

Financial Literacy: A comparative study on efforts by RBI and CBG

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Abstract

Financial Literacy is that the ability to grasp how cash works in our day nowadays functions and the way somebody manages it, how he/she invest it and how someone offers it to others. Specifically, it refers to the set of skills and data that enables an individual to make.

Financial skill has been a vital life skill that's important on the individual, family well-being and on the broader economy. Over the years, each developed and developing countries became more and more involved regarding the amount of economic literacy of their citizens, significantly among young people. The amount of financial literacy among people during an explicit country counts on the impact it's on the economy and also the understanding of the way to handle and use cash now, and the future. With financial information among the larger variety of individuals among a rustic may contribute to improved financial deciding and in turn have positive impact on the household, and additionally the economy and also the monetary skill of the country. It's within the lightweight of this that this long essay can investigate the efforts done by the RBI and CBG (Cannabigerol) in promoting financial literacy in the country. Interest in financial acquisition has raised in recent years, due in massive half to technological, market, and legislative changes that have led to a lot of advanced financial services business that needs shoppers to participate more actively in managing their finances. Client interest groups, communities, banking firms, government agencies and policymakers, among others, became involved that a lot of consumers lack sensible information of monetary ideas and also the tools they have to form the choices most helpful to their economic well-being. As a result, substantial

resources are allotted to financial literacy; with a good vary of organizations providing training, as well as banks, consumer and community groups, employers, and government agencies. Overall, studies indicate that monetary acquirement coaching will result in higher call making; However, the results raise several questions on the most effective means that of providing that training, the foremost acceptable framework, and also the most appropriate timing. Findings from recent analysis on personal cash management techniques, combined with an awareness of human behavioral traits, offer insights which will be useful in developing victorious training programs and strategies.

CHAPTER ONE

Introduction

Reserve Bank of India (RBI):

The Reserve Bank of India (RBI) is the central bank of Republic of India (RBI) is the central bank of India that was established on Apr. 1, 1935, under the RBI Act. The Reserve Bank of India uses monetary policy to produce financial stability in India, and it's charged with control the country's currency and credit systems. The run was originally set up as a non-public entity; however it had been nationalized in 1949. The reserve bank is ruled by a central board of administrators appointed by the national government. The govt has forever appointed the RBI's directors, and this has been the case since the bank became completely owned by the govt of state as made public by the Federal Reserve Bank of India Act. Directors are appointed for a quantity of four years. The most purpose of the run is to conduct consolidated oversight of the monetary sector in India that is created of business banks, financial institutions, and non-banking finance firms. Initiatives adopted by the run embrace restructuring bank inspections, introducing off-site investigating of banks and financial institutions, and strengthening the role of initial and foremost, the run formulates, implements, and monitors India's monetary policy. The bank's management objective is to require care of price stability and confirm that credit is flowing to productive economic sectors. The run jointly manages all foreign exchange under the interchange Management Act of 1999. This act permits the run to facilitate external trade and payments to promote the event and health of the exchange market in India. The run acts as a regulator and supervisor of the financial system. This provides nation trust into national monetary system saves rate of exchange, also gives another positive banking for nation. Finally, the run batted in acts as a result of the institution of national currency. In India, this indicates that a currency is also being issued or destroyed depending on the current circulation of its currency. This provides the Asian nation public with a supply of currency inside the design of dependable notes and coins, a lingering issue in India. In 2018, the Reserve Bank of India banned the use of virtual currencies by the financial agencies and banks that regulate it. The initial decade of the twenty first century has seen a universal recognition for spreading monetary attainment among people. The construct of rising financial accomplishment as a national project has been bit by bit building. Most of the countries

take over, a unified and coordinated national strategy for monetary education. Given the actual incontrovertible fact that India has large population, a fast growing economy with national concentrate on inclusive growth associate degreed an pressing ought to develop a spirited and stable monetary system, it's all the additional necessary to quickly formulate and implement a national conjointly since an outsized range of stakeholders as well as the central and state governments, financial regulators, financial institutions, civil society, educationists et are concerned in spreading financial literacy; a broad national strategy may be a necessity to make sure that they add bicycle-built-for-two in keeping with the strategy and not at cross monetary Inclusion and Education are two important elements in the Reserve Bank of India's developmental for that, it made essential volume of literature and uploaded on its website in 13 languages for banks and different stakeholders to transfer and the aim of this initiative is to form awareness concerning monetary merchandise and services, smart financial practices, going digital and client protection. Financial education plays a significant role in creating demand aspect reply to the initiatives of the provision side interventions. Monetary inclusion is one in all the highest most policy priorities of the govt of India. One in all the foremost visible aspects of the governance has been agenda of social inclusion of that financial inclusion is an integral part. 'Financial literacy, Associate in nursing education, plays an important role in financial inclusion, comprehensive growth and property prosperity'. The Reserve Bank of India has implemented a project entitled "Financial Literacy Project". The aim of this project is to provide information related to the central bank and general banking concepts to different target groups, including (school and college students, women, rural and urban poor, defense personnel and the elderly). These works imagine a many-sided approach. The project is designed to be implemented in two units, one focusing on the economy, the Reserve Bank of India and its activities, and the other on general banking services. The materials have been created in English and other local languages. Distributed to the target audience with the help of banks, local government agencies, schools and colleges through presentations, flyers, brochures, films and also through the RBI website.

Central Bank of Ghana (CBG):

The Ghanaian central bank traces its roots to the Gold Coast Bank (BCG), wherever it absolutely was sponsored. Once native politicians and economists saw political independence on the horizon within the mid-1950s, the incitement to form a central bank was revived. It's been aforesaid that the central bank is one in every of the establishments that provides real intending to political independence. It ought to be noted that in 1947, some outstanding politicians mixed up the

institution of a commercial bank with the functions of the central bank to act as banker to the govt and to satisfy the requirements of the local Proposals of the advocates for a financial organization were accepted and in early 1955 another committee was created by the govt to require a brand new check up on the Trevor Report and prepare the grounds for the institution of a central bank. Fortunately, BCG had already paved the way for the central bank: all that was needed was specially trained central bank staff and suitable accommodations for the bank to take off. By 1956, everything was set to create the Bank of Ghana. The government of Ghana seeks to scale back economic vulnerability and financial gain difference through the event of a broad financial inclusion policy. The Ministry of Finance, unitedly with financial sector regulators and different key stakeholders, have developed a National Financial Inclusion and Development Strategy (NFIDS) to handle the basic barriers preventing the underserved population from accessing financial merchandise and services that will change them to get income, build assets, manage financial risks, and become economically. The strategy has been developed through a comprehensive neutral advisory method and a review of sector-related documents. It provides a prioritized and sequenced series of actions to push broader access to reasonable financial merchandise and services. The pillars of the strategy are monetary Stability; Access, Quality and Usage of monetary Services; monetary Infrastructure; monetary shopper Protection; and monetary attainment and ultimately, the strategy seeks to extend financial inclusion from fifty eight p.c of Ghana's adult population to eighty five percent by 2023. The Ministry of Finance (MoF) requested UN agency support in developing (NFIDS) to assist increase access to monetary services in African country and promote broader development of the financial sector. With support from the primary Initiative, the planet Bank Finance, aggressiveness and Innovation (FCI) world apply provided the technical help to help develop the NFIDS. The event of the NFIDS entailed a series of UN agency missions to Ghana to help facilitate 2 neutral workshops to debate the NFIDS priorities and Action Plan. Consistent with the planet Bank's advisory cluster to help the Poor (CGAP) monetary Inclusion Insights Survey, access to formal financial services in Ghana accrued considerably from 41% to 58% between 2010 and 2015, however forty two percent of the population still lacks access to monetary services. bound groups— including the poorest regions (Upper West, Northern, Volta, higher East, and BrongAhafo), rural residents, women, the poorest quintile of the population, and youth have even less access than their counterparts. The reform agenda emphasizes financial technology (fintech), given its proved ability to drive financial inclusion in African country not solely by facultative the introduction of latest merchandise and services, however conjointly by permitting economical delivery of ancient financial products

reminiscent of savings Fintech also offers the chance for regulators to expeditiously tackle challenges obligatory by the increasing use of monetary services, notably the necessity to control and supervise an oversized and wide-ranging range of financial services providers, to guard consumers, and to manage concealment and terrorist act funding risks. The financial sectors in Ghana in these recent times have been swamped by imposter's including investment management advisors and some Microfinance organization following the same direction as the old "Ponzi schemes". The rate at which some financial institutions in Ghana extort monies from investors with promise of high return is becoming alarming. Knowing the relevance of financial literacy, countries globally have lunched financial literacy campaigns to equip its citizen with the requisite financial education to minimize the risk associated with investment. One of such programs was the financial literacy week awareness implemented by the government of Ghana in collaboration with other concerned stakeholders in 2008 to provide financial knowledge in various financial topics and the capacity building services to the Ghanaian youths and adult in order to enhance their financial literacy skills for a better financial well-being. Additionally, the support program for enterprise empowerment and developing was also lunched by the government in joint collaboration with the bank of Ghana (BOG), Danish international development Agency and the German Agency for international cooperation to support and sustain growth of the private sector. The Ministry of Finance in 2015 launched a nationally financial literacy education and literacy campaign to support Ghana's comprehensive financial inclusion strategy efforts. This campaign was to be extended for a period of six (6) months in order to consolidate the current fiscal policy priorities to improve access to financial services across the country. The campaign is categorized into two projects, namely "Financial Literacy, Trainer of trainers(ToT)" and "Financial Literacy". These projects looked at the demand and supply of financial services in the country, targeting financial service providers and the public such as farmers' organizations and small farmers. Guidebooks and slides have been prepared, used and distributed to various groups and institutions to help facilitate understanding of the topics involved. The Financial Literacy (TOT) coach has adopted a strategy of using Rural Microfinance Institutions (RMFI) and other microfinance service providers as a way to reach the public. It included an initial assessment of a select group of RMFIs and staff of Microfinance Institutions (MFIs) on financial literacy and further training for the same staff. These trained employees had to educate their colleagues and train their clients in order to define financial knowledge through their organizations and clients.

CHAPTER TWO

Literature review

Definition of financial literacy

Several scholars have come up with definition of financial literacy. However, studies on financial literacy haven't come up with an agreement on the definition of financial literacy. Remund (2010) came up with many theoretical definitions of financial literacy which fall into five groupings: information of financial perceptions, (ii) capability to communicate about financial perceptions, (iii) capacity in supervision personal investments, and (iv) proficiency in making correct financial resolutions and (v) self-confidence in planning meritoriously for future financial requirements. He also came up with a made definition which draws upon the significant perceptions that were acknowledged in the numerous studies on financial literacy. According to Remund, financial literacy is a measure the point to which one recognizes crucial financial conceptions and possesses the capacity and assurance to achieve personal finances through proper, short term decision making and sound, long range financial planning, while careful of life events and moving economic conditions. Huston (2010) stated that financial literacy refers to the capacity of how an individual can comprehend and use personal finance related information. Nevertheless, Huston in her study, hypothesized financial literacy into two scopes, understanding personal finance knowledge and also the use of personal finance application. Financial literacy therefore, talk about to a person's capability to recognize and make use of financial perceptions (Servon&Kaestner 2008). Worthington (2006) defined financial literacy in term of the mathematical capability and the understanding of financial terms. Otherwise, Lois Vitt and colleagues (2000) defined financial literacy as the capability to read, investigate, accomplish, and communicate about the personal financial situations that affect material well-being which includes the capability to distinguish financial selections, discuss money and financial concerns without distress, future planning, and answer proficiently to life events that affect every day financial choices, with proceedings in the general economy (Johnson &Sherraden, 2007; van Rooij et al., 2011). Furthermore Huang et al. (2008) observed something of similar in which they defined financial literacy as the capability of an individual to make conversant findings and to take actual choices concerning the use and management of money. OECD also defined financial

literacy as the combination of customers' or depositors' understanding of financial products and perceptions and their capability and assurance to appreciate financial threats and opportunities, to make knowledgeable choices, to know where to go for assistance, and to take other operative actions to increase their financial well-being.

Empirical review

Lusardi et al. (2010) researched on "Financial literacy among the young" found out that financial literacy is associated with family economic and educational background. The people who were more financially literate belonged to highly educated and financially urbane families.

Lusardi & Mitchell (2011) hypothesized on "Financial Literacy around the World: Overview"

They concluded that financial literacy was very low worldwide, regardless of the level of development of the financial market. Women were less financially literate than men and are aware of this shortfall. Financial literacy is critical to retirement security, the people who can accurately undertake simple calculations, know about inflation, and are knowledgeable about risk diversification, are more likely to plan for their retirement.

Ansong and Gyensare (2012) in their study, they used an associative design to note sample factors of 250 financial literacy levels for undergraduate and undergraduate students. The recommend of outcomes that age and work experience were positively correlated to the level of financial literacy. Also, mother's education was establish to be positively associated to financial literacy. However, the results showed that school level, work location, parental education, and access to the media were not significantly related to financial literacy.

The OECD International Network on Financial Education pilot study conducted by **Atkinson & Messy (2012)** on financial literacy in 14 countries focusing particularly on levels of financial knowledge, financial behaviors and attitudes. Their results highlight the lack of financial knowledge among a large proportion of the population in each of the countries surveyed and a lower level of financial literacy among women compared to men in nearly all countries. The research also showed that there is positive relationship between income, education level and financial literacy.

Shankari et al. (2014) postulated in their paper "Financial literacy towards banking products and services: a survey". The reaching levels of financial knowledge in the population has been the key component of the successful national financial education strategy, enabling policy

makers to identify gaps and design appropriate responses. The study carried out to understand the level of the financial Literacy of the common public of Select Districts of Tamilnadu towards Banking Products and Services. They concluded that the financial literacy level is low among the respondent

Guiso & Viviano (2015) used a dataset from a survey that an Italian bank conducted of its clients with administrative data for the bank on asset holdings and transactions of the same customers. The survey extracted detailed information about individuals and their families. Organized with standard socio demographic Characteristics such as gender, age, educational attainment, and employment, the survey involved questions to produce investor's attitudes and to measure investor's financial literacy based on 3 tests of the benefits of financial literacy during the Global Financial Crisis (GFC). The findings show that high-literacy investors are better at timing the market and high literacy investors are also more likely to trade according to the treatments of normative models and to perceive intermediaries' possible conflicts of interest.

Hanson and Olson (2018) discovered the association between financial literacy and Patterns of family communication through an online survey of a sample of 96 undergraduate students in the United States between the ages of 18 and 26. The findings recommended that conversations within the family regarding financial matters provide important knowledge regarding financial matters and may be a factor to consider in planning any financial literacy curriculum and moreover an attitude towards financial products has also been shown to influence students financial literacy levels.

Gyimah et al. (2018) used the survey research technique to study the financial literacy level among a sample of 480 students across public and technical universities as well as teacher-training colleges in Ghana. The outcomes recommend that on the average, students lack financial information especially on insurance. On the hand, the outcomes revealed that students are financially literate in terms of savings and borrowing. Furthermore, information technology positively impacts 95% of student's financial literacy.

CHAPTER THREE

Statement about the Problem

Financial Literacy is a key to financial inclusion and also for development of the country. Various surveys have denoted that India and Ghana ranks below global average in financial literacy. Nearly three out of every four adults are not financially literate. Numerous efforts have been taken by the Government of India and Ghana to make country financially included. In order to make the successful use of financial services, there is a need to be financially literate to understand the basics of money management. The present study measures the impact of financial inclusion schemes on financial literacy of the people in the country of India and Ghana and also examines and compare the impact of financial literacy level on the individual's financial decision.

Research Objectives

The broad objective of this research is to study the level of financial literacy and initiatives taken by different groups in the India and Ghana. Specific objectives of the research are:

- To compare the relationship between financial literacy level of India and Ghana.
- To compare the number of people or certain percentage of people are aware about the financial literacy schemes and campaigns conducted by different groups.
- To analyses the difference between financial literacy- performances by the both countries central bank.
- To suggest innovative strategies for increasing financial literacy level in both the countries

Data Collection

Source of data

For the purpose of the study, the secondary data are used.

➤ Secondary Data

Secondary data was gathered using the literature reviewed from various national and international journals, reports published by private and Government firms nationally and internationally, newspapers, websites, magazines, books, research projects and other and other unpublished research works on financial literacy and inclusion.

Scope of the study

The study analyzes the level of financial literacy on people of India and Ghana its impact on financial management activities such as financial planning, acquisition and allocation of finance. It also reveals the factors contributing to the financial literacy of peoples. The study would also help to know the preferences of different people towards source of finance and utilization of finance for certain operations. Finally the study analyzes the influence of financial literacy on people of both country and its level of awareness. It gives valuable suggestion for improvement of financial literacy among the peoples to enhance the financial management and ultimately to improve the country's economy.

Limitations of the study

The comparison of the study was focused on efforts taken by different country on financial literacy level and the data collection was done by secondary method. Hence, there is every chance of recall bias in the data collected. Therefore, caution should be employed when generalizing results to other areas. However, serious attempts have been to minimize the error at every fact of the study right from defining the problem, analysis of results and interpretation of data.

CHAPTER FOUR

Research Methodology

This research is a comparison between the initiatives, campaigns and activities conducted by the Reserve Bank of India and Central Bank of Ghana for enhancing the financial literacy among the people. For the purpose of this study, we have adopted Comparative Research Methodology, comparing the various activities conducted by the central banks of India and Ghana through secondary data.

Comparisons:

Both the countries had conducted various activities to increase the financial literacy among the people of the country. The initiatives, campaigns and activities conducted by both the countries were different and specifically for the people of the respective countries. We have provided below a comparison based on the below basis:

Sr. No	Basis	Reserve Bank of India	Central Bank of Ghana
1	National strategic programs conducted	<p>National Centre for Financial Education (NCFE)</p> <p>This program was introduced by RBI to enhance financial education through a 5 - C Approach”</p> <p>It constitutes of Content, Collaboration, Community, Communication and Collaboration.</p>	<p>“SPEED” – Ssupport Program for Eenterprise Eempowerment and Development</p> <p>This program was introduced, in a national level, to bring in trust between the consumers and financial service providers throughout all the regions of Ghana. This was enabled through various modes like posters, handbooks and pocket guides.</p>

2	Activities conducted for students	RBI Young Scholars Award is an initiative to generate interest and create financial awareness, the banking sector and the Reserve Bank of India.	<p>The Central Bank of Ghana through global money week in collaboration with OECD to educate and enhance financial understanding among students.</p> <p>Students are educated about various financial matters enabling them to make better financial decisions.</p>
3	Activities conducted for women	<p>RBI develops financial content for various stakeholders through the 5-C approach.</p> <p>The NSFE program also focuses on enhancing financial literacy among women. Various intermediaries and communities are used as a communication tool by RBI to provide the financial content developed to women.</p>	<p>The Central Bank of Ghana has developed policies to encourage the use of financial services among women.</p>
4	Financial Literacy week	<p>This is a program conducted by RBI in collaboration with the Indian Government to enhance financial knowledge among the vulnerable sections of the society. Every year the “Financial Literacy Week” is conducted based on a particular theme.</p>	<p>The OECD in collaboration with the bank of Ghana and other stakeholders organize the global money week every year to educate children on the skills and knowledge about managing financial matters and acquiring knowledge, skills and behavior to make sound financial</p>

			decision.
5	Activities conducted for others	The OECD in collaboration with the bank of Ghana and other stakeholders organise the global money week every year to educate children on the skills and knowledge about managing financial matters and acquiring knowledge, skills and behaviour to make sound financial decision.	The OECD in collaboration with the bank of Ghana and other stakeholders organise the global money week every year to educate children on the skills and knowledge about managing financial matters and acquiring knowledge, skills and behaviour to make sound financial decision.

Comparative Financial Literacy for both the countries:

Financial literacy rate	India	Ghana
2010	64.83%	71.50%
2011	74.04%	74.0%
2012	72.98%	72.2%
2013	73.00%	73.1%
2014	74.04%	74.6%
2015	71.96%	75.3%
2016	73.99%	76.2%
2017	77.71%	78.1%
2018	74.37%	79.04%
2019	69.10%	79.7%
2020	77.69%	78.02%

CHAPTER FIVE

Data analysis

Activities done by RBI to promote financial literacy in India:

The Reserve Bank of India has made essential volume of literature and uploaded on its website in 13 languages for banks and different stakeholders to transfer and the aim of this initiative is to form awareness concerning monetary merchandise and services, smart financial practices, going digital and client protection. Financial education plays a significant role in creating demand aspect reply to the initiatives of the provision side interventions.

The Reserve Bank of India has implemented a project entitled “Financial Literacy Project”. The aim of this project is to provide information related to the central bank and general banking concepts to different target groups, including (school and college students, women, rural and urban poor, defence personnel and the elderly). These works imagine a many-sided approach. The project is designed to be implemented in two units, one focusing on the economy, the Reserve Bank of India and its activities, and the other on general banking services.

Reserve Bank of India launched „RBI Young Scholars Award“ Scheme amongst students undergoing undergraduate studies to generate interest in and create awareness about the banking sector and the Reserve Bank. Under the scheme, up to 150 young scholars would be selected through country-wide competitive examination and awarded scholarships to work on short duration projects at Reserve Bank.

The Reserve Bank of India has released on its website the draft National Strategy for Financial Education for comments and feedback. The National Strategy recognizes that financial literacy and financial education play a vital role in financial inclusion and inclusive growth and envisages ways towards creating awareness and educating consumers on access to financial services, availability of various types of products and their features; changing attitudes to translate knowledge into responsible financial behaviour; and making consumers of financial services understand their rights and obligations. The National Strategy seeks to create a financially aware and empowered India. Under this, the central bank has recommended a '5-Core Actions' approach for dissemination of financial education in the country.

The Reserve Bank of India (RBI) will conduct the “Financial Literacy Week 2020”. The topic of

the Financial Literacy Week 2020 is “Micro, Small and Medium Enterprises (MSMEs)”. The Financial Literacy Week 2020 aim to aware people about the formalization, collateral free loan, discounting of receivables, rehabilitation of stressed units and timely repayment.

RBI formulated ‘5 C’ approach to spread financial education and to achieve the objectives of the report. The ‘5 C’ are Content, Capacity, Community, Communication and Collaboration.

Activities done by CBG to promote financial literacy in Ghana:

The Central Bank of Ghana has not in its own capacity conducted or carried out any financial literacy program solely or independently, but it usually collaborates with other organisation including, NGOs, corporate entities and other financial institution in the country. The following activities has been done under the auspice of the central bank of Ghana.

Under the “SPEED” (support program, for enterprise empowerment and development) the Central bank of Ghana together with Ghana Microfinance institutions (GHAMFIN), the ministry of finance and economic planning (MOFEP) in a joint collaboration with international donors designed a financial model to create awareness of financial topics and build trust between consumers and financial service providers. They used delivery channel such as posters hand book and pocket guide. Their target was all the regions in Ghana.

The central bank of Ghana in collaboration with the university of Frankfurt designed a Financial literacy campaign and implemented a communications strategy for the financial literacy and awareness of various stakeholders. This program was delivered through professional training. (duration was 2017-2019)

The organisation for economic co-operation and development (OECD) in collaboration with the bank of Ghana and other stakeholders organise the global money week every year to educate children on the skills and knowledge about managing financial matters and acquiring knowledge, skills and behaviour to make sound financial decision. It is an awareness which holds discussion, seminars and other educational session to ensure that young people across the nation engage in financial education and understand the impact of savings within their society and the country at large. (An Annual program).

The central bank of Ghana, the government of Ghana together with NGO and foreign donors support policies from the private organisation to promote financial literacy program with the aim of

improving household financial decisions. This was an intervention financial literacy program on savings by an international NGO organization (AFLATOUN INTERNATIONAL) (2010-2012). Bank of Ghana is partnered by a private bank (Ecobank) and the world bank to train members of journalist Business Advocacy (JBA) for the past five years in quest of driving financial literacy in Ghana. (Nov. 2018)

The bank of Ghana in collaboration with private banks and stakeholders thrive to improve financial literacy in rural areas in the country focusing on the less privilege areas within the country. The focus was to help natives the importance of savings.

Similar efforts by RBI and CBG

- Both Central banks have a national financial inclusion strategy program which extends to a period of time in achieving financial literacy in the countries.

The central Bank of Ghana, together with the Ministry of Finance, stakeholders and financial sector regulators have come up with a National Financial Inclusion Strategy (NFIDs) which provides a prioritized and a sequence series of action to promote financial literacy in the country. Likewise, India, the RBI has also launched on its website the National strategy for Financial Education to create awareness and educating consumers on financial services.

- Financial literacy campaign at school.

The RBI “young scholar’s award scheme” among student is to generate interest in student to create awareness about the banking sector and information about the reserve bank of India. In the same vein the central bank of Ghana has partnered a private bank Access bank to educate children in schools on “early savings account” to help young children in understanding the need of saving at an early stage.

- Financial literacy campaign for women.

Ghana is trying to promote financial literacy among women through it first digital financial service policy (DFS) to help women become part of the financial inclusion in the country.

- Empowering the msme and small-scale business.

Under the “speed” program in partnership with the bank of Ghana to empower the small scale busines in the country by designing financial models to create awareness of financial

topics to build trust between consumers and financial service providers.

- Financial literacy week.

The financial literacy week, which is done every year under the auspices of the organization of economic co-operation development (OECD) which is undertaken by various stakeholders organize the financial week in schools to educate children in to acquire knowledge, skills and behavior in financial management and decision making. India financial week also looks at the small and medium size enterprises, creating awareness about banking services and collateral free loan etc.

Suggestions

From the above conclusions we have assessed that there is a need for better penetration and implementation of activities, campaigns and initiatives from both the governments. The below suggestions from our perspective would help in better implementation and penetration of financial inclusion activities:

- a. Introduction of finance and related studies before higher secondary education in syllabus. Basic knowledge of finance is of prime importance in our time. This will also encourage students from different backgrounds to have basic finance literacy, further, which will help individuals in making better financial decisions.
- b. Implementation of projects through micro-finance banks and intermediaries. This will enhance better penetration of financial knowledge to the most financially illiterate and vulnerable sections of the society
- c. Many sections of the society of both the countries are still vulnerable to local money lenders due to lack of understanding of the financial institutions and the schemes they provide. This lack of understanding causes the people to make bad financial decisions. Hence, both the governments should introduce micro financial institutions in the most vulnerable sections and initiate financial literacy events to literate the people in those sections.

CONCLUSION

In this research we have studied the effort of the central bank of India (RBI) and the central bank of Ghana in the financial literacy for people in the country. The point was to clarify the financial literacy rate in India and Ghana, and to know what RBI and CBG have done to improve the financial literacy level in India and Ghana, and to have an idea what is the policies that will be done in the future by both banks. As well as the recommendation for their strategies in enhancing the financial education among nations. The present study measures the impact of financial inclusion schemes on financial literacy of the people in the country of India and Ghana and also examines and compares the impact of financial literacy level on the individual's financial decision.

Financial knowledge is that the ability to understand how cash works today, the way someone conducts it, how it invests it and specifically how someone provides it to others, refers to the set of skills and data that an individual can create. Is to explain how much it is weak in the two countries. Over the years, each developed and developing countries became more and more involved regarding the amount of economic literacy of their citizens, significantly among young people. The amount of financial literacy among people during an explicit country counts on the impact it's on the economy and also the understanding of the way to handle and use cash now, and the future. With financial information among the larger variety of individuals among a rustic may contribute to improved financial deciding and in turn have positive impact on the household, and additionally the economy and also the monetary skill of the country. It's within the lightweight of this that this long essay can investigate the efforts done by the RBI and CBG in promoting financial literacy in the country.

The Reserve Bank of India uses monetary policy to produce financial stability in India, and it's charged with control the country's currency and credit systems. The run was originally set up as a non-public entity; however it had been nationalized in 1949. The reserve bank is ruled by a central board of administrators appointed by the national government. The govt has forever appointed the RBI's directors, and this has been the case since the bank became completely owned by the govt of state as made public by the Federal Reserve Bank of India Act. Directors are appointed for a quantity of four years. The most purpose of the run is to conduct consolidated oversight of the monetary sector in India that is created of business banks, financial institutions, and non-banking finance firms. Initiatives adopted by the run embrace restructuring bank inspections, introducing

off-site investigating of banks and financial institutions, and strengthening the role of initial and foremost, the run formulates, implements, and monitors India's monetary policy. The bank's management objective is to require care of price stability and confirm that credit is flowing to productive economic sectors. RBI has done many implementations for financial literacy during the past years, such as The Reserve Bank of India has made essential volume of literature and uploaded on its website in 13 languages for banks and different stakeholders to transfer and the aim of this initiative is to form awareness concerning monetary merchandise and services, smart financial practices, going digital and client protection. Also The Reserve Bank of India has implemented a project entitled "Financial Literacy Project". The aim of this project is to provide information related to the central bank and general banking concepts to different target groups, including (school and college students, women, rural and urban poor, defense personnel and the elderly).

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After comparing the relations between financial literacy level of India and Ghana, we found the two countries are similarly to each other and their rate is between (70%-80%). we got that Both countries have a national strategic program to enhance financial inclusion in the country, Financial literacy campaigns at school, Financial literacy campaigns for women, Both countries are also looking to enable MSme small business development through financial literacy, Financial literacy campaigns in cooperation with various stakeholders in the country and Financial Literacy Week.

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