್ಕೆ ಮಾಡಿ

ನಿಮ್ಮ ಬ್ಯಾಂಕ್ ಖಾತೆಯನ್ನು ಪಟ್ಟಿಯಿಂದ ಆಯ್ಕೆ ಮಾಡಿ

ನಿಮ್ಮ ಯುಪಿಐ ಐಡಿ ಪಿನ್ ನ್ನು ಸೆಟ್ ಮಾಡಿರಿ :

ಎ) ನಿಮ್ಮ ಡೆಬಿಟ್ ಕಾರ್ಡ್ ನ ಮುಂಭಾಗದಲ್ಲಿರುವ ಕೊನೆಯ 6 ಅಂಕಗಳನ್ನು ನಮೂದಿಸಿ

ಬಿ) ಮುಕ್ತಾಯ ದಿನಾಂಕವನ್ನು ನಮೂದಿಸಿ

ಸಿ) ನಿಮ್ಮ ಪಿನ್ ಸಂಖ್ಯೆಯನ್ನು ನಮೂದಿಸಿ ದೃಢೀಕರಿಸಿ

ಯು ಎಸ್ ಎಸ್ ಡಿ ಸೇವೆಗಳನ್ನು ಬಳಸಲು \*99# ನ್ನು ಮತ್ತೊಮ್ಮೆ ಡಯಲ್ ಮಾಡಿ

**ಯುಎಸ್ಎಸ್ ಡಿ ಪ್ರಯೋಜನಗಳು ಮತ್ತು ಸೇವೆಗಳು**

ಹಣ ಕಳುಹಿಸಲು

ಹಣವನ್ನು ಸ್ವೀಕರಿಸಲು

ಬಾಕಿ ಇರುವ ಪಾವತಿಯನ್ನು ಚೆಕ್ ಮಾಡಲು

ನಿಮ್ಮ ಖಾತೆಯಲ್ಲಿ ಉಳಿದಿರುವ ಹಣವನ್ನು ಮತ್ತು ನಿಮ್ಮ ಕೊನೆಯ 5 ವಹಿವಾಟುಗಳನ್ನು ಪರಿಶೀಲಿಸಲು

ಅಗತ್ಯವಿದ್ದರೆ ನಿಮ್ಮ ಒಬಿ ಐ ಪಿನ್ ನಂಬರ್ ನ್ನು ಬದಲಾಯಿಸಬಹುದು

ನಿಮ್ಮ ಟೆಲಿಕಾಂ ಸೇವೆಯನ್ನು ಒದಗಿಸುವವರು USSD ಸೇವೆಯನ್ನು ಬಳಸುವುದಕ್ಕಾಗಿ ಪ್ರತಿ ವಹಿವಾಟಿಗೆ 0.50 ಪೈಸೆ ಯನ್ನು ಚಾರ್ಜ್ ಮಾಡುವರು

ಒಂದು ಬಾರಿ ಗೆ 5000 ರೂಪಾಯಿ ಮತ್ತು ವರ್ಷಕ್ಕೆ 50,000 ರೂಪಾಯಿಯ ತನಕ ವಹಿವಾಟನ್ನು ಮಾಡಬಹುದು

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This report was developed by Ella Moffat and Mansi Gupta at BSR HERproject, with input from Christine Svarer, Justin Hui, Kamrul Shuvo and Sethypong Sok at BSR.

Photo credit: BSR/Satish V M

BSR<sup>®</sup> | HERproject<sup>®</sup>

BSR's HERproject™ is a collaborative initiative that strives to empower low-income women working in global supply chains. Bringing together global brands, their suppliers, and local NGOs, HERproject drives impact for women and business via workplace-based interventions on health, financial inclusion, and gender equality. Since its inception in 2007, HERproject™ has worked in more than 900 workplaces across 14 countries and has increased the well-being, confidence, and economic potential of more than 1 million women and 620,000 men.

For more information, please visit [www.herproject.org](http://www.herproject.org)

## Learn More

For more information about HERfinance, please visit [HERfinance Resource Hub](#), for insights, information and engaging tools that support financial capability and wage digitization in global supply chains.

## References

<sup>1</sup> “Financial Behavior of Female Garment Workers in India.” BSR HERproject & Microsave Consulting, October 2019.

<sup>2</sup> Surveys conducted with 200 workers (50 percent female) and 8 managers at the start of the program, and 200 workers (50 percent female) and 7 managers at the end of the program.

<sup>3</sup> Three factories in Delhi NCR (1,866 workers, 33 percent female) and one factory in Bengaluru (750 workers, 80 percent female).

<sup>4</sup> Unstructured Supplementary Service Data (USSD) allows basic mobile banking transactions to be conducted through a basic feature phone, without needing mobile internet.