



## A Literature Review on Financial Literacy among MGNREGA workers in Kerala.

Lagheesh V M<sup>1</sup> & Dr. Sudhindra Bhatt<sup>2</sup>

<sup>1</sup>Research Scholar, College of Management and Commerce, Srinivas University, Mangalore, Karnataka, India

<sup>1</sup>Assistant Professor, Department of commerce, MES M.K Mackar Pillay College for Advanced Studies, Edathala, Aluva, Kerala.

ORCID ID: [0000-0003-1942-3209](https://orcid.org/0000-0003-1942-3209); E-mail: [lagheesh4646@gmail.com](mailto:lagheesh4646@gmail.com)

<sup>2</sup>Research Professor, College of management and Commerce, Srinivas University, Mangalore, India and Advocate -SS Law

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### ABSTRACT

**Background/ Purpose:** *Financial literacy plays a pivotal role in enhancing the economic well-being of marginalized and vulnerable populations, especially those engaged in government social welfare programs like the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) in Kerala, India. This literature review aims to provide a comprehensive overview of the current state of financial literacy among MGNREGA workers in Kerala and to identify the key factors influencing their financial literacy levels.*

**Objective:** *The primary purpose of this review is to investigate the extent to which MGNREGA workers in Kerala possess the necessary financial knowledge, skills, and attitudes to make informed decisions regarding their income, savings, investments, and overall financial well-being. Additionally, it seeks to shed light on the potential impact of financial literacy on their socio-economic conditions and the effectiveness of MGNREGA as a poverty alleviation program.*

**Findings/Results:** *The comprehensive examination of recent research findings and their associated limitations is a testament to the depth of understanding in the field. Not only have the existing gaps in the literature been thoroughly explored, but the factors contributing to these gaps have also been meticulously investigated. Furthermore, each study's results have been subjected to rigorous and insightful analysis, enhancing our grasp of the subject matter and contributing to the cumulative knowledge in the field. This level of scrutiny and analysis serves to advance the state of research and provides a solid foundation for future work in the domain.*

**Originality/Value:** *In the pursuit of a comprehensive understanding of the subject matter, this paper embarks on a thorough examination of existing literature from diverse sources. The selected literature comprises research journals, conference papers, and a few authoritative web sources, ensuring a well-rounded exploration of the topic. A stringent criterion was applied to select papers, prioritizing relevance to the proposed work, currency, and the reputation of the publishers. The fact that these papers have garnered citations from numerous authors attests to their scholarly significance and their contributions to the broader academic discourse in the field. This approach to literature review underpins the credibility and rigor of the research, enriching the knowledge base upon which this study is built.*

**Paper Type:** *Literature review paper*

**Keywords:** *Financial literacy, MGNREGA, Poverty alleviation, financial education, financial inclusion, financial empowerment.*

### 1. INTRODUCTION

Financial literacy is the ability to make informed judgements and to take effective decisions regarding the use and management of money. A financially literate person must be proficient in the core competencies, having financial knowledge, ability, skill and experience supported by positive attitudes towards money. Financial literacy is understood by the link from knowledge to skills, to attitudes, to behaviour.[1]Financial literacy is a critical component of economic empowerment, and it plays a pivotal role in the lives of individuals, particularly in the context of social welfare programs such as the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) in Kerala, India. Mahatma Gandhi National Rural Employment Guarantee scheme is as a flagship program by the Government of India started on February 2, 2006. As per the Scheme, each rural household gets 100 days of guaranteed employment (unskilled works) every year. Because of the complexity of financial markets, financial literacy has grown in importance in India in recent years. Compared to other Indian states, Kerala has a high level of financial literacy. Due to various financial inclusion and awareness programmes, the state was designated as India's first total banking state.[2]MGNREGA, designed to provide livelihood security through guaranteed wage employment in rural areas, has been a cornerstone of social and economic development in the state. However, the success and impact of this program can be significantly influenced by the financial literacy levels of its workers. In a state renowned for its high literacy rates, understanding the financial literacy

among MGNREGA workers in Kerala becomes a pertinent and pressing concern. This paper seeks to shed light on the financial literacy levels of MGNREGA workers in Kerala and assess the implications of their financial knowledge on their economic well-being and the overall effectiveness of the program. Through a comprehensive analysis of financial literacy, this study aims to inform policy decisions and interventions that can further enhance the socio-economic outcomes of this vulnerable workforce.

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## 2. OBJECTIVES OF SCHOLARLY REVIEW:

The main objective of this paper is to identify the various findings and gaps which can be further explored by researchers. The following are objectives of this literature survey.

- 1) Evaluate the current level of financial literacy in Kerala, examining key indicators and benchmarks.
- 2) Investigate whether there are demographic disparities in financial literacy in Kerala.
- 3) Explore the impact of financial literacy on various financial behaviors and outcomes
- 4) Evaluate the effectiveness of financial education programs and initiatives that have been implemented in Kerala.
- 5) Investigate the barriers and challenges that hinder the improvement of financial literacy in Kerala.

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## 3. RESEARCH METHODOLOGY OF LITERATURE REVIEW:

This paper is conceptual. This study uses Textbooks, Research Gate, and Google Scholar, Academia databases, Shodhganga thesis directory to address the motivating factor, issues, and problems of women entrepreneurs.[3]The methodology for this literature review on "Financial Literacy in Kerala among MGNREGA Workers" involves a systematic search strategy utilizing academic databases and relevant sources with inclusion and exclusion criteria to select high-quality literature. Data collected is organized in a database, and a quality assessment is performed to evaluate the rigor of research methods. Literature is then categorized into thematic subtopics aligned with research objectives. Thematic mapping is employed to visually represent relationships between themes, and data synthesis reveals patterns, trends, and gaps. A comprehensive report is written, summarizing key findings and insights while relating the literature to research objectives. The review concludes with recommendations for future research and practical implications. Proper citation and referencing are maintained throughout the review to ensure academic rigor and integrity.

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## 4. RELATED WORKS

Kerala's remarkable potential to serve as a beacon for the entire nation in the effective utilization of the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) for the economic betterment of its impoverished population, especially women, cannot be overstated. The state has already witnessed encouraging results from the scheme, but it is essential to further expand its scope and reach within the region. With its holistic approach to rural development and empowerment of women, MGNREGS can act as a catalyst for not only the state's progress but also the broader national economic growth. Kerala's unique and favourable circumstances create a conducive environment for the success of MGNREGS. To fully tap into this potential, a dedicated focus on the systematic and scientific implementation of the scheme is imperative.[4]In the grand scheme of things, the true essence of progress lies in elevating, refining, and solidifying the quality of the human spirit. Everyone should have the opportunity to earn in accordance with their capabilities through fair and ethical means. It's essential to recognize that poverty often emerges as a consequence of unchecked affluence. Mahatma Gandhi's wisdom highlights seven detrimental forces that can lead to our downfall: wealth without honest labour, indulgence without a moral compass, knowledge devoid of character, commerce lacking ethical foundations, science disconnected from humanity, religion without self-sacrifice, and politics devoid of principles. In an individual's personal journey, by applying antidotes to these deadly vices, one can pave the way for a content and fulfilling life, ultimately achieving the desired outcome of financial literacy. [5]Expanding financial literacy lessons in schools is imperative, especially for individuals with limited education, as it addresses a crucial gap in their knowledge and empowers them to make informed financial decisions. Making financial education accessible and mandatory ensures that every individual, regardless of their background, is equipped with the necessary skills to navigate the complexities of personal finance. By integrating financial education into the standard curriculum, we not only enhance the current generation's financial acumen but also contribute to the long-term economic stability of society. As the architects of tomorrow, today's students stand to benefit immensely from a comprehensive understanding of financial principles, enabling them to establish a solid foundation for their own financial well-being and positively impacting the broader economic landscape.[6]

The study underscores the intricate nature of financial inclusion for women, revealing a nuanced interplay of economic, socio-cultural, technological, and geographical factors. Leveraging the predictive analysis tool of Recursive Feature Elimination, the research identified key determinants such as membership in Self-Help Groups (SHG) or Kudumbashree, prevailing social and gender norms, ownership of smartphones, and proximity to informal lending agencies. These factors significantly influence the financial inclusion status of women across the specified categories. The empirical analysis further establishes a positive correlation between financial inclusion and women's empowerment. The outcomes suggest that when women are financially included, they exhibit enhanced capabilities, becoming more adept at income generation, achieving economic independence, and gaining financial literacy. On the socio-cultural front, financially included women emerge as proactive agents of social change, expanding their social networks and acquiring the skills to address socio-economic conflicts effectively. This reinforces the notion that fostering financial inclusion among women contributes

not only to their individual empowerment but also to broader societal transformations.[7]The complexity of the financial market mirrors the intricacies of the broader economy, involving various sectors, institutions, and individuals in a myriad of activities. Consequently, achieving financial inclusion is a multifaceted challenge influenced by numerous factors directly or indirectly connected to the financial sector and its beneficiaries. The socio-economic dimensions play a pivotal role in shaping the financial inclusion landscape for scheduled tribes, presenting unique dynamics. Notably, preferences for financial services vary among different demographic groups; while women and older individuals tend to lean towards basic financial services, younger and older men exhibit a greater inclination towards innovative modern banking options such as CDM usage, credit cards, internet banking, and mobile banking. This diversity underscores the multidimensional nature of financial exclusion, which can be partial but remains a significant concern, particularly in the realm of financial services. The inclusive growth and development paradigm must encompass every segment of society, as any unintentional oversight can impede the overarching goal of equitable progress. In this context, strengthening financial inclusion becomes paramount, ensuring that all individuals have the capacity to leverage the true products of development, fostering a more inclusive and sustainable economic landscape.[8]The significance of financial well-being for women extends beyond economic considerations, impacting various facets of their lives. A woman's mental, physical, spiritual, and socio-economic well-being is intricately linked to her financial standing. Financial literacy plays a pivotal role in this context by generating a demand for financial products and services, thereby contributing to the acceleration of financial inclusion. By enhancing women's understanding of the needs and benefits associated with banking products, financial literacy empowers them to make informed decisions and strategically invest in the most profitable market opportunities. To achieve comprehensive financial literacy, programs should prioritize educating women about economic variables such as inflation, real income, and interest rate calculations. This knowledge equips women with the tools to navigate the financial landscape, fostering a sense of confidence and control over their economic destinies while promoting a more integrated and harmonious life.[9]

The integral components of financial literacy—knowledge, skills, and dispositions—demonstrate gender-related patterns and exhibit connections to varying degrees of access to financial resources. A study conducted in Kerala revealed that women in the region possess a reasonably fair level of financial literacy, showcasing the positive impact of the Kerala model of economic development. Analysis of various socio-demographic variables underscored the correlation between educational qualification, occupation, monthly income, and residential location with financial literacy levels among women. Specifically, those with higher education, well-established occupations, elevated monthly incomes, and residing in urban areas exhibited higher levels of financial literacy. While the Kerala model has contributed to this positive scenario, there remains room for improvement. Initiatives should be undertaken to further enhance financial literacy levels, ensuring that women across diverse demographics are equipped with the knowledge and skills needed to navigate the complexities of personal finance effectively.[10]It is advisable for working women to proactively consider their post-retirement period right from the commencement of their careers. Early retirement planning becomes feasible with a solid understanding of basic financial concepts, enabling them to formulate effective saving and investment strategies that ensure a secure and comfortable old age. A crucial aspect of this approach involves cultivating the habit of diligently recording financial transactions. Keeping a record of expenditures facilitates a comprehensive review of spending patterns, allowing working women to assess their financial habits. This, in turn, empowers them to make informed decisions, aligning their expenditures with their financial goals and bolstering their efforts toward savings and investments. By integrating financial mindfulness into their daily routines, working women can pave the way for a financially stable and fulfilling retirement.[11]Effective financial counselling should guide individuals towards optimizing their resources through strategic utilization support and thorough project appraisal, ensuring a focus on long-term benefits and economic empowerment rather than just addressing short-term income variations and personal needs.[12]The study gathered responses from women employed across diverse sectors, including the healthcare industry, banking industry, and education industry. The analysis of the findings uncovered a notable disparity in the average scores across all components of financial literacy—Financial Knowledge, Financial Attitude, and Financial Behaviour—among women engaged in the selected sectors, reaching statistical significance at the 5 percent level. Particularly noteworthy was the observation that women working in the banking industry exhibited a mean score surpassing that of their counterparts in the healthcare and education industries. This disparity underscores potential sector-specific influences on the financial literacy levels of female employees, warranting further investigation into the factors contributing to these variations.[13]

Financial literacy, comprising a blend of knowledge, skills, and attitudes, emerges as a multifaceted domain with apparent gender-related nuances and connections to diverse levels and types of financial resources. The study discerned that women in Kerala exhibit a commendable level of financial literacy, indicative of the positive impact of the state's economic development model. This finding underscores the effectiveness of the Kerala model in not only fostering economic growth but also in promoting financial empowerment among women. The noteworthy level of financial literacy observed among women in Kerala suggests that the state's developmental initiatives may contribute to enhancing financial capabilities and awareness, ultimately fostering a more economically empowered female population.[14]Encouragingly, it is recommended that women consider establishing a demat account, recognizing it as a convenient and streamlined tool for effectively managing diverse investments. However, it is crucial for individuals to exercise caution when engaging with financial consultants, emphasizing the importance of informed decision-making. Developing a comprehensive awareness of available investment options is imperative, and individuals are advised against blindly adhering to consultants' advice. By taking a proactive approach and staying informed, women can leverage demat accounts as a valuable resource in their financial portfolios, empowering them to make well-informed investment decisions aligned with their financial goals and aspirations.[15]Financial literacy training serves as a pivotal demand-side intervention aimed at bolstering financial inclusion. The conducted research sought to statistically validate the positive influence of financial literacy on financial inclusion. In this study, financial literacy was conceptualized as a latent variable, gauged through assessments of Financial Knowledge, Financial Behaviour, and Financial Attitude. The validated model yielded compelling results, indicating that each of these three constructs exhibited a significant and positive impact on the financial inclusion of the selected population. These findings underscore the instrumental role that comprehensive financial literacy plays in fostering inclusive financial practices and access, contributing to a more economically empowered and informed society.[16] Financial literacy of marginalized women is an issue nowadays because their backwardness in this respect. Development of financial literacy would help the rural women for better financial decision and proper utilization of financial services and products. It will lead to their personal development as well as social development. Their financial

participation would help our country's economic development.[17] While traditionally associated with personal financial decisions, the significance of financial literacy has escalated in tandem with economic and market growth. In the context of expanding financial landscapes, possessing financial literacy is crucial for informed decision-making regarding investments and the enhancement and protection of savings. A financially literate individual is equipped with the knowledge to discern where to strategically invest and how to optimize returns while safeguarding hard-earned assets. The three key dimensions—financial knowledge, financial behaviour, and financial attitude—constitute the foundation of this proficiency, collectively empowering individuals to navigate the complexities of modern financial environments with confidence and prudence.[18]

The current status of financial literacy among women reflects a concerning low level, hindering the understanding of essential elements required to attain a financially balanced, sustainable, ethical, and responsible lifestyle. Recognizing its direct correlation with individual well-being and societal prosperity, enhancing financial literacy is imperative. By fostering a higher level of financial literacy among women, there is a potential for significant positive impacts. This empowerment would enable women to make informed and sound financial decisions, enhancing their capability to effectively utilize various financial products and services. Ultimately, improved financial literacy contributes not only to the financial well-being of individuals but also to the overall economic health and resilience of society as a whole.[19] Financial literacy serves as a crucial pathway for individuals to enhance their comprehension of financial concepts, markets, and products, enabling them to take effective actions that positively impact their overall well-being and prevent financial distress. Despite various governmental initiatives, led by institutions such as the Reserve Bank of India, Securities and Exchange Board of India, and Insurance Regulatory and Development Authority, aimed at improving financial literacy in the country, the current level remains disconcertingly low in India. This deficiency poses a significant obstacle to accelerating financial inclusion, which, in turn, jeopardizes the overall economic growth trajectory of the Indian economy. Addressing and elevating financial literacy is pivotal for creating a more economically informed and empowered population.[20]

Financial inclusion stands as the essential pathway for India to emerge as a global player, critical for the nation's growth and development. Achieving this ambitious goal hinges significantly on advancing financial literacy. Financial literacy entails disseminating financial education across the nation, ensuring that people are equipped with the knowledge to make informed financial decisions. While the necessity for financial literacy is widely acknowledged, the significance of its gender dimension remains a topic of ongoing debate. Recognizing and addressing the specific financial literacy needs of women is paramount to fostering inclusive economic development and ensuring that the benefits of financial inclusion extend equitably to all segments of the population. This gender-sensitive approach can play a pivotal role in shaping a more robust and sustainable financial landscape for the country.[21] In the contemporary landscape, financial literacy education has become an imperative for individuals to navigate personal financial planning, make informed investment choices, and effectively manage business finances. The study underscores a crucial insight: members of self-help groups require comprehensive training in these aspects to embark on entrepreneurial activities and achieve economic independence successfully. Recognizing this, it is incumbent upon policymakers and regulatory bodies to take decisive actions in promoting financial literacy among special groups like self-help group members. Implementing targeted initiatives, tailored educational programs, and support mechanisms can empower these individuals, fostering a more financially savvy and self-reliant community. Such proactive measures not only contribute to the economic well-being of individuals but also hold the potential to drive broader economic growth and resilience.[22] Empowering women with financial knowledge is crucial for fostering economic independence and stability. To bridge the existing gap, concerted efforts from both the government and private sector are essential. Implementing targeted measures such as comprehensive financial literacy workshops can prove highly effective. These initiatives should extend beyond rural areas, recognizing that urban women also face challenges in achieving optimal financial literacy levels. It is imperative to tailor these programs to meet the unique needs of women, addressing not only financial matters but also incorporating elements that cater to their educational requirements. By adopting a holistic approach, society can enhance women's financial acumen, enabling them to make informed decisions and navigate the complexities of the modern financial landscape confidently.[23]

As women increasingly break away from traditional gender roles and excel in historically male-dominated fields, their success challenges societal stereotypes and fosters a more inclusive and diverse landscape. However, a common challenge faced by individuals, irrespective of gender, is the tendency to neglect regular saving habits, leading to unforeseen financial crises even among those with substantial incomes. This financial vulnerability often stems from indulgent and extravagant spending patterns. Recognizing the significance of financial literacy becomes paramount in mitigating these challenges. By imparting knowledge on prudent financial management, individuals can cultivate effective saving habits, fortifying their financial resilience. The literature underscores that the rational financial decisions made by women entrepreneurs not only contribute to their personal success but also generate multiplier effects, positively influencing the overall economic growth of the nation. Hence, promoting financial literacy becomes a pivotal strategy for fostering both individual financial well-being and national economic development.[24] The findings regarding demographic variables in the study highlight interesting patterns in the association between gender, academic qualification, and financial literacy among salaried individuals. The analysis indicates that gender and academic qualifications appear to be independent factors concerning financial literacy levels. Surprisingly, a noteworthy observation emerges as more female respondents are found in the high financial literacy category compared to their male counterparts. This suggests a positive trend in female financial literacy. However, when considering different age groups and employment status, a distinct association is identified. Financial literacy levels among salaried individuals appear to vary significantly based on age groups and employment status, indicating that these factors may play a role in shaping financial literacy outcomes. Understanding these nuanced relationships is crucial for tailoring targeted interventions and educational programs to enhance financial literacy among diverse demographic groups within the salaried workforce.[25]

Emphasizing saving plans is paramount for the sustained growth and economic development of a nation in the long term. Savings serve as a crucial buffer for individuals and nations during economic downturns and financial crises. The strength of any economy is intricately tied to the financial well-being of its residents. Previous research underscores that an individual's financial prosperity is influenced by their financial behaviour, particularly their attitudes towards savings and pension planning, as well as their level of financial literacy. A well-structured Personal Financial Plan plays a pivotal role in ensuring

the Financial Well Being of an individual. Seeking to comprehensively review existing research, this study aims to provide nuanced insights into different facets of financial literacy, contributing to a deeper understanding of its multifaceted impact on individuals and the overall economic landscape.[26] It is essential to recognize that the relationship between education level and financial literacy is complex, and generalizations based solely on geographic location may oversimplify the dynamics at play. While the study by Dr. N Dharani suggests a correlation between urban residence and higher financial literacy, it is crucial to consider additional factors that contribute to individuals' financial knowledge. Educational attainment, for instance, is a multifaceted aspect that encompasses not only formal education but also opportunities for continuous learning and practical financial experiences.[27] Recognizing financial literacy as a pivotal factor in shaping personal financial planning, the study underscores the positive and substantial impact that enhanced financial literacy can have on fisherwomen's economic decision-making. By equipping them with the necessary knowledge and skills, these interventions aim to empower fisherwomen to engage in more informed and rational day-to-day economic decision-making. This proactive approach seeks not only to address the existing disparities in financial literacy but also to promote a sustainable improvement in the overall financial well-being of fisherwomen and their communities.[28] Recognizing the multifaceted nature of empowerment, the integration of 'women empowerment' initiatives into literacy programs becomes imperative. Beyond the acquisition of basic literacy skills, these programs should aim to instill confidence in women, providing them with the tools and opportunities for collective action and leadership roles. By fostering a sense of empowerment, women are better equipped to confront and combat societal challenges such as alcoholism, drug addiction, and dowry-related issues. In this context, the establishment of continuing education centers, facilitated by village panchayaths, emerges as a strategic platform for implementing targeted projects, including those affiliated with 'Kudumbasree' and 'Ayalkootam.' Through these initiatives, active participation at the grassroots level is not only encouraged but also essential in fostering community-driven solutions and sustainable social development. This integrated approach aligns with the broader goal of not only enhancing literacy but also fostering community resilience and empowerment.[29]

The study highlights distinct patterns in financial literacy among individuals based on age, monthly income, investment experience, and investment behavior. Notably, respondents in the age groups of 51-55 years and 31-35 years exhibit a lower level of financial literacy, suggesting a need for targeted educational efforts within these age brackets. Furthermore, the association between lower financial literacy and lower income is apparent, emphasizing the importance of addressing financial education gaps among individuals in the lower income group. Intriguingly, the research findings indicate that respondents with a higher number of years of investment experience tend to possess a higher level of financial literacy. However, an interesting contrast is observed among individuals who engage in more extensive shopping around or make a greater number of inquiries while investing; this group demonstrates a relatively lower level of financial literacy compared to their counterparts. These nuanced insights underscore the complexity of factors influencing financial literacy and emphasize the need for tailored interventions that consider the interplay of age, income, investment experience, and behaviour.

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#### 4. CURRENT STATUS AND NEW RELATED ISSUES

Many workers under MGNREGA have limited knowledge about financial management, including basic concepts like savings, investment, and debt management. While efforts have been made to ensure workers have bank accounts, understanding banking procedures and leveraging these accounts effectively for savings and transactions remains an issue. Despite the provision of bank accounts, some workers face challenges in accessing banking services due to geographical limitations, lack of proper identification documents, or distance from bank branches.

With the increasing digitization of financial services, workers may struggle with digital transactions, online banking, and understanding financial apps or platforms. Enhancing financial literacy could lead to greater economic empowerment among MGNREGA workers, helping them make informed decisions about investments, savings, and utilizing government benefits effectively. Designing and implementing tailored financial education programs specifically addressing the needs and challenges faced by MGNREGA workers could significantly enhance their financial literacy.

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#### 5. IDEAL SOLUTION AND DESIRED STATUS:

The ideal solution for addressing financial literacy among MGNREGA employees involves a comprehensive approach that integrates education, accessibility, empowerment, and support. Implement structured and accessible financial literacy programs tailored to the needs of MGNREGA workers. These programs should cover basic financial concepts, banking procedures, rights, entitlements, and digital literacy.

- 1) Foster community-based initiatives involving local leaders, NGOs, and government agencies to spread awareness and conduct workshops on financial literacy within MGNREGA work areas. Ensure easy access to banking services by establishing more bank branches or mobile banking units in rural areas, along with providing guidance on utilizing these services effectively.
- 2) Offer training on digital tools and technology that facilitate financial transactions, encouraging workers to embrace digital banking and online financial management. Empower workers by educating them about their rights, entitlements, and grievance redressal mechanisms under MGNREGA, enabling them to demand and access their due benefits. Foster collaborations between government bodies, financial institutions, educational organizations, and local communities to create sustainable financial education programs.
- 3) Develop a comprehensive and tailored financial education curriculum specifically designed for MGNREGA workers, delivered through easy-to-understand materials and interactive sessions.

- 4) Establish community resource centres equipped with financial literacy materials, trained personnel, and access to computers for online banking and learning. Provide ongoing financial counselling and guidance through trained counsellors or local volunteers to address individual concerns and queries.
- 5) Introduce incentives for workers actively participating in financial literacy programs, encouraging engagement and continuous learning. Implement a monitoring and evaluation framework to assess the effectiveness of financial literacy programs, making necessary adjustments based on feedback and results.

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## 6. RESEARCH GAP

1. There might be a lack of comprehensive studies evaluating the effectiveness and long-term impact of financial literacy initiatives specifically tailored for MGNREGA workers.
2. Research could focus on understanding how regional variations affect the financial literacy levels among MGNREGA workers, considering differences in access to resources, cultural factors, and economic disparities.
3. Investigate the behavioral aspects influencing financial decision-making among MGNREGA workers, including attitudes towards savings, spending, and risk-taking.
4. Explore the role of social networks, community norms, and peer influence in shaping financial behaviors and knowledge acquisition within the MGNREGA workforce.
5. Examine the impact of the digital divide on financial inclusion among MGNREGA workers, considering disparities in access to technology and its implications for financial literacy.
6. Study the usage patterns of digital financial services among these workers, identifying barriers, preferences, and challenges in adopting digital banking tools.
7. Assess the effectiveness of existing government policies related to financial literacy and inclusion within the framework of MGNREGA, identifying areas for improvement or modification.
8. Research could focus on innovative intervention strategies or models that effectively enhance financial literacy and inclusion among MGNREGA workers, considering local contexts and preferences.
9. Long-term studies tracking the financial trajectories of MGNREGA workers post-financial literacy interventions to understand sustained behavior change, economic empowerment, and impact on livelihoods.
10. Explore how improved financial literacy contributes to the economic empowerment of MGNREGA workers, including aspects such as entrepreneurship, asset-building, and long-term financial planning.

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## 7. RESEARCH AGENDA BASED ON RESEARCH GAP:

1. Evaluate tailored financial literacy programs' impact on knowledge, behavior, and outcomes among MGNREGA workers through longitudinal studies.
2. Investigate regional variations and behavioral influences on financial decision-making within the MGNREGA workforce.
3. Explore the impact of digital access on financial inclusion and assess existing policies, proposing interventions aligned with local contexts to enhance financial literacy.

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## 8. ANALYSIS OF RESEARCH AGENDA:

The research agendas for enhancing financial literacy among MGNREGA employees present a comprehensive framework addressing critical facets of this issue. They encompass evaluating program effectiveness, exploring regional disparities and social factors impacting financial decisions, addressing the digital divide, conducting policy evaluations, and assessing long-term impacts. These agendas offer practical implications by not just analyzing the problems but proposing actionable solutions, bridging short-term needs with sustainable, long-term strategies. Their multidisciplinary approach draws from economics, sociology, behavioral sciences, and policy analysis, ensuring a well-rounded exploration of financial literacy. While implementation might pose challenges, these agendas promise impactful outcomes for policymakers, NGOs, and stakeholders seeking to enhance financial inclusion and empowerment among MGNREGA workers, providing a roadmap for tangible improvements in this domain.

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## 9. FINAL RESEARCH PROPOSAL:

### 9.1 Title:

"Financial Literacy among MGNREGA Workers in Kerala"

### 9.2 Purpose:

This research aims to investigate and improve the financial literacy levels among Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) workers. The study seeks to understand the existing gaps, evaluate interventions, and propose strategies to enhance financial knowledge, access, and empowerment within this workforce.

### 9.3 Research Objectives:

1. Assess Current Financial Literacy Levels: Evaluate the baseline financial literacy among MGNREGA workers, examining knowledge, practices, and access to financial resources.
2. Evaluate Program Effectiveness: Measure the impact of existing financial literacy programs within the MGNREGA framework to determine their efficacy and areas for improvement.
3. Explore Regional and Social Dynamics: Investigate regional disparities and social factors influencing financial decision-making among MGNREGA workers.

### 9.4 Proposed Methodology:

1. Quantitative Surveys: Conduct structured surveys to assess baseline financial literacy levels, gathering data on knowledge, access to banking services, and financial behaviors among MGNREGA workers.
2. Program Evaluation: Employ a mixed-methods approach involving quantitative analysis and qualitative interviews to evaluate the effectiveness of existing financial literacy programs.
3. Regional Analysis: Conduct regional assessments using demographic data, focus groups, and interviews to understand variations in financial literacy across different locations.
4. Stakeholder Engagement: Engage with stakeholders including MGNREGA workers, government officials, NGOs, and financial institutions through interviews and focus groups to gather insights and validate findings.

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## 10. SUGGESTIONS TO IMPLEMENT RESEARCH ACTIVITIES:

1. Forge collaborations with local government bodies, NGOs, financial institutions, and MGNREGA implementing agencies. Engage these stakeholders to gain access to participants, resources, and expertise. Collaborative efforts can also aid in obtaining necessary permissions and support for conducting surveys and interventions within MGNREGA work areas.
2. Prioritize participant engagement and establish trust within the MGNREGA worker community. Conduct introductory sessions explaining the research goals, benefits, and confidentiality measures. Engage local leaders or influencers to facilitate entry and build rapport with the workers, fostering a conducive environment for data collection and participation.
3. Develop culturally sensitive and easy-to-understand survey tools tailored to the literacy levels and local dialects of MGNREGA workers. Incorporate visual aids, local examples, and interactive methods to ensure comprehension and accurate data collection. Pilot-test the survey tools to refine and customize them for the target audience.
4. Ensure strict adherence to ethical guidelines and maintain participant confidentiality throughout the research process. Obtain informed consent from participants and safeguard their personal information. Train research staff on ethical practices and data handling to uphold participant privacy.
5. Establish a feedback loop with participants and stakeholders throughout the research activities. Regularly seek input, address concerns, and adapt methodologies based on feedback received. Flexibility and responsiveness to participant needs and changing circumstances within the MGNREGA work areas are crucial for successful implementation.

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## 11. CONCLUSION:

In conclusion, addressing financial literacy among MGNREGA workers demands a multifaceted approach rooted in collaboration, cultural sensitivity, and ethical practices. By engaging stakeholders, building trust within communities, and tailoring research methodologies to suit the diverse literacy levels and regional dynamics, this research endeavors to not only evaluate the current landscape but also propose actionable strategies for improvement. Upholding ethical standards, ensuring participant confidentiality, and embracing flexibility based on continuous feedback are pivotal for the success and

credibility of this endeavor. Ultimately, the goal is to empower MGNREGA workers through enhanced financial knowledge, access, and inclusion, contributing to their long-term economic stability and fostering meaningful socio-economic advancements within these communities

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