CHAPTER 2
RESEARCH METHODOLOGY

2.0 Introduction

Research methodology is required while conducting a research, irrespective of the field in which the research is being conducted. In a social science research, methodology is important because of the fact that the reliability of research depends on the quality and credibility of the methodology. Since the concept and relevance of personal financial literacy is expected to grow all over the world, it will continue as a prominent research topic in the coming years.

2.1 Statement of the Research Problem

Rapid economic growth in India in recent years has brought in its wake a number of concerns which relate to expanding its growth across regions, sectors and people. The major objectives of economic policies are ensuring economic growth, improving economic efficiency and spreading the benefit of growth to all sections of the society. The financial sector in the country has also experienced revolutionary changes but there exist a large number of people, especially marginalised people whom the financial sector revolution has silently passed without much impact. To the people who are on the higher echelons of the society, economic and financial sector reforms have placed before them higher disposable income and a variety of financial services and products. Availability of a variety of financial products and services which are provided by a host of financial intermediaries has necessitated that the people should understand the pros and cons of each product, supplier, gains and losses,
liabilities etc before taking a decision. At the same time, those who are not part of the formal financial system need to be educated about the benefits of prolonged dealings with banking and other formal financial systems. Financial literacy is considered an important requirement for promoting financial inclusion and ultimately financial stability of the privileged as well as marginalised people. Financial literacy is beneficial both to the ‘included’ as well as ‘excluded’ categories of people. Financial literacy would benefit the financially excluded people by enabling them to understand the benefits and the ways to join the formal financial system. It could also benefit the financially included by helping them make informed choices about the products and services available in the market to their best advantage.

Financial literacy of the poor or marginalised is a powerful tool for achieving the objectives of helping them to come out of the vicious cycle of poverty, as it aims at changing their attitude towards managing both money and their life, building sustainable financial knowledge and skills. Financial literacy movement aims at bringing financial independence and prosperity in their lives by helping them to effectively manage their earnings. It helps the poor to follow a financial strategy which enables them to build capital and assets, and eventually come out of debt trap. This ultimately leads to financial empowerment which enables them to live happily.

The role of financial literacy has attained increasing attention in developed and developing countries in recent years. Financial development and poverty reduction are the key elements of concern for developing economies. In
India, Reserve Bank of India promulgated a drive for ‘financial inclusion’ (RBI, 2005). Financial inclusion is the delivery of banking services at an affordable cost to the disadvantaged and low income groups. It aims at utilising the financial potential of an area for the development of people there ensuring that every household is connected to the banking system (RBI, 2008).

Financial literacy is one of the prerequisites for effective financial inclusion which will ensure that financial services should reach the unreached and under reached sections of the society. Financial literacy is considered an important adjunct for promoting financial inclusion and ultimately financial stability. The need for financial literacy is even greater considering the low levels of literacy and the large section of the population, which still remains out of the formal financial setup. In the context of financial inclusion the scope of financial literacy is relatively broader and it acquires greater significance since it could be an important factor in the very access of such excluded groups to finance.

India has a long history of governmental effort to ferry financial services to the poor people and informal sector workers. The early beginnings can be traced to the co-operative societies initiated at the start of 20th century, and later by the nationalisation of commercial banks in 1969&1980, setting up of specialised institutions like RRBs, SHG-Bank linkage programmes in 1990s, and different financial products like no frill accounts, Kissan Credit cards etc. These initiatives brought about greater inclusion of the poor people all over India.
It is to be studied whether the availability of both formal and informal finance services on the one hand and unbridled demand for money in the context of economic growth on the other have put the poor and marginalised in a debt trap or whether they are managing their finance domain effectively. In Kerala, a research study has not yet been done by any agency regarding the income, saving, spending, investment and overall money management behaviour of the Below Poverty Line (BPL) people or marginalised people. The study entitled “Financial Literacy of Economically Marginalised People of Kerala” is done to assess measure and analyse the financial literacy levels of the economically marginalised people. This study will help to fix guidelines for the implementation of financial inclusion program in letter and spirit as financial literacy is one of the prerequisites for financial inclusion. It has an impact on individual’s welfare and well being as low financial literacy would lead to improper savings and investments which can again lead to financial exclusion and financial problems.

So far as no studies were conducted in Kerala to find answers to certain questions like whether the poor save, if they save where and for what purpose, the spending and borrowing pattern and what constraints they face in dealing with formal banking etc. Therefore, this research proposes to make an in-depth study about the financial behaviour of the people at the bottom of the pyramid. The level of financial literacy is assessed primarily on the basis of information given by the sample respondents. The study also aims to propose measures to
Government, RBI, Commercial Banks and NGOs to initiate financial literacy programmes for the welfare and safety of the excluded sections of the society.

2.2 Significance of the Study

The state of Kerala has long been of interest to development researchers as its level of social development is much higher than that of its economic development. It is characterised by low birth rate, high life expectancy and an even sex balance and ranks top of the fifteen biggest states in India on the Human Development Index (IHDR, 2011). Kerala is having the best working conditions and highest wages in both organised and unorganised sector compared to other states in India thanks to the powerful trade unions. At the same time Kerala is having the highest unemployment rate that affects educated young people in particular. Despite this, people of Kerala are less likely to be poor than most other Indians. In this context, a research study on the personal financial management of the marginalised people entitled ‘Financial Literacy of Economically Marginalised People of Kerala’ is relevant.

2.3 Rationale of the Study- Link between Financial Literacy and Financial Wellbeing

Financial literacy and financial wellbeing are mutually related. Financial wellbeing is the ability to have ‘our wealth serve our life’ - to have the financial means to comfortably attain whatever personal goals a person has to enjoy a gratifying lifestyle. Sociological research data indicate that four factors strongly predict happiness and overall well-being in most cultures: health, economic status, employment, and family relationships. Economic status is influenced by
financial literacy. People are happier when they are healthy, employed, married or in a committed relationship and at the same time financially secure. Therefore financial capability and financial competence influence a person’s wellbeing. The opportunity accorded to people to engage with the formal financial system and how well they manage the money they have will influence their standard of living and the standard of living of those for whom they are responsible.

The financial sector in India has of late evolved in multifarious dimensions affecting the lives of the various strata of the society. With more focus on inclusive growth in the sector, the need for financial literacy was never highlighted so much in the past as it is now. Like never before, researchers, public authorities, community groups, industry associations and international organisations are developing financial education initiatives and want to understand how people can become financially literate or in other words, to have the knowledge, understanding, skills and competence to deal with everyday financial matters and make the right choices for their needs.

2.4 Financial Literacy of Economically Marginalised People

People need knowledge and opportunity to participate fully in the life of their community if they want to flourish and realise their potential. But certain sections in the society suffer from prolonged financial as well as social exclusion. Financial exclusion often causes sustained poverty or alternatively sustained poverty may cause financial exclusion. Economically marginalised people are also financially excluded. Economic marginalisation is a process that relates to economic structure and in particular to the structure of the
financial market and their integration. To the extent that from the formal financial market, some individuals or groups are segregated in general, these individuals or groups can be said to be marginalised from the rest of the economy. This segregation results in exclusion of the group from the financial market.

The financial behaviour of the marginalised people is distinctly different from the financially well off or elite group. Marginalised groups in India can be divided into two main categories, traditionally marginalised and those marginalised in the wake and as a result of capitalist transformation. Marginalised people are those sections of the society who are economically and socially depressed and alienated from the main stream. A bottom portion of these people come under the Below Poverty Line (BPL) category. These people are mobilising, spending, saving and investing money. The magnitude of these financial activities is not studied yet. They are to be included into the main stream of the nation which is one of the objectives of financial inclusion.

According to a working paper published by the Reserve Bank of India (Chattopadhyay2011)^4, in the group of 23 states for which a 3-dimensional Index of Financial Inclusion (IFI) has been estimated, Kerala leads with the highest value of IFI followed by Maharashtra and Karnataka. Three dimensions of the IFI are banking penetration, availability of banking services and usage. Only three states- Kerala, Maharashtra and Karnataka belong to the high IFI group with IFI values of 0.5 or more. Another six states, viz., Tamil Nadu, Punjab, Andhra Pradesh, Himachal Pradesh, Sikkim and Haryana form the group of
medium IFI states with IFI values between 0.3 and 0.5. In fact, all-India average IFI also falls under this category. All other states have a low IFI values, ranging between 0.0 and 0.3. It is interesting to note that all the southern states are at the high or medium level of financial inclusion and except Sikkim all the eastern, north-eastern and central states are in the low level of financial inclusion. On the other hand, West Bengal and Gujarat rank 11th and 12th, respectively in financial inclusion. Further, out of 7 North-Eastern States, three states belong to the lowest rank of financial inclusion.

2. 5 Objectives of the Study

The study entitled “Financial Literacy of Economically Marginalised People of Kerala” has general and specific objectives:-

The General objectives of the research are to measure and analyse the level of financial literacy of the marginalised people in the two selected districts of Kerala. The specific objectives are:-

1. To explore the national and international developments in the area of financial literacy.
2. To develop a theoretical base for measuring financial literacy of the marginalised people.
3. To analyse the determinants of the financial literacy of the marginalised people and statistically test the association of these determinants with the key demographic profile.
4. To measure the overall financial literacy of economically marginalised people and statistically test the association of overall financial literacy with the key demographic profile.

5. To suggest measures to improve financial literacy of the marginalised people.

### 2.6. Key Concepts of Financial Literacy used for Measurement

To form a conceptual base for the study, selected definitions given by researchers in financial literacy and the key concepts stressed (given in italics) are shown in Table 2.1.

**Table 2.1 Key Concepts Used in Selected Studies on Financial Literacy**

<table>
<thead>
<tr>
<th>No</th>
<th>Authors</th>
<th>Concepts used in studies</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Hilgert &amp; Hogarth, 2003³</td>
<td>Financial knowledge</td>
</tr>
<tr>
<td>2</td>
<td>NASD , (2003)⁵</td>
<td>“The understanding ordinary investors have of market principles, instruments, organizations and regulations”</td>
</tr>
<tr>
<td>3</td>
<td>Moore , (2003)⁷</td>
<td>“Individuals are considered financially literate if they are competent and can demonstrate they have used knowledge they have learned”.</td>
</tr>
<tr>
<td>4</td>
<td>Dr. Y. V. Reddy, (2006)⁸</td>
<td>“Personal financial education means different things to different people......it focuses quite narrowly on basic money management – budgeting, saving, investing, and insuring...”</td>
</tr>
<tr>
<td>6</td>
<td>Lusardi and Mitchell (2007)¹⁰</td>
<td>“Familiarity with “the most basic economic concepts needed to make sensible saving and investment decisions”</td>
</tr>
<tr>
<td>7</td>
<td>ANZ Bank , (2008)¹¹</td>
<td>“The ability to make informed judgments and to take effective decisions regarding the use and management of money”</td>
</tr>
<tr>
<td>8</td>
<td>Chakrabarty K C, (2009)¹²</td>
<td>“Financial education primarily relates to personal financial education to enable individuals to take effective actions to improve overall well-being and avoid distress in matters that are financial.”</td>
</tr>
<tr>
<td>9</td>
<td>RBI-OECD (2010)¹³</td>
<td>“ability to use knowledge and skills to manage financial resources effectively for a lifetime of financial well-being.”</td>
</tr>
<tr>
<td>10</td>
<td>Angelo &amp; Ramsay, (2011)¹⁴</td>
<td>“Financial literacy is best defined by the process of linking the core competencies with the proficiencies, and taking into account whether the environment is inclusive such that people have the opportunity to become proficient in the competencies.”</td>
</tr>
</tbody>
</table>
2.7 Measuring Financial Literacy

The study measures the financial literacy of the respondents by using the pretested interview schedule to extract knowledge as well as action on core competencies, i.e. saving, spending, borrowing and investing behaviour of the respondents. For further analysis attitude questions were also asked.

<table>
<thead>
<tr>
<th>Knowledge</th>
<th>Application of Knowledge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whether the marginalised people have basic numerical ability</td>
<td>Whether the marginalised people have used money mobilizing opportunities and savings avenues to their best advantage.</td>
</tr>
<tr>
<td>Whether the marginalised people have basic awareness of general financial products and services.</td>
<td>Whether the marginalised people have used spending avenues which economise their total domestic spending.</td>
</tr>
<tr>
<td>Whether the marginalised people have knowledge about money mobilizing opportunities and savings avenues</td>
<td>Whether the marginalised people have used most favourable borrowing avenues.</td>
</tr>
<tr>
<td>Whether the marginalised people have knowledge about formal spending avenues</td>
<td>Whether the marginalised people have used most favourable investment avenues.</td>
</tr>
<tr>
<td>Whether the marginalised people have knowledge about formal sources of borrowings and terms and conditions</td>
<td></td>
</tr>
</tbody>
</table>
2.8 Conceptual Model for Measuring Financial Literacy

The research study entitled “Financial Literacy of Economically Marginalised People in Kerala” measures the financial literacy of the respondents by using the conceptual model given below.

2.9 Tool Used for Assessment of Financial Literacy

Designing a tool to assess financial literacy is a complex problem as the determinants of financial literacy are many and are mutually interdependent. General literacy is measured by asking the respondents whether he/she is able to read and write his or her name. If the person can read and write his or her name, they are considered literate. The financial literacy is measured over the four tires as follows:

1. Tier I: Saving literacy
2. Tier II: Spending literacy
3. Tier III: Borrowing literacy
4. Tier IV: Investment literacy

The four tires of financial literacy measured and analysed in this study are:

1. Tier I - Saving literacy
2. Tier II - Spending literacy
3. Tier III - Borrowing literacy
4. Tier IV - Investment literacy
he/she is a literate. But financial literacy connotes a few things more than mere general literacy, i.e. an illiterate person may be financially literate or vice versa.

In this study, to measure financial literacy a scale is constructed based on the responses to questions on the four tiers of financial literacy that demonstrates financial knowledge and action. If the respondent has used any one of the given formal avenues for savings, spending, borrowing and investment, he or she is considered a financially literate person. The level of literacy increases according to the progressive use of formal financial avenues. General financial awareness is not taken for calculating overall financial literacy as it indicates only knowledge and not action or behaviour. This model excludes numerical knowledge on the premise that all the sample respondents in the study scored full on administering simple arithmetical test and the study is basically designed to link financial knowledge to financial behaviour or action.

2.10 Assessment Scale of Overall Financial Literacy

Overall financial literacy is the aggregate of the four tiers of financial literacy, i.e. saving literacy, spending literacy, borrowing literacy and investment literacy. It is an indicator of an individual’s overall financial knowledge and action. To frame a standard for measuring and comparing overall financial literacy, only deliberate interventions in any one or more given formal areas by the respondents over four tiers of financial literacy are taken into account. Accordingly a scale is constructed:-

1. **Poor financial literacy**- Respondents who have no saving or spending or borrowing or investment in any of the given formal sources.
2. **Satisfactory financial literacy** - Respondents who have either saving or spending or borrowing or investment in any one of the given formal sources.

3. **Good financial literacy** - Respondents who have either saving or spending or borrowing or investment in any two of the given formal sources.

4. **Excellent financial literacy** - Respondents who have either saving or spending or borrowing or investment in any three or more of the given formal sources.

2.11. Hypotheses

The hypotheses of the study are based on the concept that financial literacy of an individual is the function of his/her financial knowledge and action over the four tiers of Financial literacy, i.e. saving literacy, spending literacy, borrowing literacy and investment literacy.

The research study is designed on the basis of the following hypotheses:-

**H₁**: The economically marginalised people have lower levels of financial literacy.

**H₂**: There is no significant association between overall financial literacy and the socio-economic profile of the marginalised people measured in terms of geographical location.

**H₃**: There is no significant association between overall financial literacy and the socio-economic profile of the marginalised people measured in terms of religious community.
H₄: There is no significant association between overall financial literacy and the socio-economic profile of the marginalised people measured in terms of education.

H₅: There is no significant association between overall financial literacy and the socio-economic profile of the marginalised people measured in terms of occupation.

H₆: There is no significant association between overall financial literacy and the socio-economic profile of the marginalised people measured in terms of Gender.

H₇: There is no significant association between overall financial literacy and the socio-economic profile of the marginalised people measured in terms of income.

H₈: There is no significant association between overall financial literacy and the socio-economic profile of the marginalised people measured in terms of gender of children.

H₉: Overall financial literacy and mode of financial decision making in the family are independent.

2.12 Universe

The universe of the survey is the BPL families in Kerala. In addition to the survey among the resident families, interactions with the bank officials and office bearers of NGOs and Self Help Groups were also conducted.
2.13 Sample Size

The sample size for the study is 300 respondents from Alapuzha and Kottayam Districts comprising 75 respondents each from Mannanchery Grama Panchayath (Rural) and Alapuzha Municipality area (Urban) in the Alapuzha District and 75 respondents each from Aimanom (Rural) and Kottayam Municipality area (Urban) in the Kottayam District. A total of 24 wards (6 wards from each rural and urban areas) were selected for the study.

2.14 Sampling Technique

A multi-stage sampling method has been used for selecting the respondents for the purpose of the study. In the first stage, out of the fourteen districts in Kerala, two districts- Alapuzha and Kottayam - have been selected purposefully for the detailed study. Alapuzha district has a long tradition of pro-poor initiatives and Kottayam is called as ‘Akshara Nagari’ which means the city of letters considering to its contribution to print media and literature. These two districts have been selected as sample districts for the study.

In the second stage, two municipalities and two grama panchayats were selected from the two districts according to simple random sampling method. Out of the 5 municipalities in Alapuzha district, Alapuzha Municipality has been selected to represent urban area. Likewise, out of the 73 grama panchayats, in Alapuzha district, Mannanchery Grama Panchayath has been selected to represent rural area. Out of the 4 municipalities and 74 grama panchayaths in Kottayam district, Kottayam Municipality has been selected to represent urban area and Aimanam Grama Panchayat has been selected to represent rural area.
In the third stage 6 wards from each local body were selected on a simple random basis and as the final stage 75 respondents each from 6 wards of 2 rural and 2 urban areas were selected by using simple random method. Table 2.2 shows the details of wards selected for the study. For selecting the sample respondents from each ward, the Below Poverty Line (BPL) list available with the Taluk Supply Office in the respective area formed the base.

**Figure 2.1 Selection processes of Samples for the study**

<table>
<thead>
<tr>
<th>Districts</th>
<th>Nature of Geographical Area</th>
<th>Area selected</th>
<th>Total Wards</th>
<th>Selected ward</th>
<th>Number of Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alappuzha</td>
<td>Urban</td>
<td>Alapuzha Municipality</td>
<td>52</td>
<td>5,14,26,35, 37 &amp; 44</td>
<td>75</td>
</tr>
<tr>
<td>Alappuzha</td>
<td>Rural</td>
<td>Mannanchery Grama Panchayath</td>
<td>23</td>
<td>8,9, 11, 12,15&amp;16</td>
<td>75</td>
</tr>
<tr>
<td>Kottayam</td>
<td>Urban</td>
<td>Kottayam Municipality</td>
<td>52</td>
<td>12,24,37,4 5,30, &amp; 48</td>
<td>75</td>
</tr>
<tr>
<td>Kottayam</td>
<td>Rural</td>
<td>Aimanam Grama Panchayath</td>
<td>20</td>
<td>3,4,13,10,1 5 &amp;18</td>
<td>75</td>
</tr>
</tbody>
</table>

| 2 | 4 | 4 | 147 | 24 | 300 |
2.15 Data Collection

In order to collect primary data for the research, a pilot study was undertaken regarding the possibilities of research in the area and also to get an insight into various demographic factors like, education, occupation income, etc. During the study, the researcher has contacted office bearers of Self Help Groups in the locality, officials of banking and non banking finance companies and social activists of NGOs. Based on the primary interaction, it was understood that a research would be possible in the area. The pilot study helped the researcher in finalising the sample and also the variables to be studied.

2.15.1 Primary Data

For primary data, interview schedule was the collection tool. The tool was developed after several rounds of interaction with a few informants and office bearers of self help groups and banking officials. Before administering the interview schedule to the sample population, a pre-test was done and checked the reliability. Based on the responses from the pre-test, some questions were omitted and a few questions were included.

The pre-tested interview schedule has been drafted with a view to elicit factual information. The first part of the schedule contained questions about socio-economic status of the respondents, namely, facts about gender, age, marital status, number of male and female children, caste or social class, personal income and family income. The second part of the interview schedule contained financial behaviour, knowledge, action and attitude questions under general financial awareness and the four tiers of financial literacy, namely saving
literacy, spending literacy, borrowing literacy and investment literacy. The interview schedule was administered during January to June 2011. The model of the Interview Schedule is given in appendix.

2.15.2 Methods of Primary Data Collection

The data was collected primarily through direct administration of the schedule. The questions were translated into vernacular (Malayalam). This has helped in augmenting the validity of the data.

2.15.3 Secondary Data

The study uses secondary data to support and substantiate primary data and also to form a strong theoretical base. The secondary data were collected from lead bank of the region, Local bodies, research journals, newspaper articles and published data of RBI, NSSO, and IBA, NIBM and also from selected websites.

2.16 Data Analysis and Interpretations

Analysis means a critical examination of the assembled and grouped data for studying the characteristics of the subject under study and for determining the pattern of relationships among the variables relating to it. Analysis was done using SPSS software. To show the distribution of the respondents by each of the pertinent variables like gender, age, social class, income level etc, averages, and percentages are used. Statistical tests include ANOVA, Two samples’t test and chi-square test.
2.17 Operational Definitions

2.17.1 Financial Literacy

Personal financial literacy is the knowledge, skill and confidence to make responsible financial decisions by a person regarding saving, spending, borrowing and investment for a life-time financial well-being.

2.17.2 Financial Education

Financial education is the process by which people improve their understanding of financial products, services and concepts by undergoing financial literacy Programmes so that they are empowered to make informed choices, avoid pitfalls, know where to go for help and take other actions to improve their present and long-term financial well-being.

2.17.3 Saving Literacy

Saving literacy is one of the components financial literacy. Saving literacy indicates the knowledge and willingness of the people to save a portion of their earnings with or without specified needs in formally approved avenues. In this study, a marginalised person is said to have saving literacy if he saves a portion of his earnings in any formal avenues.

2.17.4 Spending Literacy

Spending literacy is one of the components financial literacy. Spending literacy indicates the knowledge and willingness of the people to use money saving devises or subsidized price shops for purchasing consumer durables for their day to day needs. It also means spending within ones means. In this study, a marginalised person is said to have spending literacy if he\she indirectly saves
a portion of his earnings by using any of the formal avenues for purchasing consumables.

2.17.5 Borrowing Literacy

Borrowing literacy is one of the components of financial literacy. Borrowing literacy or debt literacy indicates the knowledge and willingness of the people to borrow money from formal sources. In this study, a marginalized person is said to have borrowing literacy if he is using any of the formal avenues for meeting the financial needs.

2.17.6 Investment Literacy

Investment literacy is one of the components of financial literacy. It indicates the knowledge and willingness of the people to invest money in formal sources. In this study, a marginalized person is said to have investment literacy if he is using any of the formal avenues for investing his hard earned money to meet future needs.

2.17.7 Marginalised People

For the purpose of the study, marginalised people means and includes casual labourers, masons, house servants, and street vendors who have no steady income. People of all religious communities come under this category. The sample respondents of the study consisted of BPL category people. They are to, a certain extent, excluded from the main stream, but they earn, save, spend, borrow and do invest and are in the bottom of the pyramid.
2.18 Scope and Limitations of the Study

The scope of the study is to analyse the financial literacy of the marginalised people of Kerala, i.e. how they save, spend, borrow and invest. The present study is conducted only in two Municipalities (urban) and two Grama Panchayats (rural) in two districts of Kerala. Financial literacy is purely individualistic and the primary data collected may to a great extent affected by the personal bias of the respondents. The constraints of personal financial management are the main limitation of the study.

2.19 Period of the Study

The study relates to the personal financial management of the respondents for one year-2010-2011.

2.20 Presentation of the Thesis

The study is divided into eight chapters:

*Chapter 1- Introduction* – This chapter gives a general introduction to financial literacy

*Chapter 2- Research Methodology* – This chapter gives in detail the methodology adopted for the research study

*Chapter 3- Review of Literature* - This chapter gives the selected national and international literature available on financial literacy.

*Chapter 4- Theoretical Framework of Financial Literacy*: This chapter deals with the theoretical framework of financial literacy and its measurement.
Chapter 5- Financial Literacy Initiatives: National and International - This chapter deals with national and international financial literacy initiatives and developments.

Chapter 6- A Brief Note on Kerala - This chapter gives a brief study of Kerala with special reference to Alapuzha and Kottayam districts.

Chapter 7- Financial Literacy of Marginalised People: An Empirical Analysis - This chapter analyses the primary data collected from the respondents.

Chapter 8- Findings, suggestions and conclusion - This chapter gives the summary, major findings, suggestions and conclusions of the study.

2.21 Conclusion

Financial literacy has become a more frequently discussed topic all over the world, particularly in the context of inclusive growth. As a topic of study, it developed only in the last decade. There is a general view especially in developed countries in the wake of economic depression that improvements of financial literacy should take place at all levels of the society. The inadequacy – or the absence – of statistics in financial literacy matters makes it difficult to get a theoretical and empirical framework for more profound analysis and statistical correlations. In the Indian context, research on financial literacy is more relevant in the premises of inclusive growth. Financial literacy is the only solution to escape from debt trap and poverty to which substantial portion of the population are exposed.
References


   Available: [www.finra.org/web/groups/investors/@inv/.../investors/p011459](http://www.finra.org/web/groups/investors/@inv/.../investors/p011459) [Retrieved: 2010 October 6]


