



Financial Literacy: Challenges and Problems Among Rural Women

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Abstract:

Indian women are play important role in Indian economy. In past years Indian women have made an important mark in various field of work. It includes education, socio-economic, political, freedom struggle etc. The name of that women have Zhashi ki Rani, Indira Gandhi, Savitribai Phule, Mother Teresa etc. The same tradition that has developed India due to many women in modern times are making their mark in different fields. While women are developing like this, financial literacy among Indian women is very low in rural area. Today we are seeing dream about India will be become Viksit Bharat @ 2047. According to the humanity welfare council 80% women in India struggle with financial literacy, and around 62% of Indian women have limited access to banking services. This dream complete is not possible without financially literate women. So we are focus on women will be financially and digitally literature in specially rural women because rural area is very important in Indian economy. We are celebrated “Financial Literacy Week ,2024” in just few days, but really Indian rural women digitally and financially literature?. This research paper aims to investigate the challenges and problems associated with financial literacy among rural women. Financial literacy plays a crucial role in empowering individuals and communities, yet rural women often face unique barriers that hinder their ability to understand and manage their finances effectively. This study employs a mixed-methods approach, combining surveys and qualitative interviews to explore the factors contributing to low financial literacy levels among rural women and the potential consequences for their economic well-being. The research also examines existing financial education programs and suggests tailored strategies to address the specific needs of this demographic.

This research paper show challenges and problems of women in rural area for financial literacy.

Keywords: Indian Rural Women, Financial Literacy, Problems.

Introduction:

In rural area we are seeing various types are working in woman. At that time women need to financial and digitally literate. Indian rural women often face

challenges financial literacy, with limited access to education and resources. Financial literacy for rural women is an important aspect of their independence, financial, digitally and otherwise. Being

financially literate can lead to a number of problems. If India has to reach the next level of economic growth women need to play a central part in the same, for which they need to be financially empowered. Financial literacy is a key factor in promoting economic stability and independence. However, rural women often encounter significant challenges that limit their access to financial education

and hinder their ability to make informed financial decisions.

Financial Literacy: According to R.B.I.:

Financial literacy can broadly be defined as, “Providing familiarity with and understanding of financial market products, especially reward and risk, in order making informed choices”

Financial Literacy in World:

Table No-1: Top Five country wise level of Financial Literacy in World

Name of Country	Financial Literacy in Percentage (2017)
France	14.9
Canada	14.6
China	14.1
Korea	13.9
Germany	13.8

(Source: INFE, OECD G20 report o financial literacy in G20 countries)

From the table 1 it can be said According to International Network for Financial Education the percentage of

financial literacy in India in 2017 was 11.9 %.

Financial Literacy in India:

Table No-2: Top Five States wise level of Financial Literacy in India

Name of State	Financial Literacy in Percentage (2015)	Financial Literacy in Percentage (2019)
Goa	50	56
Uttarakhand	23	42
Kerala	36	39
Manipur	36	38
Andhra Pradesh	23	37

(Source: NCFE Report, 2019)

From the table 1.2 it can be said According to National Centre for Financial Education the percentage of financial

literacy in Maharashtra in 2015 was 17% and in 2019 was 24% only.

Problem Questions:

1. What is level of digital and financial literacy among women entrepreneurs ?
2. Which digital tools are used when women entrepreneurs selling goods?
3. What are the difficulties faced by women entrepreneurs in using digital tools?
4. What problem women entrepreneurs face if they don't have digital payment tools as well as banking information?

Objectives of Study:

1. To identify the problem related digital financial skill and knowledge faced by women entrepreneur.
2. To explore the impact of low financial literacy on the economic development.

Sources of Data:

The data collection from only secondary data.

1. Government report-
2. Research journals for related topic.
3. Reference books.
4. Daily newspaper and magazines.
5. Websites

Dimensions of Financial Literacy:

- Financial Knowledge.
- Financial Attitude.
- Financial Behavior.

Problems and Challenges:

- In India rural areas women are neglected. We are living in a social system in which males hold primary power and authority. In rural area majority of the homes, men are getting special privilege and control of the property and hence most of the women have difficulty in digital and financial transaction.
- Digital financial literacy is crucial for women as it empowers them to navigate the modern business landscape. Usually decision making on resources, and utilization of her earnings are handled by their male counterparts since majority of the women are not aware about financial matters.
- The problem faced by various women in digital financial information and knowledge. Various issues and challenges are faced by women like changes in currency, digitalization, uneducated. It's effect on development of women enterprises or business.
- The digital financial literacy gap among women poses a significant challenges for financial management.
- Women have to face problems like insufficient knowledge of digital payments, lack of bank financial transactions, lack of smart phones, fear of cash less,

attraction of moneylenders, male dominated culture, lack of finance, lack of guidance, gender discrimination etc.

Problem Questions:

- What is level of digital and financial literacy among women ?
- Which digital tools are used when women entrepreneurs selling goods?
- What are the difficulties faced by women in using digital tools?
- What problem women face if they don't have digital payment tools as well as banking information?

Challenges in Financial Literacy:

1. Limited access to formal financial institutions.
2. Cultural and societal barriers restricting women's involvement in financial matters.
3. Lack of awareness about available financial education programs.

Impact on Economic Well-being:

1. Increased vulnerability to financial shocks.
2. Limited opportunities for income generation and entrepreneurship.

Evaluation of Existing Programs:

1. Identification of successful initiatives.
2. Analysis of gaps in current financial education approaches.

Tailored Financial Education Programs:

1. Develop programs specifically designed for the needs and constraints of rural women.
2. Utilize community-based approaches for effective dissemination.

Collaboration and Partnerships:

Strengthen collaboration between government agencies, NGOs, and local communities to enhance the reach of financial education initiatives.

Technology Integration:

Explore innovative ways to leverage technology for delivering financial education to remote rural areas.

Conclusion:

This research paper concludes by summarizing the key findings, emphasizing the importance of addressing financial literacy challenges among rural women, and offering recommendations for policymakers, NGOs, and other stakeholders to improve the economic well-being of this demographic.

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