GENDER DIFFERENCES IN FINANCIAL LITERACY AND INCLUSION: A STUDY OF RURAL HARYANA

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ABSTRACT

Financial Inclusion and Financial Literacy are channels or fundamental pillars for building a formal financial system across the country. Thus, it is critical to identify gaps and requirements in order to improve financial inclusion and raise financial knowledge. In this regard, the purpose of this research is to examine the current state of these two. It also investigates all of the elements that influence financial literacy and inclusion. This study also delves deeper into the connection between financial literacy and inclusivity. Women have much lower financial awareness and participation in financial activities than males. A high level of financial literacy leads to a high level of financial inclusion, whereas a low level of financial literacy leads to a low level of financial inclusion.

Keywords: Financial Services, Financial Literacy, Financial Inclusion, Financial Products

INTRODUCTION

Equal access to all resources throughout the country is a determining factor in its long-term economic growth, social welfare and general wellbeing. Optimal resource usage helps in the nation`s economic and sustainable growth (Asian Development Bank**,** 2020). "Optimal resources utilization provides equal access to the impoverished and marginalized groups while also improving their wellbeing (Asian Development Bank**,** 2020). Among all resources financial resources are significant as these resources impact the financial status and well-being of all citizens in the country (Management Mania, 2016). Thus, in order to achieve income equality, and poverty reduction, a well-developed financial system must enable equal access and availability of financial resources (Savitha & Jyothi, 2013). A well-established inclusive financial system produces a fully-fledged system of equitable access and availability of all banking and financial services throughout the country, which benefits all excluded people. Financial inclusion allows a person to invest in the formal financial system, which improves both personal and overall economic well-being. Financial inclusion has been identified as a critical facilitator for achieving equitable and sustainable development throughout the world (RBI, 2021). Financial inclusion may have a significant impact on rural development (Christabell and Vimal, 2012). Since financial inclusion is connected to financial development, it contributes to poverty reduction and economic growth (Honohan, 2004, Jalilian & Kirkpatrick 2005, Beck *et al.*, 2007a and 2007b, Quartey, 2008, Jeanneney & Kpodar, 2011, Inoue & Hamori, 2012) Financial inclusion is a solution for assisting the poor and vulnerable segments of society, as well as addressing poverty and economic inequality (Chibba, 2009). Rural households require financial assistance for the purchase and sale of agricultural produce, labor payments for planting and harvesting, agricultural infrastructure, investing in education, shelter, and health, managing income irregularities, and covering expenses during low seasons, among other things (Ndebbio, 2004, Sharma & Pais, 2011, Misra, 2007). Better financial inclusion for rural people would allow them to tap on their tremendous economic potential while also enhancing overall rural development (Devaki, 2008).

However, for nations like India, numerous financial and credit restrictions exist due to the lack of developed financial markets and availability of timely and accurate information for all the persons in the country. A sizable proportion of the population still does not have access to financial services (Verma & Khan 2018). Both supply and demand side limitations must be eliminated to encourage such a well-inclusive financial system. Supply-side restrictions can be alleviated by creating additional banks and financial institutions in underserved parts of the country, ensuring equal access to banking and financial services. On the demand side, people's familiarity and awareness of financial concepts must be increased (Reserve Bank of India, 2021). By providing information and awareness of various banking and financial services and products, financial literacy may assist in making consumers aware of them (Lusardi & Mitchell, 2014). On the other hand, financial mistakes may have a detrimental impact on both individual welfare and the welfare of all economic participants, and these financial blunders are the result of a lack of financial literacy (Huston, 2010).

FINANCIAL INCLUSION AND LITERACY: GLOBAL STATUS

Despite all the attempts, still world lacks in financial inclusion. Billions of people throughout the world are living below the moderate level of financial inclusion. Approximately 2 billion individuals globally do not have access to formal financial services. 1.7 billion Adults worldwide do not have access to financial services (World Bank Group, 2018). Globally, 38 per cent of individuals lack access to basic formal financial services, while the remaining 57 per cent have access to bank accounts only. In many developed countries, poor households and small business enterprises are financially excluded and not getting cost effective financial services according to their needs (International Financial Corporation, 2018). Four per cent of people both in developing countries and East Asia & Pacific are unbanked and receive government to person payment in cash. In developing countries (20 per cent) and in East Asia & Pacific (34 per cent) are using banking services for saving purposes. While for borrowing purposes its 7 per cent and 9 per cent (World Bank Group, 2017). There is a gender disparity in use of financial services and products throughout the world. In the world 75 per cent of males have bank accounts whereas 65 of females have bank accounts. Income basis disparity is also found in use of financial services, in other words wealthier people are using more financial services in comparison to poor people. There is a difference of 13 per cent of account ownership between rich people and poor people globally. Urban population is found using financial services better in comparison to rural population (World Bank Group, 2017). European countries are found more financially literate. While all the countries in South America and Africa is having less than 50 per cent of people financially literate. Asian countries especially South Asia was found as the least financial literate. Even several studies elaborate that no certain relationship between financial literacy and poverty. But many poor people countries like China and Russia are having extremely low financial literacy (howmuch.net, 2018). Globally 33 per cent people are financially aware and in term of gender 35 per cent of men and 33 per cent of women are financially literate. In US countries 57 per cent of adults are still not financially aware (Standard and Poor`s Financial survey, 2015).

FINANCIAL INCLUSION AND LITERACY: STATUS OF INDIA

India is taking big steps in establishing a formal financial system to provide financial services to all the citizens in the country. During NSFE 2013-2018, certain major financial inclusion initiatives viz. Pradhan Mantri Jan- Dhan Yojana, Pradhan Mantri Jeevan Jyoti Bima Yojana, Pradhan Mantri Suraksha Bima Yojana, Atal Pension Yojana, Pradhan Mantri Kisan Maan Dhan Yojana, Pradhan Mantri Shram Yogi Maan Dhan Yojana and Pradhan Mantri Mudra Yojana achieved great progress (RBI, 2021). The number of individuals who have a bank account has risen from 35 per cent in 2011 to 80 per cent in 2017 (World Bank, 2017). PMJDY is the country's main project for offering a new path for financial inclusion, having established 43 crore bank accounts and 1.46 lakh crore in bank deposits (Economic Times, 2021). Financial inclusion has grown from 50.12 per cent in 2013 to 58.1 per cent in fiscal 2016. Over the two years ending in fiscal 2016, the number of credit accounts rose dramatically (Credit Rating Information Services of India Limited, Financial index, 2016). Between the fiscal years 2013 and 2016, 60 crores of deposit accounts were established, which is more than double the number opened between the fiscal years 2010 and 2013. Almost one-third of these accounts were opened under the Jan-Dhan scheme (CRISIL Financial Index, 2017). In terms of financial inclusion, there is a huge variation across the country. According to the Reserve Bank of India Kerala, Maharashtra, and Karnataka have high financial inclusion. Financial inclusion is moderate in Tamil Nadu, Punjab, Andhra Pradesh, Himachal Pradesh, Sikkim, and Haryana. The remaining states have a low level of financial inclusion (RBI working paper, 2011). Haryana moved from ‘above average' to ‘high' in fiscal 2016 with a CRISIL Inclusix score of 67.7, up from 53.2 in fiscal 2013. (CRISIL Financial Index, 2017). A new National Strategy for Financial Education (2020-2025) was recently created in the quest of greater financial inclusion and literacy in the country. Despite all the majors India is still lacking in financial inclusion. In India, around 53 per cent of the population does not have a bank account (World Bank Financial Index Survey, 2014). According to the 2011 census, 58.7 per cent of households in the nation utilize banking services (RBI Working Paper, 2011). Only, 27 per cent of farmers have access to formal sources of credit, one third out of them also borrow from non-formal sources. (CRISIL Financial Index, 2017). In India, 76 per cent of individuals do not comprehend fundamental financial literacy principles. Financial literacy is yet to become a priority for the typical Indian. Some metropolitan areas in Maharashtra, West Bengal, and Delhi are having high financial literacy rates. While some states like Rajasthan, Bihar, Jharkhand, and Uttar Pradesh are showing extremely low financial literacy. Goa has the highest financial literacy rate in the country. Whereas Chhattisgarh state is lowest in financial literacy rate (street-finds, 2020).

Financial Inclusion

Financial inclusion is defined as the process of equal access, availability, and usage of financial services to all marginalized. It ensures timely and adequate access of financial services needed by vulnerable groups such as weaker sections at an affordable cost. These services include both banking and financial services such savings, insurances, pension needs, and savings for retirement (RBI Working Paper, 2011).

Financial Literacy

Financial literacy is awareness and understanding of various financial areas. It includes the skill and ability of making appropriate decisions about personal finance such as investing, budgeting, retirement, and tax planning (OECD, 2017).

REVIEW OF LITERATURE

Evolution of Concepts of Financial Inclusion and Literacy

The notion of financial inclusion arose as a result of financial sector changes in the 1990s. Following that, all banks focused on financial inclusion as an operational policy. The Reserve Bank of India is enabling a deregulated financial sector to promote a competitive and efficient environment (EPW Research Foundation, 2006). Since 1995 to 2008, the supply side of financial inclusion in the 29 main states has improved owing to branch network development and increased banking activity. However, demand-side pressure occurs in the system since the penetration system is insufficient to meet the present demands of an expanding population (Kumar, 2013). Financial education and financial literacy concepts have evolved in recent years as financial markets have gotten more complicated, necessitating more information for people to perform successfully in these markets. In the 1950s, almost half of the research performed in the subject of home economics was linked to financial management, income and spending, saving, security and retirement planning, and housing budgeting in various nations across the world. As a result, financial literacy has grown in importance throughout time. In 2003, OECD launched a global inter-governmental effort to promote financial literacy. The World Bank and the Russian Federation agreed in 2008 to promote an international strategy in financial literacy and financial education (United States National Strategy for Financial Literacy, 2011& 2016). In India, financial literacy evolved mostly as a result of the Reserve Bank of India's 2007 effort to create Financial Literacy and Credit Counseling Centers for free financial awareness and counseling for both urban and rural residents. Various banks have made several efforts in this area, including the publication of comic books in regional languages such as Raju and Money Tree. These publications cover the fundamental banking systems, deposits, loans, and government-sponsored initiatives (Mokhtar *et al.*, 2015).

Importance of Financial Inclusion and Financial Literacy

As discussed earlier that equal access to all resources throughout the country is a determining factor in its long-term economic growth, social welfare and general wellbeing. Thus, in order to achieve income equality, and poverty reduction, a well-developed financial system must enable equal access and availability of financial resources (Savitha & Jyothi, 2013). It might be a method for inclusive development and poverty reduction since it seeks to give financial services and advantages to all citizens of a country. As a result, it has become a complementary and gradual strategy to a country's total economic growth (Chibba, 2009). Financial literacy has a significant impact on small, micro, and medium-sized businesses because it influences their access to financing, market access, policy assistance, and entrepreneurial culture by providing them with information and awareness (Abubakar, 2015). Financial knowledge has a significant positive influence on a person's cognitive capacity since they assist him in making sound judgments. It connects individuals to the official financial system and aids in the creation of demand for financial services. Financial literacy also reduces risk by enabling people to understand the risk features of various financial products and by providing information on redressal systems in the event of financial product disputes (Sukurman, 2015). The amount of financial knowledge of a person has a substantial impact on the financial well-being of a household. Financial literacy improves an individual's well-being by allowing them to make sound financial decisions about saving and borrowing. Inadequate financial information leads to financial mistakes, which have a negative impact on people's financial well-being (Lusardi & Mitchell, 2011).

Ways of Improvement in Status of Financial Inclusion and Financial Literacy

For enhancing the status of financial inclusion in the country both demand and supply side problems should be solved by taking appropriate policies. Deregulation of financial system is required for better functioning of formal financial institutions. Banks are needed to provide advisory services along with providing credit facilities (Dev, 2006). The government should take necessary steps to increase level of literacy collectively with non-government and private institutions. Banks should communicate in local language with rural people it will be more helpful for them. Branch density is also deciding factor for financial inclusion (Chikalipah, 2017). Body of researchers and experts has to work under the guidance of Financial Literacy Commission and its national symposium to improve financial literacy. Effective public policies, education programmers and such other efforts are needed for improving financial literacy (Remund, 2010). Personal financial management training to college students to enhance their financial knowledge, understanding of financial concepts and self- efficacy, should be provided. Women specific training schemes and policies needed to be framed (Tamimi *et al.*, 2009).

Need of the Study

All the previous studies have highlighted the significance of financial inclusion in promoting economic growth and social well-being. In the Indian setting, particularly in rural regions, there is a substantial gender disparity in accessible economic possibilities, financial independence, control over funds, and decision making. Females lag significantly behind in terms of making autonomous financial decisions and managing their own resources. As a result, the purpose of this research is to investigate the influence of gender in financial literacy and inclusion. It also attempts to investigate ladies' degrees of awareness. This study will assist policymakers in developing policies that would make the financial system more inclusive and empower women. In this regard, the study seeks to accomplish the following objectives.

OBJECTIVES OF THE STUDY

1. To study the status of financial inclusion and financial literacy across demographic variables under the study.
2. To study the gender differences in financial inclusion and literacy.
3. To explore the relationship between financial inclusion and financial literacy.

For this measurement usage level of different financial services like a bank account, deposits, ATM card, and payment through banks, internet banking and investment in shares, debentures & bonds is assessed. This study measures level of awareness regarding cash depositing & withdrawing, ATM usage, internet banking, interest concept, insurance schemes, shares, mutual funds etc. Demographic variables like age, gender and education, were analyzed in relationship with these two. As all the previous studies like (Dev, 2006), (Lusardi & Mitchel, 2009 and 2011), (Remund, 2010), (Hosein, 2010), (Tamini *et al.,* 2009), (Sukurman, 2015), (Chikalipah, 2017), etc. have been shown significant relationship among various variables mentioned in this study. For elaborating these relationships more in the context of rural India and the sample of the study alternate hypothesis have been proposed in the study. Hypothesis proposed for the study are as below.

H_1: There is significant difference within gender towards financial Literacy.

H_2: There is significant difference within gender towards financial Inclusion.

H_3: There is a significant positive relationship of age with financial Literacy.

H_4: There is a significant positive relationship of age with financial inclusion.

H_5: There is a significant positive relationship of education with financial literacy.

H_6: There is a significant positive relationship of education with financial Inclusion.

H_7: There is a significant positive relationship of income with financial literacy.

H_8: There is a significant positive relationship of Income with financial Inclusion.

H_9: Higher Financial Literacy Leads to Higher Financial Inclusion (Financial Literacy has a significant positive relationship with financial inclusion).

RESEARCH METHODOLOGY

Since the study is focused on financial literacy and inclusiveness, which are the components of financial decision making, all the persons above age 18 and working as decision maker in the family are population for the study. For elaborating the concepts more in-depth and better way study have been confined to Haryana for the present paper. A total of 200 people were chosen for the survey. The purposive sampling approach is used to choose respondents. A self-structured questionnaire based on prior studies was utilized to collect the responses.

Validity and Reliability of the Questionnaire

Many models and designs offered by professionals and instructors are favored in the study to ensure validity. `The Cronbach`s alpha model is employed in the study to measure consistency. A Cronbach alpha score greater than.7 indicates a moderate level of consistency in the data. According to the data, a score of >.9 indicates good dependability in the research.

RESULTS AND DISCUSSION

Table 1: Demographic Profile of the Respondents

Age	Frequency	Per cent	Family Income	Frequency	Per cent
20-30	78	39	Below 1Lakh	29	14.5
30-40	21	21	1Lakh-3Lakh	85	42.5
40-50	37	18.5	3Lakh-5Lakh	52	26
50-60	28	14	5Lakh-10Lakh	24	12
above 60	15	7	Above 10 Lakh	10	5
Self-Education	**Frequency**	**Per cent**	**Self - Occupation**	**Frequency**	**Per cent**
Illiterate	48	24	Agriculture	43	28.7
Up to 8th	21	10.5	Housewife	64	42.7
10th	34	17	Student	29	19.3
12th	39	19.5	Private job	1	.7
Graduate	40	20	Govt. Job	11	7.3
Post Graduate	18	9	Business	2	1.3
Family Occupation	**Frequency**	**Per cent**	**Gender**	**Frequency**	**Per cent**
Agriculture	149	74.5	Male	62	41.3
Private Job	8	4	Female	88	58.7
Govt. Job	33	16.5			
Business	10	5.0			
Total	200	100	Total	200	100

Source: Primary Data

The research includes those who engage in any type of financial activity, such as saving, investing, or spending. Majority of families are having youngsters as financial decision makers. Females also play a role in family decision-making to some extent. Despite all of the development and education for women, majority of females (75 per cent) are still housewives. The majority of rural households (74 per cent) continue to work in agriculture. Only few are involved in private jobs and entrepreneurial activities. As per the income majority of families (43 per cent) are earning below three lakhs annually. Only 5 per cent families are having income above 10lac.

Usage Pattern and Awareness Level for Various Banking and Financial Services and Products

Table 2: Usage of Bank and ATM Card

Having Bank, A/C		Bank A/C Usage		ATM Card Usage	
Yes	193 (93.5%)	Actively Using	86 (43.0%)	Having	98 (49.0%)
No	7 (3.5%)	Not Using Actively	114 (57.0%)	Not Using	11 (5.50%)
				Self-Use	75 (37.5%)
				Used by Other Family Member	12 (6.0%)

Table 2 consist frequencies of respondents for usage level for their bank account and ATM card. Most of the people (97per cent) are having bank accounts these days. Although majority of people are having bank accounts these days but out of them more than half (57 per cent) just open accounts in bank but do not use actively. It means they are not doing banking activities like depositing and withdrawing frequently. More than half the people do not have ATM card and who have out of them only 38 per cent use their ATM at their own.

Table 3: Usage of bank A/c and ATM Card across education level

		Education Qualification (in Percentage)						Chi-Square	Exact
		Illiterate	8th	10th	12th	Graduate	Post Graduate	(p-value)	
Usage of Bank A/c	Not using	42 (87.5)	13 (61.9)	26 (76.5)	17 (43.6)	10 (25.0)	6 (33.3)	.000	.000
	Using actively	6 (12.5)	8 (38.1)	8 (23.5)	22 (56.4)	30 (75.0)	12 (66.7)		
Having ATM	Yes	10 (20.8)	10 (47.6)	9 (26.5)	23 (59.0)	31 (77.5)	15 (83.3)	.001	.000
	No	38 (79.2)	11 (52.4)	25 (73.4)	16 (41.0)	9 (22.5)	3 (16.7)		
Usage of ATM card	Not using	3 (30.0)	0 (0.0)	1 (11.1)	5 (20.8)	0 (0.0)	2 (13.3)	.000	.000
	Used by self	2 (20.0)	6 (66.7)	7 (77.8)	17 (70.2)	31 (100)	12 (80.0)		
	Used by other family member	5 (50)	3 (33.3)	1 (11.1)	2 (8.3)	0 (0.0)	1 (6.7)		

The table clearly revealed that with education usage of bank accounts and ATM card also increases. Nearly 90 per cent illiterate persons were not using their bank accounts actively. A large proportion of the population (51per cent) are not having ATM

cards and those illiterates who have ATM cards their cards are used by other family members. While in case of more educated like graduate and post graduate 75 to 80 per cent persons are using bank accounts actively and having ATM card. All the graduate persons` ATM cards are used by them only not by any other family member. As per the results (p<.05) a person`s education qualification is significantly associated with his usage of bank account and ATM card. It ensures that a person`s educational qualification affects his usage pattern. It means a more educated person is using bank accounts and ATM card in better ways in comparison to low educated one. These chi-square results are ensuring acceptance of hypothesis 6 at 95 confidence level.

Table 4: Usage of bank A/c and ATM Card across Occupation

Usage of bank Account	Occupation						Chi-square	Fisher`s Exact
	Agriculture	House Wife	Student	Private Employee	Govt. Employee	Business	Sig.	Sig.
Using Actively	25 (48.1)	9 (10.8)	19 (59.4)	10 (100)	18 (100)	5 (100)	.000	.000
Not using Actively	27 (52)	74 (83)	13 (32)	0 (0.0)	0 (0.0)	0 (0.0)		
Having ATM								
Yes	31 (59.6)	20 (24.1)	19 (59.4)	7 (70)	17 (94.4)	4 (80)	.001	.000
No	21 (40.4)	63 (75.9)	13 (40.6)	3 (30)	1 (5.6)	1 (20)		
Usage of ATM Card								
Not using	3 (9.4)	6 (31.6)	2 (10.5)	0 (0.0)	0 (0.0)	0 (0.0)	.000	.000
Use by yourself	26 (81.3)	5 (26.3)	17 (89.5)	7 (100)	16 (94.1)	4 (100.0)		
Used by other family member	3 (9.4)	8 (42.1)	0 (0.0)	0 (0.0)	1 (5.9)	0 (0.0)		

As per the table all the persons engaged in any kind of govt. or private job and entrepreneurial activities use bank accounts actively. While in case of agriculture and housewives, majority of people do not use bank accounts actively. Total 76 per cent housewives do not possess any ATM card even today. Out of them who possess 32 per cent are not using their cards. While 42 per cent housewives` ATM cards are used by other family member and only 26 per cent housewives are using cards at their own. It means usage of bank and ATM card among housewives is very low. Majority of persons among students, employees and entrepreneurs are having ATM cards and their usage is also high. As per the results of chi- square for association of occupation with usage pattern of bank account and ATM Card is significant ($p<.05$). It means a person`s occupation significantly affects his/ her financial behavior regarding usage of bank and ATM Card.

Table 5: Level of Usage of Various Banking & Financial Services and Products

Time Duration	Deposits In Bank	Payment Apps	Net Banking	Payments Through Banks	Post Office Saving Schemes	Shares & Mutual Funds
Never	71 (35.5)	138 (69.9)	151 (75)	161 (80.5)	179 (89.5)	180 (90)
Rarely	34 (17.0)	8 (4.0)	12 (6)	10 (5)	6 (3)	8 (4)
Sometimes	53 (26.0)	16 (8.0)	18 (9)	14 (7)	8 (4)	5 (2.5)
Often	9 (4.5)	9 (4.5)	3 (1.5)	1 (5)	3 (1)	0 (0.0)
Always	33 (16.0)	29 (14.5)	16 (8)	14 (7)	4 (2)	7 (3.5)
Total	200 (100)	200 (100)	200 (100)	200 (100)	200 (100)	200(100)

The table above describes the extent to which rural people use various financial services and investing alternatives. The table shows a low utilization of all services among rural people, with more than sixty per cent never using any of them except bank deposits. Furthermore, rural individuals are the most likely to use bank deposits. While number of individuals utilizing other services is always quite low. According to this trend, bank deposits are the most popular, followed by payment applications, net banking, banking payment methods and investments in post offices and shares and mutual funds.

Table 6: Level of Awareness Regarding Various Saving and Investment Avenues

Level of awareness	Cash Depositing & Withdrawing	Interest	Use of ATM	Net Banking	Insurance	Real Estate	Mutual Funds	Shares & Debentures
Not aware	81 (40.5)	102 (51)	104 (52)	122 (61)	134 (67)	171 (85.5)	179 (89.5)	182 (91)
Just Know	26 (13)	8 (4.0)	8 (4.0)	14 (7)	23 (11.5)	16 (8)	14 (7)	9 (4.5)
Thorough Understanding	25 (12.5)	30 (15.0)	20 (10)	14 (7)	17 (8.5)	6 (3)	2 (1.0)	4 (2.0)
Know all its Features	47 (23.5)	39 (19.5)	40 (20)	29 (14)	16 (8)	6 (3)	3 (1.5)	2 (1.0)
Expert Knowledge	21 (10.5)	21 (10.5)	28 (14)	21(10.5)	10 (5)	1 (0.5)	2 (1.0)	3 (1.5)
Total	200 (100)	200 (100)	200 (100)	200 (100)	200 (100)	200 (100)	200 (100)	200(100)

As we go from basic banking services and concepts towards higher investment avenues, financial literacy goes down and number of not aware people goes up. It means rural people are aware towards basic banking services like depositing & withdrawing from bank and using ATM card but they do not have much knowledge for investing options like real estate, mutual funds and shares & debentures.

Gender Differences in Saving and Investing Behavior

Table 7: Saving and Investment Behavior Throughout the Gender

	Saving Behavior		Source of Savings				Investing Behavior	
Gender	**Yes**	**No**	**Own Income**	**Spouse Income**	**Saving From Household Exp.**	**Other Source**	**Yes**	**No**
Male	63 (68.5)	29 (31.5)	54 (85.7)	6 (9.5)	2 (3.2)	1 (1.6)	29 (46.8)	33 (53.2)
Female	69 (63.9)	39 (36.1)	9 (13.2)	31 (45.6)	28 (41.2)	0 (0.0)	10 (14.5)	59 (85.5)

As the table showing majority of rural people more than 60 both male and female save out of their earnings. Males are saving more in comparison to females. Most of the males (85.7 per cent) save out of their own income. On the other side only 13 females are saving out of their own earnings. It means females do not possess many earnings at their own. They highly depend on other family members. Although women do not have control over finances in a family she is saving out of the money she gets from her spouse (45.6 per cent) or for household expenses (41.2 per cent). As seen majority of women are saving but when it comes to invest these savings 86 per cent women are doing so. It means a large part of women`s saving is kept ideal and not utilized in financial system and also getting depreciated with time due to inflation.

Table 8: Usage Pattern of Bank & ATM Card Throughout the Gender

		Gender		Chi-square (p value)	Exact Sig. (2-sided)
		Male	Female		
Usage of Bank A/c	Actively using	66 (71.7)	20 (18.5)	.000	.000
	Not using actively	26 (28.3)	88 (81.5)		
Having ATM Card	Yes	66 (71.7)	32 (29.6)	.000	.000
	No	26 (28.3)	76 (70.4)		
Usage of ATM Card	Not using	3 (4.5)	8 (25.8)	.000	.000
	Use by self	61 (91)	14 (45.2)		
	Used by other family member	3 (4.5)	9 (29.0)		

Table 10 is showing a magnificently difference in the usage pattern of male and female for bank account & ATM card. Women`s usage for bank account and ATM card is very low in comparison to men. More than 70 per cent men are using their bank accounts actively while in women its only 19. Same in case of ATM card 71 per cent men are having ATM card while 70 women do not have. Among those women who are having ATM card more than 50 per cent do not use it at their own, as 26 do not use and for 29 other family members are using on their behalf. While 91 men`s ATM card are used by themselves only. The results (p<.05) suggested a significant association between the gender and these usage patterns.

Gender Differences in Level of Awareness Regarding Certain Banking and Financial Services

Table 9: Association of Gender with Awareness of Different Financial Services and Products

t-statistic								
	Gender	**N**	**Mean**	**Std. Deviation**	**Mean Difference**	**Leven Test**	**T**	**P-Value**
Cash Depositing & Withdrawing	Male	92	3.6196	1.14683	2.05475	.084	13.670	.000
	Female	108	1.5648	.97897	2.05475	.001	13.499	.000
Use of ATM	Male	92	3.3913	1.44463	1.83575	.000	9.924	.000
	Female	108	1.5556	1.17078	1.83575	.000	9.760	.000
Internet Banking	Male	92	2.9780	1.57747	1.68173	.000	9.570	.000
	Female	108	1.2963	.84565	1.68173	.000	9.125	.000
Real Estate	Male	92	1.4674	.91928	.40258	.000	4.222	.000
	Female	108	1.0648	.34243	.40258	.000	3.972	.000
Mutual Funds	Male	92	1.3261	.81347	.27979	.000	3.294	.001
	Female	108	1.0463	.31724	.27979	.000	3.104	.002
Shares	Male	92	1.3152	.86354	.25966	.000	2.852	.005
	Female	108	1.0556	.35739	.25966	.000	2.694	.008

Variance across the groups of male or female differs for the factor level of awareness. So, the level of awareness or financial literacy varies across gender. A significant difference is found (p value < 0.05) in level of awareness among male and female toward all the financial services mentioned above. Males are more financial literate in comparison to females for all these services. But, in case of basic services like depositing, withdrawing and using ATM card gender difference is relatively high in comparison to others. From these results hypothesis 1 is accepted at 95 confidence level.

Gender Differences in Usage of Various Banking and Financial Services

Table 10: Association of Gender with Usage of Different Financial Services and Products

t-statistic								
	Gender	**N**	**Mean**	**S. D.**	**Mean Difference**	**Leven`s Value**	**T**	**P Value**
Bank Deposits	Male	92	3.3043	1.46564	1.49879	.000	8.634	.000
	Female	108	1.8056	.97116	1.49879	.000	8.368	.000
Internet Banking	Male	92	2.1848	1.50406	1.07367	.000	6.924	.000
	Female	108	1.1111	.53535	1.07367	.000	6.505	.000
Payment Apps (BHIM, PAYTM, Google Pay, Phone Pay Etc.)	Male	92	2.7283	1.72953	1.50604	.000	8.138	.000
	Female	108	1.2222	.77741	1.50604	.000	7.715	.000
Payments Through Banks (RTGS & NEFT)	Male	92	1.9348	1.44347	.83293	.000	5.602	.000
	Female	108	1.1019	.51045	.83293	.000	5.262	.000
Post Office Saving Schemes	Male	92	1.4348	.99785	.36997	.000	3.480	.001
	Female	108	1.0648	.43820	.36997	.000	3.296	.001
Shares, Debentures/Bonds & Mutual Funds Etc.	Male	92	1.4130	1.06029	.33897	.000	3.023	.003
	Female	108	1.0741	.44729	.33897	.000	2.857	.005

Level of usage is significantly different (p value < 0.05) among male and female for all the financial services mentioned in the above table. Males are showing more usage for all the services in comparison to females. Thus, males are more financially included than females. Male usage is significantly high in case of all the above services and products. But, for some basic services like bank deposits, Internet banking and payment apps gender difference is relatively higher. It means women are even lacking in utilizing the basic services. On the basis of these results hypothesis 2 is accepted at 95 per cent confidence level.

Table 11: Demographic Statistics and Correlations

Independent Variables	No. of Items	Mean	SD	1	2	3	4	5
1.Age	-	2.30	1.31	-				
2.Education	-	3.28	1.66	-0.622**	-			
3.Income	-	2.50	1.04	0.126	.086	-		
4.Financial Literacy	8	1.77	0.90	-0.322**	0.678**	0.050	-	
5.Financial Inclusion	6	1.66	0 .92	-0.231**	0.507**	0.075	.768**	-

Relationship of Financial Literacy and Financial Inclusion

Spearman rank correlation is used for measuring the validity of hypothesis 3, 4, 5, 6, 7and 8. This table shows that two variables of financial literacy and financial inclusion are negatively associated with age (financial literacy r = -.322, p<.01; financial inclusion r= -0.231, p<.01). As above correlation coefficients are negative for the variables of financial literacy and financial inclusion with age. Thus, hypothesis 3 and 4 are rejected with 99 confidence level. Further table shows education level positively correlated with financial literacy (r = .678) and financial inclusion (r = .507). Thus hypothesis 5 and 6 are accepted at 99 per cent confidence level. These results of correlation coefficient are showing no relationship of income with financial literacy and financial inclusion. Thus hypothesis 7 and 8 are also rejected.

Table 12: Results of Hierarchical Regression

	Financial Inclusion	
Independent Variable	**Model 1**	**Model** 2
Age	0.065	-0.010
Education	0.280	-0.039
Financial Literacy	-	.846
R square	0.219	.629
Adjusted R square	.207	.622
F statistic	18.365	82.708
N	200	200

In order to measure Hypothesis 9 regression is used. As the correlation results confirmed the relationship of financial literacy and financial inclusion with age and level of education. Age and education are used as control variables to verify the hypothesis 9. So, in the first model these two variables are entered and then financial literacy is entered in second model. In this study financial literacy is considered as independent variable and financial inclusion dependent on it. Thus age, education and financial literacy are entered in step 1& 2 respectively and their effect of financial inclusion is measured. Above regression results indicate that hypothesis 9 is accepted.

CONCLUSION

A substantial positive link between financial literacy and financial inclusion found in the study as also stated in the previous studies. As a result, in order to create a more inclusive financial system, the degree of financial literacy must be improved. People who are illiterate or have inadequate financial literacy do not use banking or financial services. Education must be enhanced in order to raise financial awareness. As compared to older individuals, younger people are more financially savvy and use financial products and services more efficiently. Gender disparities in financial inclusion and literacy are significant. Women do not have knowledge and skill to use financial services and invest in financial products. Due to lack of financial literacy females do not use even the most fundamental financial services, such as depositing and withdrawing money from banks. Women do not put their money into investments. Their savings are perfect but, not channelized via the country's formal banking system. By increasing women`s financial awareness their savings can be utilized properly and their inclusiveness in financial system can be enhanced. In this way economy can expand and women will also be more empowered.

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