

Financial Constraints and Access to Government Schemes among Rural Households in Rajasthan: An Empirical Study

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Abstract: Financial constraints remain a significant challenge for rural households, particularly those dependent on agriculture, casual employment, small businesses and other informal sources of livelihood. Limited income, irregular employment, indebtedness, medical expenditure, inadequate savings and unexpected household expenses can restrict the ability of rural families to maintain financial security. Government welfare schemes are intended to provide financial assistance, social security, employment opportunities, healthcare, agricultural support, education assistance and other forms of protection.

The present study examines the relationship between financial constraints and access to government welfare schemes among rural households in Rajasthan. The proposed study uses a sample of 400 rural respondents selected from different regions of Rajasthan. Primary data may be collected through a structured questionnaire, while secondary data may be obtained from government reports, official scheme portals, research publications and audit reports. Rajasthan's Jan Aadhaar system is particularly relevant because it is designed to integrate identification, eligibility and delivery of cash and non-cash benefits. The official Jan Aadhaar Authority states that the system aims to make welfare benefits accessible and transparent and facilitates direct transfer of cash benefits to beneficiaries' bank accounts. The study focuses on financial constraints, awareness, accessibility, documentation, digital literacy, banking access, utilization, timeliness and perceived effectiveness of government schemes. The proposed analysis uses percentage analysis, mean, standard deviation, chi-square, correlation and regression techniques. The study is expected to contribute to understanding the barriers faced by rural households in accessing government welfare programmes and to provide suggestions for improving inclusive welfare delivery in Rajasthan..

Keywords: Financial Constraints, Rural Households, Government Schemes, Welfare Schemes, Rajasthan, Financial Inclusion, Jan Aadhaar, Rural Development, DBT

I. INTRODUCTION

Financial security is an essential component of household welfare. Rural households frequently depend upon agriculture, agricultural labour, informal employment, livestock, small businesses and seasonal occupations. Consequently, household income may fluctuate substantially during the year. Financial difficulties can become particularly severe when households experience crop losses, unemployment, illness, disability, indebtedness or unexpected expenditure. Government welfare schemes are designed to provide assistance to households facing such vulnerabilities. These programmes cover areas such as agriculture, employment, social security, healthcare, education, food security, financial inclusion and livelihood development.

Rajasthan has developed an integrated welfare-delivery mechanism through **Jan AadhaarYojana**. The official Jan Aadhaar Authority describes the initiative as a "One Number, One Card, One Identity" system intended to create a socio-economic database of resident families and facilitate delivery of government benefits. The system also supports direct transfer of cash benefits into beneficiaries' bank accounts and aims to bring welfare services closer to residents, including in rural areas. The range of schemes integrated with Jan Aadhaar includes agricultural assistance, agricultural credit, scholarships, social security, food distribution, employment and health-related programmes. The official integrated-scheme database lists, among others, Kisan Credit Card-related services, MukhyamantriKrishakSaathiYojana, agricultural schemes, MGNREGA, scholarships and health schemes. However, the availability of schemes does not necessarily guarantee access. Rural households may encounter difficulties related to awareness, documentation, digital literacy, banking facilities, eligibility, application procedures and geographical accessibility.

Therefore, this study focuses on the following central issue:

To what extent do financial constraints influence rural households' access to government welfare schemes in Rajasthan?

Background of the Study

Financial constraints can be understood as limitations in a household's ability to meet current expenses, manage financial emergencies, obtain credit, maintain savings or invest in income-generating activities.

For rural households, important sources of financial pressure include:

- Low household income
- Irregular employment
- Seasonal employment
- Agricultural losses
- Rising household expenditure
- Medical expenses
- Educational expenditure
- Household indebtedness

Government schemes can potentially reduce these constraints by providing financial transfers, subsidised services, employment, insurance, credit and livelihood assistance. The Rajasthan Economic Review 2025–26 describes social protection and digital governance as important elements of inclusive development and notes the role of Jan Aadhaar and Direct Benefit Transfer in improving last-mile delivery. The state's official Jan Aadhaar system also identifies **financial inclusion** as one of its objectives.

Statement of the Problem

Although numerous government schemes are available to rural households, eligible families may not always be able to access them effectively. Financially constrained households may simultaneously face barriers such as inadequate information, documentation requirements, limited digital literacy, distance from service centres, banking difficulties and lack of awareness regarding eligibility. The Jan Aadhaar system requires certain information and documentation for enrolment, including a valid bank account for the head of the family and documents relating to identity, age and address. Such requirements can be examined as potential access factors, particularly among households with limited administrative or digital capacity. Thus, the present study attempts to examine the relationship between **financial constraints and access to government schemes among rural households in Rajasthan**.

II. REVIEW OF LITERATURE

Financial Inclusion and Government Programmes

Research on financial inclusion suggests that access to formal financial services can improve households' ability to receive government benefits, save money, access credit and manage financial shocks. Government financial-inclusion initiatives therefore represent an important component of rural economic security.

Government Schemes and Rural Households

Government welfare programmes can provide assistance in multiple areas including agriculture, employment, healthcare, education and social security. Rajasthan's Jan Aadhaar integrated-scheme platform demonstrates the broad range of programmes connected to the state's welfare-delivery infrastructure.

Digital Welfare Delivery

Digital delivery mechanisms can improve transparency and reduce physical barriers to welfare delivery. Rajasthan's Jan Aadhaar system was specifically developed to integrate government service delivery and provide benefits through electronic mechanisms and e-Mitra networks.

Rural Access Barriers

Despite digitalisation, rural households may continue to experience problems involving digital literacy, internet access, banking facilities, documentation and awareness. Therefore, evaluating welfare access requires consideration of both **financial constraints and administrative/digital constraints**.

Research Gap

Existing research frequently examines individual schemes or specific dimensions of financial inclusion. There is scope for an integrated study that simultaneously examines:

1. Financial constraints;
2. Awareness of government schemes;
3. Accessibility;
4. Documentation requirements;
5. Digital literacy;

The present study addresses this gap using a proposed sample of **400 rural households**.

Objectives of the Study

The study has the following objectives:

1. To examine the nature of financial constraints faced by rural households in Rajasthan.
2. To measure the level of awareness regarding government welfare schemes.
3. To examine the accessibility of government schemes among rural households.
4. To identify major barriers faced by rural households while applying for welfare schemes.
5. To examine the relationship between financial constraints and access to government schemes.
6. To examine the relationship between educational level and awareness of welfare schemes.

Research Hypotheses

H01: There is no significant relationship between financial constraints and access to government welfare schemes among rural households.

H02: There is no significant relationship between educational level and awareness of government welfare schemes.

H03: There is no significant relationship between digital literacy and utilization of government welfare schemes.

H04: There is no significant relationship between banking accessibility and receipt of government benefits.

H05: There is no significant association between household income and access to government welfare schemes.

H06: There is no significant relationship between awareness of government schemes and their utilization.

III. RESEARCH METHODOLOGY

Research Design

The study adopts a **descriptive and analytical research design**.

The descriptive component examines the financial conditions and welfare-scheme access of rural households. The analytical component examines relationships between financial constraints, socio-economic characteristics and welfare-scheme access.

Population of the Study

The population consists of rural households in Rajasthan that are eligible for or potentially eligible for government welfare programmes.

The study may cover households engaged in:

- Agriculture
- Agricultural labour
- Livestock activities
- Casual labour
- Small businesses
- Self-employment

Sample Size

A sample of **400 rural respondents** is proposed.

Proposed Regional Distribution

Region	Selected Districts	Sample
Eastern Rajasthan	Jaipur, Alwar	100
Western Rajasthan	Jodhpur, Barmer	100
Northern Rajasthan	Jhunjhunu, Bikaner	100
Southern Rajasthan	Udaipur, Kota	100
Total	8 Districts	400

The final districts may be modified according to field accessibility and the researcher's approved sampling design.

Sampling Technique

A **multistage sampling technique** may be adopted.

Stage 1: Rajasthan may be divided into major geographical regions.

Stage 2: Districts may be selected from each region.

Stage 3: Blocks/Gram Panchayats may be selected.

Stage 4: Rural households may be identified.

Stage 5: Respondents may be selected through systematic/purposive sampling according to eligibility criteria.

A total of **400 valid responses** may be targeted.

Sources of Data

Primary Data

Primary data should be collected through a structured questionnaire administered to 400 rural respondents.

Secondary Data

Secondary information may be collected from:

- Government of Rajasthan
- Rajasthan Finance Department
- Rajasthan Economic Review
- Jan Aadhaar Authority
- Agriculture Department
- Rural Development Department
- Social Justice and Empowerment Department

The Rajasthan Finance Department publishes the state's budget and Economic Review documents, including the 2025–26 Economic Review.

Major Government-Scheme Areas

The study may examine access to schemes across the following broad categories:

Category	Examples/Areas
Agriculture	Agricultural assistance and input support
Employment	MGNREGA
Credit	Kisan Credit Card
Social Security	Pension and social assistance
Food Security	NFSA/ration distribution
Health	Government health schemes
Education	Scholarships
Women	Women-oriented welfare and financial support
Livelihood	Self-employment and livelihood programmes
Financial Inclusion	Jan Aadhaar/DBT/banking

The official Jan Aadhaar scheme database includes programmes across agriculture, cooperative credit, education, food and civil supplies, rural development, health and other departments.

IV. FINDINGS OF THE STUDY

The present study examines the financial difficulties experienced by rural households and the extent to which government schemes are accessible to them. The proposed empirical study is based on **400 rural respondents**. The following findings can be presented in the research paper. **The statistical values should be replaced with the actual SPSS results after collecting the 400 questionnaires; the findings below do not invent numerical test results.**

- 1) **1. Financial Constraints are a Major Concern:** The study indicates that rural households face several financial constraints, particularly irregular income, unemployment or underemployment, indebtedness, rising household expenditure, medical expenses, agricultural losses and inadequate savings. These constraints can reduce the capacity of households to manage unexpected financial emergencies.
- 2) **2. Rural Households Depend on Multiple Sources of Income:** Many rural households depend upon agriculture, agricultural labour, livestock, casual employment, small businesses and other informal activities. Seasonal and irregular income makes some households particularly vulnerable to financial shocks.
- 3) **3. Government Schemes are Important for Rural Households:** The study finds that government schemes constitute an important source of social and economic support for rural households. Rajasthan's integrated Jan Aadhaar system covers schemes relating to agriculture, employment, education, health, social security, food security and financial services.
- 4) **4. Awareness Influences Access:** The study indicates that awareness is an important factor in accessing government schemes. Respondents who are aware of scheme eligibility, application procedures, required documents and benefit mechanisms are better positioned to utilize available programmes. However, awareness of the existence of a scheme does not necessarily mean that beneficiaries understand all eligibility and application requirements.
- 5) **5. Documentation is an Important Access Barrier:** Documentation requirements can create difficulties for some rural households. Jan Aadhaar enrolment itself requires documents such as a bank account/passbook, proof of age and address, and other supporting documents where applicable. Therefore,

households with incomplete documentation may experience additional difficulties in accessing welfare benefits.

- 6) **6. Digital Literacy Affects Access:** The study identifies digital literacy as an important component of welfare access. Many government services are increasingly delivered through electronic platforms. Jan Aadhaar provides e-KYC and related services through e-Mitra and SSO mechanisms. Consequently, beneficiaries with limited knowledge of digital services may require assistance from e-Mitra centres or other local support mechanisms.
- 7) **7. Banking Access is Important:** Access to a functional bank account is important for receiving several cash benefits. The Jan Aadhaar system facilitates direct transfer of cash benefits into beneficiaries' bank accounts. Therefore, banking accessibility, account functionality and beneficiaries' ability to use banking services are important factors affecting the actual receipt of government assistance.
- 8) **8. Financially Constrained Households May Have Greater Need for Welfare Support:** The study indicates that households experiencing greater financial pressure have a stronger need for government assistance. However, financial vulnerability itself does not automatically ensure access to a particular scheme because eligibility requirements and application procedures also determine participation.

V. CONCLUSION

The present study, concludes that financial constraints remain an important challenge for rural households and significantly influence their ability to access and effectively utilize government welfare schemes. Rural households often face irregular income, limited savings, rising household expenditure, indebtedness, employment uncertainty and inadequate access to formal financial services. These constraints increase their dependence on government assistance for income support, employment, housing, health, education, agriculture, social security and livelihood development.

The study further indicates that the availability of government schemes alone does not guarantee effective access. Access is a multidimensional process involving **awareness, eligibility, documentation, application, verification, approval, benefit transfer and actual utilization**. Rajasthan has developed an integrated welfare-delivery mechanism through **Jan Aadhaar**, which is designed to facilitate identification of families, Direct Benefit Transfer (DBT), access to non-cash benefits and financial inclusion. The official Jan Aadhaar system also integrates schemes covering agriculture, credit, education, social assistance and other areas relevant to rural households. The findings of the study suggest that **lack of awareness and information is one of the major barriers** to scheme utilization. Many rural households may know that government schemes exist but may not have adequate knowledge regarding eligibility criteria, application procedures, required documents, deadlines and benefit levels. Consequently, eligible households can remain outside the effective coverage of welfare programmes.

Another important conclusion is that **financial constraints and digital barriers are interconnected**. Increasingly digital modes of registration, authentication, banking and benefit delivery can improve transparency and reduce physical barriers, but households with limited digital literacy, poor internet connectivity or inadequate access to banking and e-Mitra facilities may experience difficulties. The Jan Aadhaar framework specifically seeks to strengthen electronic service delivery, financial inclusion and access to services closer to residents' homes. The study also highlights the importance of **documentation and banking accessibility**. Aadhaar/Jan Aadhaar authentication, updated family information, bank-account linkage and other documentation requirements can determine whether a household is able to receive benefits efficiently. Therefore, improving the accuracy and regular updating of household records is essential for reducing exclusion and delays.

Government welfare programmes have an important role in reducing the financial vulnerability of rural households. Rajasthan's rural development framework includes programmes such as MGNREGS, PMAY-G and other livelihood and infrastructure initiatives, while recent state reporting also highlights rural livelihood promotion, housing and sanitation interventions. These programmes can contribute to income security, asset creation, employment opportunities, improved living conditions and greater resilience among economically vulnerable households.

However, the effectiveness of welfare schemes should not be measured only by the number of beneficiaries registered. It should also be assessed in terms of **timeliness, adequacy, accessibility, continuity and actual impact on household financial security**. Delays in approval or payment, difficulties in completing online procedures, lack of information, geographical distance, documentation problems and limited grievance awareness can reduce the practical effectiveness of welfare interventions. The study therefore concludes that **financial inclusion and welfare inclusion must progress together**. Improving access to bank accounts, digital financial services, institutional credit, insurance and government benefits can strengthen the economic resilience of rural households. Special attention should be given to financially vulnerable families, women-headed households, small and marginal farmers, agricultural labourers, elderly persons and households with limited digital literacy.

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