

**STUDY THE ROLE OF  
NEWSPAPERS IN IMPROVING  
FINANCIAL LITERACY IN NAVI  
MUMBAI**

A thesis submitted to

Tilak Maharashtra Vidyapeeth, Pune

For the Degree of Doctor of Philosophy (Ph.D.)

In Journalism subject

Under the Board of Modern Science and Professional Skills  
Studies

Submitted By

Mahesh Patil

Under the Guidance of

Dr. Deepak Tilak

December, 2016

## **Certificate of the Guide**

Certified that the work incorporated in the thesis ‘STUDY THE ROLE OF NEWSPAPERS IN IMPROVING FINANCIAL LITERACY IN NAVI MUMBAI’ Submitted by Mr. Mahesh Patil was carried out by the candidate under my supervision/ guidance. Such material has been obtained from other sources has been duly acknowledged in the thesis.

Date:

(Supervisor/ Research Guide)

## Declaration by the Candidate

I declare that the thesis entitled 'STUDY THE ROLE OF NEWSPAPERS IN IMPROVING FINANCIAL LITERACY IN NAVI MUMBAI' submitted by me for the degree of Doctor of Philosophy is the record of work carried out by me under the guidance of Dr. Deepak Tilak and has not formed the basis for the award of any degree, diploma, associateship, fellowship, titles in this or any other University or other institution of Higher learning.

I further declare that the material obtained from other sources has been duly acknowledged in the thesis.

Date :

Signature of the Candidate

# Acknowledgment

At this moment of completion of my Ph.D. thesis, I am highly indebted to all those who guided my efforts for this research. With the grateful heart I take an opportunity to express my sincere thanks to all those who have directly or indirectly helped me in completing this work. I consider myself fortunate to have got an opportunity to work under the expert and valuable guidance of Honorable Vice-Chancellor of Tilak Maharashtra Vidyapeeth Dr. Deepak J. Tilak. I sincerely express my gratitude for his excellent guidance, quick corrections and suggestions, constructive motivation and tremendous patience. I express sincere thanks to the Head and all the staff members of Department of Journalism and Department of Ph.D. of Tilak Maharashtra Vidyapeeth for their continuous support during this research.

I express sincere thanks to Principal Dr. (Mrs.) Shakuntala A. Singh (Joshi Bedekar College, Thane), Principal Dr. Rajkumar Kolhe (Vandemataram college, Dombivli) for their guidance and support. I also express my thanks to Dr. Sagar Thakkar, Vinod Chandwani and Nitin Pagi and all my colleagues at Joshi Bedekar College and S.J.R.S. College, Thane for their support.

I must take this opportunity to thank my mother Smt. Vimal Patil and my wife Mrs. Rajashri Patil who supported and encouraged me during this whole process of research.

I also express my sincere thanks to my all family members, relatives, friends for their well wishes and affectionate support.

# *Contents*

## **Chapter-1 Introduction**

- 1. Introduction: 2
- 1.2 Literacy - Its Types: 2
- 1.3 Concept of Financial Literacy: 3
- 1.4 Definition of Financial Literacy: 4
- 1.6 Determinants and Components of Financial Literacy 8
  - 1.6.1 Core Competencies 11
  - 1.6.2 Proficiency 14
  - 1.6.3 Opportunity: Application of knowledge 15
- 1.7 Importance of the Financial Literacy: 17
  - 1.7.1 Importance of Financial Literate to different segment of population  
24
  - 1.7.2 Importance of the Study as per Area covered under financial awareness  
28
- 1.8 Conclusion: 31

## **Chapter- 2 Theoretical Background of Financial Literacy, Newspapers and Navi Mumbai**

- 2.1 Introduction: 34

2.2 History of the Financial Literacy:	35
2.2.1 Financial Literacy and World Historical Developments:	36
2.2.2 Financial Literacy and Initiatives in India:	48
2.3 History of Newspapers in India with special reference to Maharashtra:	
54	
2.3.1 History of sampled newspapers:	59
2.3 History of Navi Mumbai	68
2.3.1 Introduction:	68
2.3.2 Navi Mumbai a 'Super City':	71
2.3.3 Roads:	72
2.3.4 Railway:	72
2.3.5 Commercial Infrastructure:	73
2.3.6 Educational Infrastructure:	74
2.4 Conclusion:	75

### **Chapter 3 Objectives, Hypotheses and Research Methodology**

3. Introduction:	77
3.1 Importance of the study:	77
3.2 Objectives of the study:	78
3.3 Hypothesis:	79
3.4 Research methodology:	79

3.5 Sources of data collection: 82

A. Schedule: 82

B. Questionnaire: 83

3.6 Sample design: 83

3.7 Study period: 87

3.8 Chapter scheme: 87

3.9 Limitations of the study: 88

#### **Chapter 4 Research Analysis-I**

4. Introduction: 90

4.1 Capital market and Financial literacy: 91

4.2 General Budgetary News Items: 94

4.3 General Economy Related News Items: 97

4.4 Precious Metals related News Items: 100

4.5 Personal Finance Related News Items: 103

4.6 Local Finance Related News Items: 106

4.7 Hypothesis testing: 109

4.8 Conclusion: 111

#### **Chapter 5 Research Analysis-II**

5. Introduction: 113

5.1 Determination of sample size and Description of simple: 114

5.1.1 Area-Wise Distribution of Sample:	119
5.1.2 Gender-Wise Distribution of Sample:	122
5.1.3 Age group-Wise Distribution of Sample:	123
5.2 Gender and Choice of Newspaper Readers:	125
5.3 Newspapers and Familiarity with Financial, Investment and Market Performances:	128
5.4 Newspapers and Financial Management related Information:	132
5.5 Different Parts of Newspapers and Financial Literacy:	135
5.6 Effect of Newspapers on Household Budget, Investment Option, Tax Saving Option and New Financial Products:	139
5.7 Role of Newspapers in Spreading Banking Related Facial Literacy:	143
5.8 Role of Newspapers in Spreading Facial Literacy Related to Other Than Banking Saving Options:	147
5.9 Role of Newspapers in Spreading Awareness about different kinds of markets:	150
5.10 Role of Newspapers in Spreading Awareness about different Types of Frauds:	153
5.11 Hypothesis testing:	158
5.12 Conclusion:	160



## **Chapter 6 Review of Literature**

6.1 Introduction: 163

6.2 Review of Literature: 163

6.3 Research gap: 181

6.4 Conclusion: 182

## **Chapter 7 Findings and Conclusions**

7. Introduction: 184

7.1 Findings and Conclusions: 184

## **Chapter 8 Suggestions 195**

## **Chapter 9 Scope for Further Research**

8. Introduction: 200

8.1 Topics for Further Research 200

**Bibliography 201**

**Appendix 208**

<b>Index of Tables</b>	<b>Pg</b>
Table 4.1 Capital Market Related News Items	92
Table 4.2 General Budget Related News Items	95
Table 4.3 General Economy Related News Items	98
Table 4.4 Precious Metals Related News Items	101
Table 4.5 Personal Finance Related News Items	104
Table 4.6 Local Finance Related News Items	107
Table 4.7 Hypothesis Testing	110
Table 5.1 Circulation of newspapers in Navi Mumbai	115
Table 5.2 circulation of sampled newspapers in Navi Mumbai	117
Table 5.3 Determination of Sample Size	118
Table 5.4 Area-wise Distribution of Sample	120
Table 5.5 Gender-Wise Distribution of Sample	122
Table 5.6 Age group-Wise Distribution of Sample	124

Table 5.7 Gender and Choice of Newspaper Readers	126
Table 5.8 Newspapers and Familiarity with Financial, Investment and Market Performances	129
Table 5.9 Newspapers and Financial Management related Information	133
Table 5.10 Parts of Newspapers and Financial Literacy	136
Table 5.11 Effect of Newspapers on Household Budget, Investment Option, Tax Saving Option and New Financial Products	140
Table 5.12 Role of Newspapers in Spreading Banking Related Facial Literacy	144
Table 5.13 Role of Newspapers in Spreading Facial Literacy Related to Other Than Banking Saving Options	147

Table 5.14 Role of Newspapers in Spreading Awareness about different kinds of	151
Table 5.15 Role of Newspapers in Spreading Awareness about different Types of Frauds	154
Table 5.16 Hypothesis Testing	159

<b>Index of Figures</b>	<b>Pg.</b>
Figure 2.1 Location of Navi Mumbai	70
Figure 4.1 Capital Market Related News Items	93
Figure 4.2 General Budget Related News Items	96
Figure 4.3 General Economy Related News Items	99
Figure 4.4 Precious Metals Related News Items	102
Figure 4.5 Personal Finance Related News Items	105
Figure 4.6 Local Finance Related News Items	108
Figure 5.1 Area-wise Distribution of Sample	121
Figure 5.2 Gender-wise Distribution of Sample	123
Figure 5.3 Age group-Wise Distribution of Sample	125
Figure 5.4 Gender and Choice of Newspaper Readers	127
Figure 5.5 Newspapers and Familiarity with Financial, Investment and Market Performances	131

Figure 5.6 Newspapers and Financial Management related Information	134
Figure 5.7 Parts of Newspapers and Financial Literacy	138
Figure 5.8 Effect of Newspapers on Household Budget, Investment Option, Tax Saving Option and New Financial Products	142
Figure 5.9 of Newspapers in Spreading Banking Related Facial Literacy	146
Figure 5.10 Role of Newspapers in Spreading Facial Literacy Related to Other Than Banking Saving Options	149
Figure 5.11 Role of Newspapers in Spreading Awareness about different kinds of markets	152
Figure 5.12 Role of Newspapers in Spreading Awareness about different Types of Frauds	157

## Chapter-1 Introduction

---

1. Introduction:.....	2
1.2 Literacy - Its Types: .....	2
1.3 Concept of Financial Literacy:.....	3
1.4 Definition of Financial Literacy: .....	4
1.6 Components of Financial Literacy.....	8
1.6.1 Core Competencies .....	8
1.6.2 Proficiency .....	11
1.6.3 Opportunity: Application of knowledge .....	12
1.7 Importance of the Financial Literacy:.....	15
1.7.1 Importance of Financial Literate to different segment of population .....	15
1.7.2 Importance of the Study as per Area covered under the financial awareness ....	19
1.8 Conclusion: .....	22

## Chapter-1 Introduction

---

### **1. Introduction:**

In the classical theories, saving by household has been considered as one of the important determinants of economic growth. This household savings are considered as an important source of investment to be made by the firms for the production purpose.

In the Indian economy, the household sector contributes the considerable share in the total savings. In the household sector, households have tremendous saving potential which has not been considered seriously by the policy makers and hence, measures have not been chartered to mobilize these huge savings. By increasing adequate financial literacy among Indian households, the problems of decline in saving and investment rated can be overcome by financial institutions and policy makers. Because financial literacy/education is important to both the security of individuals and the security of nations

### **1.2 Literacy - Its Types:**

Literacy is of various types and sub-types eg. Functional literacy (is required to get along successfully on a day-to-day basis), Cultural



Literacy (is about customs, values, and beliefs of one's own culture and the cultures of others), Information Literacy (is related to identifying, locating, evaluating and effectively using information for the issue or problem), Media Literacy ( about critical understanding of the mass media), Computer Literacy (the ability to use a computer and its software to accomplish practical tasks), Mathematical Literacy (is a mastery of the basic symbols and processes of arithmetic), Technology Literacy is about the ability to use new media such as the Internet, to access and communicate information effectively), Global Literacy (Understanding the interdependence among people and nations and having the ability to interact and collaborate successfully across cultures) and so on.

### **1.3 Concept of Financial Literacy:**

Financial literacy is considered in the context of economic inequality. Some of the forms of financial inequality are- paying lower wages to women for the equal work compared to males, denial of certain jobs and promotions, incentives etc. Thus, financial literacy in short, refers to:

1. The ability to understand how money works and why it is important?

2. How someone manages to earn or make money and how that is managed or how person invests it to turn it into more?
3. It also refers to the set of skills and knowledge that allows an individual to make informed and effective decisions with all of their financial resources.

#### **1.4 Definition of Financial Literacy:**

A number of definitions of financial literacy exist in the literature. In gist, these definitions can be summarised as follows-

Basically ‘financial literacy’ refers to the knowledge and understanding of financial concepts there by resulting in the ability to make informed, confident and effective decisions regarding money. Financial literacy can be interpreted broadly or narrowly. In a broader perspective, financial literacy refers to understanding of economics and how economic conditions and circumstances affect broader household decisions. A narrow definition of financial literacy focuses on basic money management tools such as budgeting, saving, investing and insurance and so on. It is the narrow view of financial literacy that is particularly relevant to individual decisions concerning financial matters.

Different interpretations of financial literacy have been used in financial literacy studies resulting in no uniform definition. A number of studies have used financial literacy interchangeably with other names like financial capability, financial empowerment, debt literacy, financial knowledge, and economic literacy. Definitions used by major studies focus on knowledge and ability to make informed judgments to reach an intended outcome such as lifetime financial security and the skills required to realise those outcomes.

Following are some definitions used by research scholars in selected studies.

i. “Financial literacy is the ability to make informed judgements and to take effective decisions regarding the use and management of money. Financial literacy is therefore a combination of a person’s skills, knowledge, attitudes and ultimately their behaviours in relation to money” (ANZ Bank, 2011).

ii. “Personal financial literacy is the ability to read, analyse, manage and communicate about the personal financial conditions that affect material well being. It includes the ability to discern financial choices, discuss

money and financial issues without (or despite) discomfort, plan for the future and respond competently to life events that affect everyday financial decisions, including events in the general economy” (Carol, A. 2000).

iii. “Financial literacy is a basic knowledge that people need in order to survive in a modern society” (Kim, 2001).

iv. “Financial knowledge is defined as understanding key financial terms and concepts needed to function daily in society” (Cathy, 2002).

v. “Consumer literacy is self-assessed financial knowledge or objective knowledge” (Marsha et. al, 2008).

vi. “Financial literacy refers to a person’s ability to understand and make use of financial concepts” (Lisa et. al 2008).

vii. “Financial literacy is the ability to use knowledge and skills to manage financial resources effectively for lifetime financial security” (Mandell, L. 2008).

viii. “Financial literacy is the ability to use knowledge and skills to manage financial resources effectively for a lifetime of financial well-being” (Sandra,2010)

ix. “Confidence with managing money” (ASIC, 2003).

x. “Mathematical ability and understanding of financial terms (Worthington,2006).

xi “The ability of people to make informed judgments and take effective decisions in managing their finances” (MAS, 2005).

A thorough analysis reveals that all definitions convey the same meaning and attempt to define financial literacy as a state of understanding about finance.

This understanding equips a person with the knowledge and skills needed to realise financial security of himself and his family and thus survive and achieve lifetime well-being. The definitions of financial literacy also refer to broad outcomes and explain that financial literacy provides lifetime financial security and well-being, the ability to respond competently to life events to survive in a modern society. The common

thread of financial literacy is positive financial outcomes resulting from proficient competence in key financial activities and concepts.

## **1.6 Components of Financial Literacy**

Financial literacy has three distinct but dependant components:

- (i) Core competency
- (ii) Proficiency and
- (iii) Opportunity

A financially literate person must be proficient in the core competencies, and be given the opportunity and environment to acquire financial literacy and its benefits.

### **1.6.1 Core Competencies**

Based on review of literature, a financially literate person should be proficient in the following core competencies.

- i. Numerical ability
- ii. Budgeting, including the ability to keep track of expenses and income
- iii. Saving
- iv. Borrowing, and

## v. Investment

The core competencies are applicable to all sections of the society irrespective of socio-economic or regional basis and can be expanded or refined, depending on the magnitude of spending, saving, borrowing and investing.

### **(i) Numerical Ability**

Numerical ability or basics of money relates to the knowledge required for the most essential day to day calculations involving finance. This takes the form of basic calculations connected with the cost of purchasing goods, paying bills, interest and discount calculations etc. At the basic level it is addition, multiplication, subtraction and division. Lack of numerical skills will certainly affect financial literacy. At higher level, it is the ability to understand financial statements or other accounting information, time value of money, risk analysis etc.

### **(ii) Budgeting and Living Within Means**

Budgeting means keeping track of finances and reducing unnecessary spending. Living within one's own means is a skill necessary

for effective budgeting, and budgeting is essential when there is limited income (MAS, 2005).

### **(iii) Savings**

Savings relate to setting aside some money for future use. It may be either short term savings or long term savings. While short term savings relate to budgeting, long term savings are relevant to post retirement life or for purchase of costly items required in life such as a house or a car or even for marriage expenses of girl children.

### **(iv) Borrowing**

In modern era, borrowing is a way of life for all categories of people. Many people take up loans or mortgages. An indicator of competent borrowing is that loan amount should be relative to earnings. A large proportion of respondents in various financial literacy surveys did not understand the difference between an unsecured or secured personal loan, and fixed or variable interest rate. Debt literacy determines proficient borrowing. The core competency of a financially literate person is the ability to understand debt, and the processes involved to avoid it, reduce it and repay it. It also relates to competence in using loans



(Lusardi and Tufano, 2009) and responses to debt including the ability to determine whether debt is justified (World Bank, 2008).

Debt illiteracy is therefore related with over- indebtedness, and an inability to reduce existing levels of debt (Lusardi and Tufano , 2009).

#### **(v) Investing**

Competence in investing and choosing the most suitable investment portfolio is another key feature of financial literacy. Selection of an investment portfolio depends on the finance available for investment and the purpose of investment. Investment may be in real assets or financial assets A Japanese survey suggests three criteria for choosing investments: safety, liquidity and profitability (Hiroshi, 2002).

#### **1.6.2 Proficiency**

All the five core competencies described above are essential for financial literacy, but these competencies also require a degree of proficiency. Thus, a financially literate person must be proficient in the core competencies, having proficient financial knowledge, ability, skill and experience in the core competencies supported by positive attitudes about money.

## **Financial knowledge**

An important aspect of proficiency is the level of financial knowledge of the people. This refers to a person's level of knowledge of the core competencies and the conviction that financial knowledge will lead to financial wellbeing.

### **1.6.3 Opportunity: Application of knowledge**

Definitions of financial literacy in United States (PACFL, 2008), Canada (Task Force on Financial Literacy, 2010), United Kingdom (FSA, 2011), and Australia (Financial Literacy Foundation, Australia, 2008) signify the importance of application of financial knowledge in financial literacy. The UK Treasury has stated that financially capable consumers plan ahead, find and use information, know when to seek advice and can understand and act on this advice, leading to greater participation in the financial services market (HM Treasury, 2007). However, knowledge cannot be usefully applied without relevant skills.

## **Skill and confidence**

A financially capable person possesses all the skills necessary to effectively manage finances to achieve well being, and this includes communication skills, interpersonal skills, reading skills, mathematical and computational skills etc. The definition of financial literacy adopted in the

United States by the Jumpstart coalition is “the ability to use knowledge and skills to manage financial resources effectively for a lifetime of financial wellbeing” The element of confidence is added to the Canadian definition of financial literacy also together with skills. “Financial literacy means having the knowledge, skills and confidence to make responsible financial decisions” (Sandra Huston, 2010). Remund in his search for a better definition to financial literacy states: “based upon a review of research studies since 2000, the many conceptual definitions of financial literacy fall into five categories: (1) knowledge of financial concepts, (2) ability to communicate about financial concepts, (3) aptitude in managing personal finances, (4) skill in making appropriate financial decisions and (5) confidence in planning effectively for future financial needs” (Remund, 2010). Financial literacy therefore requires communication skills also. It includes the ability to apply knowledge and

to communicate that knowledge, making financial literacy vital to effective decision making.

### **Attitude and Motivation**

Financial literacy is understood by the link from knowledge (Fox 2005), to skills, to attitudes, to behaviour (Holzmann, 2010). This link is important, because knowledge influences attitudes, which then manifests into particular types of behaviour (ANZ Bank, 2008). Attitudes include whether people live for today or for the future, or whether insurance is necessary or preferences for risk etc (Financial Literacy Foundation, Australia, 2008).

## **1.7 Importance of the Financial Literacy:**

The importance of the financial literacy can be understood by 1. the impact of the financial literacy to different segments of the population and 2. Area covered under the financial awareness.

### **1.7.1 Importance of Financial Literate to different segment of population**

Financial literacy is essential for both developed nations and emerging economies. However, we need to bear in mind that the focus of financial literacy initiatives would vary depending on the economic profile of the target population. For developed countries, the access to financial products/ services is fairly widespread and hence, consumers/ market participants are required to be educated more about the characteristics of the financial products/services, including their risks and returns.

#### **All Groups of People:**

Everyone associated with the financial system needs to be financially literate. This includes all users of financial services, be it the financially excluded resource-poor, the lower and middle income groups

or the high net worth individuals; the providers of services; and even the policy makers and the regulators.

**Resource Poor Population:**

The resource-poor population, which operates at the margin, vulnerability can be acute due to constant financial pressures.

Household cash management can be daunting under difficult circumstances, with few resources to fall back upon. Financial literacy efforts, in case of such population groups, essentially, involves educating them about the benefits of being part of the formal financial system and managing short term volatility in incomes and meeting unexpected emergencies without getting trapped in unnecessary debt. To cite one example, a study by NCAER and Max New York Life has shown that in India, around 60 per cent of labourers surveyed stored cash at home, while borrowing from moneylenders at high interest rates; a pattern of saving money that is bound to aggravate financial vulnerability of these labourers.

The process of educating these excluded sections would involve addressing deep entrenched behavioural and psychological factors that are major barriers to participating in the financial system.

### **Middle and lower-middle income groups:**

These groups that are participating in financial markets as either savers or borrowers or both, i.e. the financially included, financial literacy efforts should aim at enhancing their knowledge about the market and new products/services. For instance, there is a large section of our population that has a bank account but refrains from participating in the capital market on account of lack of knowledge. Financial literacy, in such cases, would focus on creating awareness about the way the capital market functions and also about the fact that the equity market provides relatively higher returns as compared to other investments, over a longer time horizon.

### **High Net worth Individuals:**

For these people, better knowledge about the financial markets, new and innovative products and instruments is important as it helps them in making better use of the available avenues in the financial markets. This knowledge is also useful for fetching greater returns from their investments in the market and to avail credit at relatively cheaper rates. However, whether saving or investing, the basic lesson that “higher return implies higher risks” should not be lost sight of.

## **Banks and Financial Institutions:**

The need for financial literacy for the users of financial products/ services is a well-accepted fact, it is emphasized that even banks, financial institutions and other market players need to be financially literate and be fully aware of the risk and return framework.

Financial literacy for the providers of financial services would involve understanding the risks involved in their businesses and in the products that they offer to their customers. As market players, they need to understand risks inherent in complex financial products and choose wisely while committing funds. For service providers, financial literacy also involves understanding the needs of existing and potential customers and creating products and services suited to those needs.

## **Opinion Makers and Policy Makers:**

Financial literacy is also relevant for opinion makers and policy makers. Literacy is a must to gauge the needs of the population and financial institutions; to understand the risks inherent in products and markets; and to create a policy environment conducive to attainment of the national goals. Only such an approach would ensure that physical and



financial resources are put to their optimum use to generate higher economic growth, while minimizing the financial stability risks.

### **1.7.2 Importance of the Study as per Area covered under the financial awareness**

Indian households make many financial decisions each year. These relate to a wide range of financial matters, including decisions on how to budget, how much to spend and to save, where to invest their money i.e., their earnings, how to manage their financial risks, how much debt they may need to fund their expenditure, and what form that debt should take. These decisions range in complexity, but all require at least a basic level of financial literacy.

In the world of escalating financial complexity, there is an increasing need for financial knowledge and at least basic financial skills. Technological advances have dramatically transformed the provision of financial services in India and around the world. There is an ever increasing diversity of financial products and services, including debt products and investment opportunities available to the public. While this provides increased benefits, it also entails more complex risks, including risks that are not always readily apparent to the unwary. Accordingly, the

scope and complexity of the financial decisions an individual has to make in managing their financial affairs has grown significantly. Individuals must be able to differentiate between a wide range of financial products and services, and providers of those products and services. Based on the empirical justification drawn above, conduct of this study is deemed to be rational in nature.

The financial literacy helps in creating awareness about the following areas:

**Financial Market performance:**

The financial literacy helps in understanding the ups and downs in the financial markets, changes in rates and policies related to financial markets, reasons behind such changes and its implications of an individual and on the entire economy as a whole, changing in trends in global markets and its impact, prediction of the market movement and gain or loss occurring thereof and so on.

## **Financial Management and Decision making:**

The financial literacy helps in financial management for individuals, government and corporate world. Multiple decisions about savings and its instruments, investment avenues, changing the portfolio as per the changes in policies, ups and downs in the market, allocation of the assets as per risks involved, calculation of different types of risks and uncertainties, risk taking capacities etc. This all helps in decision making in financial matters.

## **Knowledge of various Savings and Investment instruments:**

The financial literacy creates awareness about the various savings and investment instruments like- Fixed Deposits, Recurring Deposits, Public Provident Fund, National Saving Certificates, Post Office Savings, Mutual Funds, Life Insurance, Debentures, Bonds, Share Market, Commodity Market, Forex Market, Real Estates, Gold/Silver, Chit Funds etc. for better returns and risk management.

### **Knowledge of various Debt instruments:**

Management of debt also requires a good amount of financial literacy regarding prevailing rates and instruments for different purposes like- Housing Loan, Vehicle loan, Education Loan, Personal Loan etc.

### **Awareness about Financial Scams:**

Now a day variety of financial scams and frauds are taking place. Individuals, Government Departments, Banks and Financial institutions as well as big corporate houses are prone to such scams of kind like Banking Frauds, Share Market Frauds, Chit Fund Frauds, Corporate Frauds, Consumer Court Decisions, Misuse of Internet Banking, Misuse of Credit/Debit Cards, Signature Forgery, Corruption/Bribing officers etc. Thus, the literacy related to types of scam, preventive measures, role of vigilance department etc. is required.

### **1.8 Conclusion:**

To conclude, Financial literacy is the ability to understand how money works in the world: how someone manages to earn or make it, how that person manages it, how he/she invests it (turn it into more) and

how that person donates it to help others. More specifically, it refers to the set of skills and knowledge that allows an individual to make informed and effective decisions with all of their financial resources. The financial literacy affects wide segment of the population including businessman, house wife, stock market people, bankers, industrialists, government and corporate.

## **Chapter- 2 Theoretical Background of Financial Literacy, Newspapers and Navi Mumbai**

---

2.1 Introduction: .....	25
2.2 History of the Financial Literacy:.....	25
2.2.1 Financial Literacy and World Historical Developments:.....	26
2.2.2 Financial Literacy and Initiatives in India:.....	35
2.3 History of Newspapers in India with special reference to Maharashtra: .....	39
2.3.1 History of sampled newspapers:.....	43
2.3 History of Navi Mumbai.....	49
2.3.1 Introduction: .....	49
2.3.2 Navi Mumbai a 'Super City': .....	51
2.3.3 Roads: .....	51
2.3.4 Railway:.....	52
2.3.5 Commercial Infrastructure:.....	53
2.3.6 Educational Infrastructure: .....	53
2.4 Conclusion: .....	54

## **Chapter- 2 Theoretical Background of Financial Literacy, Newspapers and Navi Mumbai**

---

### **2.1 Introduction:**

Organization for Economic Co-operation and Development (OECD) has defined financial education as “the process by which financial consumers/investors improve their understanding of financial products, concepts and risks, and through information, instruction and/or objective advice, develop the skills and confidence to become more aware of financial risks and opportunities, to make informed choices, to know where to go for help, and to take other effective actions to improve their financial well-being”. Thus, Financial Literacy is the ability to grow, monitor, and effectively use financial resources to enhance the well-being and economic security of oneself, one's family, and one's business.

In this chapter an attempt is made to understand the historical background behind the emergence and spread of financial literacy in the world as well as in India. Along with this an attempt is also made to describe the history of the newspapers in India and the background of the Navi Mumbai region.

### **2.2 History of the Financial Literacy:**

Financial education or financial literacy has assumed greater importance in the recent years, as financial markets have become increasingly complex and there is also an information asymmetry leading

to making informed choices more and more difficult for the common person. Financial education can broadly be defined as providing the familiarity with and understanding of financial market products, especially, rewards and risks, in order to make informed choices. Viewed from this standpoint, financial education primarily relates to personal financial education to enable individuals to take effective actions to improve overall wellbeing and avoid distress in matters that are financial. The history of financial literacy can be studied at two distinct levels - firstly, in the form of developments in the world and secondly, in India.

### **2.2.1 Financial Literacy and World Historical Developments:**

The history of financial literacy is remarkable and all who have shared in the global growth of the financial education movement should be proud of the substantial impact of our collective efforts, from city to city, and from generation to generation.

Recognizing the need for financial education, many countries, both developed and developing, have launched financial education or financial literacy programmes for their people. The OECD has brought out "Recommendations on Principles and Good Practices for Financial Education and Awareness", which is furnished below:

i) Governments and all stakeholders concerned should promote unbiased, fair and coordinated financial education.



- ii) Financial education should start at school, for people to be educated as early as possible.
- iii) Financial education should be part of the good governance of financial institutions whose accountability and responsibility should be encouraged.
- iv) Financial education should be clearly distinguished from commercial advice; codes of conduct for the staff of financial institutions should be developed.
- v) Financial institutions should be encouraged to check that clients read and understand information, especially when related to long-term commitments or financial services with potentially significant financial consequences; small print and abstruse documentation should be discouraged.
- vi) Financial education programmes should focus particularly on important life-planning aspects, such as, basic savings, debt, insurance and pensions.
- vii) Programmes should be oriented towards financial capacity building, appropriately targeted on specific groups, and made as personalised as possible.
- viii) Future retirees should be made aware of the need to assess the financial adequacy of their current public and private pension schemes.

ix) National campaigns, specific websites, free information services, and warning systems on high-risk issues for financial consumers (such as fraud) should be promoted.

The following are some of the historical developments that have led to the success of financial literacy throughout the world:

In a letter to Thomas Jefferson, dated August 23, 1787, John Adams recognized the need for financial literacy in the following words: “All the perplexities, confusions, and distresses in America arise, not from defects in their constitution or confederation, not from a want of honor or virtue, so much as from downright ignorance of the nature of coin, credit, and circulation.”

In the year 1914, the Smith-Lever Act created the “Cooperative Extension Service” in the United States. It was created to provide learning experiences to develop skills that people need at home, on the farm and in their community, including financial skills.

In many countries throughout the world, the 1950s marked a time when the issues of financial management, income and expenditure, security and retirement, housing, budgeting and saving comprised fifty percent of the research that was conducted in the field of home economics. Thus, Financial literacy continued to gain greater prominence in the field of education and beyond.

In the decade of 1970s, credit union volunteers in USA recognized the need to provide financial education to young people, as credit unions formed the National Youth Involvement Board (NYIB) to focus on youth financial literacy.

In the year 1995, in the United States, the Jumpstart Coalition began championing personal financial literacy and William E. Odom, former Chairman and CEO of Ford Motor Credit Corporation, is credited with the concept of formation of the Jumpstart Coalition. Under this initiative, Dr. Lewis Mandell in 1996 developed the financial literacy survey which is a hallmark of the Jumpstart Coalition's work.

In the year 2000, Japan's Minister of Finance convened meetings on the urgent need for the spread of financial literacy due to the rapid financial liberalization in the country. Further, in 2002, the Guidelines of the Promotion of Consumer Education on Finance were published by the Central Council for Financial Services Information in Japan.

In the United Kingdom (UK), the Financial Services Authority (FSA) started a national strategy on financial capability in 2003 because of which, the term "financial capability" gained more widespread use in several countries throughout Europe and Africa.

In the United States, the Financial Literacy and Education Commission was established under the Financial Literacy and Education Improvement Act, which was part of the Fair and Accurate Credit

Transactions Act (FACTA) of 2003, to improve financial literacy and to develop a national strategy on financial education. The United States Senate also designated April as Financial Literacy for Youth Month. With that effect, the United States Senate passed Resolution 316 that officially recognized April, 2004 as ‘National Financial Literacy Month’.

An inter-governmental project was started in 2003 by the Organization for Economic Co-operation and Development (OECD) with the objective of providing ways to improve financial education and literacy standards through the development of common principles of financial literacy.

National Consumer and Financial Literacy Taskforce was established by the Australian Government in 2004, which recommended the set up of the Financial Literacy Foundation and accordingly, in its initiative the Foundation established an educational website titled “Understanding Money”. Later on, the functions of the Foundation were later transferred to the Australian Securities and Investments Commission (ASIC).

Citigroup, in the year 2004, announced a 10-year, \$200 million commitment to meet the growing financial education needs of the communities that Citigroup served.

In the year 2004 the CPA (Certified Public Accountants) profession launched a unified financial literacy initiative called ‘360 Degrees of

Financial Literacy'. Under which the effort was made to bring together the AICPA (American Institute of Certified Public Accountants), state CPA (Certified Public Accountants) societies and individual CPAs (Certified Public Accountants) to address and tackle the widespread financial illiteracy epidemic.

A comprehensive international study by OECD (Organization for Economic Co-operation and Development) was published in 2005 which analysed financial literacy surveys in several countries.

In United States, then President George W. Bush, in the year 2008, created the President's Advisory Council on Financial Literacy to focus on solutions for Americans to understand financial matters.

The Indonesian government declared 2008 the year of financial education, with the goal of improving access to financial services by increasing financial literacy.

The Organization for Economic Co-operation and Development (OECD) in the year 2008, launched the 'International Gateway for Financial Education' as a clearinghouse for financial education programs, information and research worldwide.

In the year 2008, the World Bank and the Russian Federation together announced a partnership to support an international program in financial literacy and financial education through the \$15 million Russia Financial Literacy program.

In USA in the year 2009, Automobile finance companies and retailers provided consumer education through ‘Americans Well-Informed on Automobile Retailing Economics’.

The Council for Economic Education conducted a survey of the U.S. states in the year 2009 and found that 44 states had personal finance education or guidelines in place. Similarly, results from the Jumpstart Survey of Personal Financial Literacy also indicated low levels of financial literacy among American youth.

In Canada, the Financial Consumer Agency of Canada (FCAC) and the Financial Literacy Action Group (FLAG) celebrated Financial Literacy Month in November 2009.

In the United Kingdom, the Financial Services Act 2010, included a provision to establish the Consumer Financial Education Body, known as CFEB. From April 26, 2010, CFEB continued to work for Financial Capability and was later rebranded as the Money Advice Service.

The U.S. Congress passed the Dodd-Frank Act in the year 2010 which created the Consumer Financial Protection Bureau (CFPB) to promote financial education, through its Consumer Engagement and Education group.

The Republic of Azerbaijan, in the year 2011, launched a financial literacy initiative to promote financial education and protect the rights of

consumers of financial services through financing from the State Secretariat for Economic Cooperation of Switzerland.

State Bank of Pakistan (SBP), in the year 2011, launched a national financial literacy program to create financial awareness among the general public. The program was administered by SBP and Bearing Point Consultant and targeted about 50,000 beneficiaries keeping in mind the low-income strata.

The Central Bank of Sri Lanka, in the year 2011, announced financial education initiatives designed to make citizens aware of facilities available in the financial sector and to promote financial inclusiveness among low income groups.

In Uganda, in the year 2012, more than 600 business communities were trained in financial literacy and how to manage family businesses.

In April 2012, the Bank of Guam offered interactive financial literacy games which provided instruction in saving and investing for students.

The Republic of Georgia hosted the 6th Annual Meeting of the European Fund for Southeast Europe (EFSE) in the year 2012. Co-hosted by the National Bank of Georgia, the event focused on new loan agreements, the availability of financing to micro and small enterprises (MSEs), and the improved financial literacy of loan recipients.

Singapore in order to support its national financial education agenda in 2012, launched MoneySENSE with the collaboration between Singapore Polytechnic Institute for Financial Literacy Singapore (IFLS) and Monetary Authority of Singapore.

The Financial Literacy Campaign was launched in Namibia in 2012, which aimed at increasing financial education to small and medium entrepreneurs and low-income earners in the country.

Ex-U.S. Federal Reserve Chairman, Ben Bernanke in 2012, publicized the importance of financial literacy and said that the next generation will be better off, as greater financial literacy would help support both individual and national economic health.

The Organization for Economic Co-operation and Development (OECD) and Russia's G20 Presidency in the year 2013, issued a report on Advancing National Strategies for Financial Education, detailing progress by the governments of the world's major economies in implementing national strategies for improving financial education.

In the year 2013, the UK's Department for Education determined that financial education will become compulsory in all schools beginning in September 2014.



### **2.2.2 Financial Literacy and Initiatives in India:**

In India, the Reserve Bank of India launched an initiative in 2007<sup>1</sup> to establish **Financial Literacy and Credit Counseling Centers** throughout the country to offer free financial education and counselling to both urban and rural populations. A few banks have taken initiatives to start some centres in rural / semi urban areas, which offer financial education and credit counselling services. The objective of these centres is to advise people on gaining access to the financial system including banks, creating awareness among the public about financial management, counselling people who are struggling to meet their repayment obligations and help them resolve their problems of indebtedness, helping in rehabilitation of borrowers in distress, etc. Some of these Credit Counselling Centres (also known as Knowledge Centres) even train farmers/ women groups to enable them to start their own income generating activities to earn a reasonable livelihood.

Hyderabad office of the Reserve Bank has formulated a **multi-modal** (informative display through posters, brochures, multi-media presentations, video films, demonstrations, computer games), **multi-lingual** (English, Hindi, Telugu and Urdu) **and customized interactive strategies** (like stalls in exhibitions, visits to schools, colleges, villages,

---

<sup>1</sup> V.S. Das, Executive Director, Reserve Bank of India, Mumbai

meeting with bankers, traders, farmers, SHGs, tour of the Reserve Bank) for spreading financial literacy among the common persons in general and school children, college students, farmers, women and villagers in particular.

Chennai Office of the Reserve Bank has brought out two comic books titled 'Currency Matters' and 'Bank Matters' in English and Hindi as part of the Bank's financial education efforts. The stories for the comic books were prepared in-house by a team of officers, drawn from various departments of the local office and the artwork was out sourced. Copies of the comic books were handed over to the officials of Government of Himachal Pradesh during the inauguration of the Simla sub-office on July 1, 2007. The books are being translated into Tamil.

New Delhi Office of the Reserve Bank brought out a comic book on basic banking, titled 'Raju and the Money Tree'. A Core Committee on Financial Education, comprising of officers from RBI, New Delhi conceived and scripted the story of the comic book as also handled the artwork. The comic book was brought out in English and Hindi. Copies of the comic book were handed over to the officials of Government of Himachal Pradesh at Simla on July 1, 2007 coinciding with the inauguration of the sub-office. The comic book was also brought out in Braille for the benefit of visually impaired persons. The services of

National Association for the Blind, New Delhi were taken for adapting the story from the comic book.

Bangalore Office of the Reserve Bank has released, under its FIN-LIT project, a series of four comic books, in English and Kannada, dealing with (i) introduction to basic banking, (ii) deposits, (iii) SHGs loans especially agricultural loans and other livelihood loans like Govt. sponsored schemes, etc. and (iv) other lifestyle enhancing loans like housing loans, vehicle loans, etc. and other products like ATM cards debit, credit cards. A short film, based on the frames of the books, with voice over in Kannada has also been released. As an initiative in reaching out to a larger audience, the Office had put up a stall in the Mysore Dasara Exhibition where this film was screened along with other information of relevance to the common man. The whole project of writing the stories and doing the illustrations was undertaken in house.<sup>2</sup>

Reserve Bank of India has mandated that banks take the initiative to enhance financial inclusion and financial literacy in the country.

In July 2012, a draft national strategy for financial education was prepared and released by RBI. The strategy includes observations on not only the role of the banks but also the need for financial education in schools.

---

<sup>2</sup> Reserve Bank of India Newsletters and Annual Reports.(various years )

The role of banks is important as banks are the pillars of financial market. Commercial banks have initiated various measures for creating awareness about products through Counseling, Centers and Rural Self Employment Training Institutes on financial literacy. The objective of these centers is to advise people on gaining access to the financial system including banks, creating awareness among the public about financial management, counseling people who are struggling to meet their repayment obligations and help them resolve their problems of indebtedness, helping in rehabilitation of borrowers in distress etc.

**SEBI** the governing body of stock market India provides protection to the investors in stock market through rules. SEBI offers several programs to the youths regarding the knowledge in stock markets which covers the complete knowledge of different products. SEBI is conducting a financial awareness test for school level student and reward for the top positions students in upcoming months of the year, information and application forms are made available on its website.

**Insurance Regulatory and Development Authority (IRDA)** has taken various initiatives in the area of financial literacy. Awareness programs have been conducted on television and radio and simple messages about the rights and duties of policyholders; have been disseminated through television and radio as well as the print media through sustained campaigns in English, Hindi and 11 other Indian

languages. IRDA has also brought out publications of ‘Policyholder Handbooks’ as well as a comic book series on insurance. A dedicated website for consumer education in insurance is on the verge of launch.

**The Pension Fund Regulatory and Development Authority (PFRDA)** , India’s youngest regulator has been engaged in spreading social security messages to the public. PFRDA has developed FAQ on pension related topics on its web, and has been associated with various non government organizations in India in taking the pension services to the disadvantaged community. PFRDA’s initiatives have become more broad-based with direct mass publicity on NPS – both as individual model through POPs and group models through Aggregators. PFRDA has issued advertisements in print media and electronic media through radio and television. PFRDA appointed intermediaries are called Aggregators who are directly responsible for pension awareness mostly in vernacular languages and in line with socio-economic sensibilities.

### **2.3 History of Newspapers in India with special reference to Maharashtra:**

The history of newspaper in India began in 1780, with the publication of the Bengal Gazette from Kolkata. The advent of the first newspaper in India occurred in the capital city of West Bengal, Calcutta (now Kolkata). James Augustus Hickey is considered the "father of Indian press" as he started the first Indian newspaper from Kolkata, the

'Bengal Gazette' or 'Calcutta General Advertise' in January, 1780. This first printed newspaper was a weekly publication. In 1789, the first newspaper from Bombay (now Mumbai), the 'Bombay Herald' appeared, followed by the 'Bombay Courier' in the following year. Later, this newspaper merged with the Times of India in 1861. These newspapers carried news of the areas under the British rule.

The first newspaper published in an Indian language was the Samachar Darpan in Bengali. The first issue of this daily was published from the Serampore Mission Press on May 23, 1818. Samachar Darpan, the first vernacular paper was started during the period of Lord Hastings. In the same year, Ganga Kishore Bhattacharya started publishing another newspaper in Bengali, the 'Bengal Gazetti'.

On July 1, 1822 the first Gujarati newspaper, the Bombay Samachar, was published from Bombay, which is still in existence. The first Hindi newspaper, the Samachar Sudha Varshan started its circulation in 1854. Since then, the prominent Indian languages in which newspapers had been published over the years are Hindi, Marathi, Tamil, Malayalam, Telugu, Urdu and Bengali languages.

The Indian language newspapers eventually took over the English newspapers. The main reason was the marketing strategy that was followed by the regional papers, commencing with Eenadu - a Telugu daily started by Ramoji Rao. The second reason was the growing literacy

rate. Increase in the literacy rate had direct positive effect on the rise of circulation of the regional papers. The people were first educated in their mother tongue according to their state in which they live for and eventually, the first thing a literate person would try to do is read the vernacular papers and gain knowledge about his own locality. Moreover, localization of news has also contributed to the growth of regional newspapers in India. Indian regional papers have several editions for a particular state to offer a complete scenario of local news for the reader to connect with the paper. Malayala Manorama features about 10 editions in Kerala itself and six others outside Kerala. Thus regional papers in India aim at providing localized news for their readers.

Eventually, the advertisers also realized the huge potential of the regional paper market, partly due to their own research and more owing to the efforts of the regional papers to make the advertisers aware of the huge market. These advertisers paid revenues to the newspaper house and in return publicized their products throughout the locality. Thus, newspapers in India not only acted as news providers but also promoters of certain market products. Some of the prominent newspapers in India in the recent times are The Times of India, The Statesman, The Telegraph, The Economic Times, Indian Express and so on. The Economic Times is one of the India's leading business newspapers; carrying news about the Economy, Companies, Infrastructure, Trends in the Economy, Finance,

Stocks, Forex and Commodities, news from around the world and from the world of politics besides editorial and various other features. The Malayala Manorama releases daily, weekly, monthly and annual publications from Kerala. Started in 1988 in Tamil and Telegu languages, it is now published in other regional languages like Hindi, Bengali, as well as in English. Among the various publications, the Malayala Manorama Daily has the largest circulation, selling about 11 lakhs 50 thousand copies daily. The Times of India was founded in 1838 as The Bombay Times and Journal of Commerce by Bennett, Coleman and Company, a colonial enterprise now owned by an Indian conglomerate. The Times Group publishes The Economic Times (launched in 1961), Navbharat Times (Hindi language), and the Maharashtra Times (Marathi language).

The newspapers collect their news from the news agencies, namely, the Press Trust of India (PTI), United News of India (UNI), Samachar Bharti and Hindustan Smachar. Newspapers and magazines in India are independent and usually privately owned. About 5,000 newspapers, 150 of them major publications, are published daily in nearly 100 languages. Over 40,000 periodicals are also published in India. The periodicals specialize in various subjects but the majority of them deal with subjects of general interest. During the 1950s, 214 daily newspapers were published in the country. Out of these, 44 were English language



dailies while the rest were published in various regional languages. This number rose to 2,856 dailies in 1990 with 209 English dailies. The total number of newspapers published in the country reached 35,595 newspapers by 1993 (3,805 dailies).

Newspapers in India, thus, have created a huge industry in the nation. It publishes the largest number of 'paid-for titles' in the world. However, in the last one decade the news media in India has changed rapidly. All the major news media outlets have an accompanying news website. A new class of newspapers in India is entirely internet based.

### **2.3.1 History of sampled newspapers:**

**A. Loksatta:** Loksatta is one of the most widely read Marathi daily newspapers in Maharashtra, India. It is published by The Indian Express Group, and was launched on January 14, 1948. Loksatta is published out of Mumbai, Pune, Nagpur, Ahmednagar, Aurangabad, and Delhi. This newspaper in Marathi is edited by one of the most renowned Marathi and English journalist Mr. Girish Kuber. Loksatta is known for providing readers with a wholesome reading experience and offers readers with a special Sunday delight, Ravivaar Loksatta. Ravivaar Loksatta offers Sunday Specials in the form of stories, articles and comprehensive coverage of latest happenings in the society with analysis and opinions from renowned experts from their respective fields.

The Loksatta is known for its strong news desk. The news desk won the many awards for best layouts in seventies. The founder of the Indian Express Group, a great freedom-fighter, Late Ramnath Goenka, remained dedicated to Loksatta. It had remained largest circulated standard Marathi daily for many years, by later 1990s saw competition from newer dailies like Maharashtra Times and Navakal, by 1997 it only had a circulation of 400,000, Mumbai, Pune and Nagpur combined. However, things turned around in the 2000s when it underwent a major revamp, this included addition of various supplements, and adding several new cities for local editions. These new additions substantially increased the popularity and circulation of this newspaper

**B. Lokmat:** ‘Lokmat’ is the largest read regional language newspaper in India with 23.5 million readers<sup>1</sup> and the No. 1 Marathi newspaper in Maharashtra & Goa states with 11 editions and a circulation of 1.4 million copies<sup>2</sup>.

In 1952, Lokmat was founded by, Late Shri Jawaharlal Darda, who was also a freedom fighter. Late Shri Jawaharlal Darda launched Lokmat’s first daily edition on December 15, 1971 from Nagpur, Maharashtra. Lokmat also caters to the Marathi speaking population outside Maharashtra. It has editions in Indore (Madhya Pradesh) and Belgaum (Karnataka). On 21 April 2009, Lokmat launched its Goa

edition (Marathi) primarily for the Marathi-speaking population of north and north-east Goa.

Local, Maharashtra, National, International, Agriculture, Sports- these sections are covered in every day all editions of Lokmat. Besides these, there are some special sections, which only appear in certain editions or on certain days.

Lokmat Media Pvt. Ltd. is a leading multi platform media company with interests in a diversified portfolio of publishing, broadcast, digital, entertainment, community and sports verticals. It has employee strength of more than 3,000 and has a pan-India network of offices.

**C. Maharashtra Times:** This is a Marathi newspaper based in Mumbai. It is the ninth-largest-selling daily newspaper in the country. It is owned by Bennett, Coleman & Co. Ltd. or The Times Group, the largest media house in India. Today, Maharashtra Times enjoys the second largest readership in Mumbai. Maharashtra Times has 10 editions from 10 major cities in Maharashtra namely -Mumbai, Pune, Thane, Kolhapur, Nashik, Aurangabad, Nagpur, Jalgaon, Navi Mumbai and Ahmadnagar.

The paper, in its peak, had among its contributors some of the most respected names of the day in Marathi literature such as Durga Bhagwat, Kusumagraj and P. L. Deshpande.

**D. Navakal:** Navakal is a Marathi language daily newspaper that is based in Mumbai. It was started in a in 1923 by natyakar Khadilkar. It is 89

years old newspaper in India. It is still successfully growing with its esteemed existing and potential readership. Navakal largely publishes all political, business, sports, health, career, education, travel, fitness, lifestyle, art and culture, science and technology, social and public issues plus entertainment news. It gives better coverage of local, regional, state, national and international news items with lot of perfection. It has been ranked as the ninth most popular Marathi daily.

The editions of Navakal in Marathi language have good count of readership within the state of Maharashtra and rest of India. Among the epapers and newspapers in vernacular languages of India, this epaper today is one of the leading online e-papers.

**E. The Indian Express:** The Indian Express is an English-language Indian daily newspaper. It is published in Mumbai by Indian Express Group. In 1999, eight years after the group's founder Ramnath Goenka's death in 1991, the group was split between the family members. The southern editions taking the name The New Indian Express, while the northern editions, based in Mumbai, retaining the original Indian Express name, with "The" prefixed to the title.

The Indian Express ranks is 7<sup>th</sup> in ranking of Indian English dailies by size of readership (with 1.8 million readers)<sup>3</sup>.

**F. Times of India:** The Times of India issued its first edition 3 November 1838 as The Bombay Times and Journal of Commerce. The paper

published Wednesdays and Saturdays under the direction of Raobahadur Narayan Dinanath Velkar, a Maharashtrian Reformist, and contained news from Britain and the world, as well as the Indian Subcontinent. In 1850, it began to publish daily editions.

In 1860, editor Robert Knight (1825–1892) bought the Indian shareholders interests, merged with rival Bombay Standard, and started India's first news agency. It wired Times dispatches to papers across the country and became the Indian agent for Reuters news service. In 1861, he changed the name from the Bombay Times and Standard to The Times of India. Subsequently, The Times of India saw its ownership change several times until 1892, when Thomas Bennett and Frank Morris Coleman, acquired the newspaper through their new company, Bennet, Coleman & Co. Ltd. The Times of India has its markets in major cities such as Mumbai, Ahmedabad, Aurangabad, Bangalore, Bhopal, Bhubaneswar, Calicut, Chandigarh, Chennai, Coimbatore, Delhi, Guwahati, Hyderabad, Indore, Jaipur, Kolhapur, Kolkata, Madurai, Patna, Puducherry, Pune, Kochi, Lucknow, Nagpur, Nashik, Panaji, Mysore, Hubli, Mangalore, Raipur, Ranchi, Surat, Trichy, Trivandrum, Varanasi , Vijayawada and Visakhapatnam.

**G. Daily News and Analysis (DNA):** DNA ) is an Indian broadsheet launched in 2005 and published in English from Mumbai, Ahmedabad,Pune, Jaipur, Bengaluru and Indore in India. It is the first

English broadsheet daily in India to introduce an all-colour page format. It targets a young readership and is owned and managed by Diligent Media Corporation. DNA's total readership to be 1242,000 in Mumbai and an average per-issue readership across its six editions, of 824,000. It is also ranked DNA as sixth among the top ten English dailies in India. DNA is the second most-read English broadsheet in the city of Mumbai<sup>4</sup>.

**H. Hindustan Times:** Hindustan Times was founded in 1924 by Sunder Singh Lyallpuri, founder-father of the Akali movement and the Shiromani Akali Dal in Punjab. Hindustan Times is now a part of the KK Birla group and managed by Shobhana Bhartia, former Rajya Sabha member of Congress party and daughter of the industrialist KK Birla and granddaughter of GD Birla. It is owned by HT Media Ltd. The KK Birla group owns a 69 per cent stake in HT Media, currently valued at Rs.834 crore. When Shobhana Bhartia joined Hindustan Times in 1986, she was the first woman chief executive of a national newspaper.

Hindustan Times is one of the largest newspapers in India, by circulation. According to the Audit Bureau of Circulations, it has a circulation of 1.32 million copies as of December 2013. The Indian Readership Survey (IRS) 2012 revealed that HT has approximately 37.67 lac (3.767 million) readers, making it the second most widely read English newspaper in India after The Times of India. It is popular in

northern India, with simultaneous editions from New Delhi, Mumbai, Kolkata, Lucknow, Patna, Ranchi, Bhopal, and Chandigarh<sup>5</sup>.

## **2.3 History of Navi Mumbai**

### **2.3.1 Introduction:**

The growth of Mumbai city is constrained by sea at south, east and west. As a result total land area available for development of Mumbai is limited. Hence, developmental planners, in late 1960s started exploiting alternative for dispersal and control of Mumbai population. Eminent architects, Charles Coria, Shirish Patel and Pravin Mehta suggested Navi Mumbai as alternative to Mumbai.

Navi Mumbai has been developed as a planned city, a counter magnet for Mumbai. It has been developed as an independent, fully self-contained metro city. Navi Mumbai is the world's large, totally planned, well-balanced, modern city. Navi Mumbai has been planned and developed by CIDCO to meet the infrastructural needs of a modern metropolis. (City and Industrial Development Corporation (CIDCO) is a State Public Sector Undertaking registered under Companies Act in March 1970.) CIDCO prepared developmental plan for Navi Mumbai covering 95 villages from Thane and Raigad district covering total area of 343.70 sq km<sup>6</sup>.

**Figure 2.1 Location of Navi Mumbai**





### **2.3.2 Navi Mumbai a 'Super City'<sup>7</sup>:**

The area of Navi Mumbai is spread over 344 sq. km. land, which includes a 150 km creek line. There are 14 well-planned nodes, strung along mass transport corridors, effectively serving civic needs (Airoli, Ghansoli, Kopar Khairane, Vashi, Sanpada, Nerul, CBD Belapur, Kharghar, Kamothe, Kalamboli, New Panvel, Ulwe, Dronagiri and Pushpak). 45% land of navi Mumbai is reserved for green zones and open-to-sky activities. It has world-class infrastructure with excellent healthcare facilities in every node, quality housing for every stratum of society, world-class education institutes in every node, Reasonably priced commercial and residential real estate, Direct access to any part of the country through road and rail, Quick access to Central Business District located in the heart of the city. The city is in close proximity to the most modern seaport - Jawaharlal Nehru Port along with International airport and Special Economic Zone in the offing. It is only Indian city to have commercial complex above railway stations. Navi Mumbai has Asia's biggest wholesale market, APMC. All above points make Navi Mumbai a 'super city'.

### **2.3.3 Roads:**

Navi Mumbai has 650 km-long road network that connects nodes and neighbouring towns, besides 5 major bridges, 8 flyovers, 15 road-over bridges and a couple of foot-over bridges. Palm Beach Marg, a beautiful

8 km-long and 6-lane internal expressway connecting Belapur to Vashi is Rs. 130 crore state-of-the-art coastal expressway hailed as the Queen's Necklace of Navi Mumbai. This internal expressway crossing 7 nodes and extends till Airoli –the northern tip of Navi Mumbai. Entire road system of Navi Mumbai is implemented in a planned manner and commensurate with growth of population in the city. Considering the need of parking space for two wholesale markets i.e. Steel Market at Kalamboli and Agriculture Produce Market at Vashi, two truck terminals have been provided.

#### **2.3.4 Railway:**

There are 6 rail corridors in Navi Mumbai which are: 1. Mankhurd-Belapur-Panvel (29 km corridor connecting Mumbai to Navi Mumbai) 2. Thane-Turbhe-Nerul / Vashi (23 km corridor connecting Thane to Navi Mumbai) 3. Kalwa-Turbhe (goods line commissioned). 4. Belapur / Nerul-Uran (work in progress) 5. Mansarovar-Taloja (planned) 6. Panvel-Uran (planned).

Besides above, direct access from residential to railway station by foot, convenient interchange facility from one corridor to another, double discharge platforms at every station, easy to follow routes, and comfortable and pleasant journeys form the key features of the commuter railway system in Navi Mumbai.

### **2.3.5 Commercial Infrastructure:**

CIDCO has played a powerful role in the economic development of the new Mumbai city. This development was done in some distinctive phases as thought by the planners. The employment base of Navi Mumbai was planned to encompass manufacturing, trade and commerce (wholesale and warehousing), as well as service sector jobs. A Special Economic Zone (SEZ) is a special duty-free enclave designed to promote foreign investments in a comprehensive range of economic activities from manufacturing at one end to trading and financial services on the other all operating in an unrestrained business environment. NMSEZ (Navi Mumbai Special Economic Zone) is located in the heart of Navi Mumbai and comprises four zones, namely Dronagiri, Kalamboli, Ulwe and JNPT area. The NMSEZ is aimed to provide for world-class infrastructure, utilities, service for business, living, learning, recreation and healthcare.

### **2.3.6 Educational Infrastructure:**

Provision of schools and colleges was priority in the planning of Navi Mumbai. The nodes (townships) were designed to provide one primary school per 5,000 populations, one high school for 12,500 populations and one college for 50,000 population. Each of the nodes is self-sufficient in terms of providing quality education. Students are given access to various syllabi, including the State Education Board, CBSE and

ICSE patterns. Other than this, CIDCO encouraged private institutions also. Currently, School-going population is more than 3 lakh and there are 228 Primary, 141 Secondary and 62 Higher Secondary Schools, 12 Degree, 4 D.Ed & B.Ed, 18 Engineering, 5 Polytechnic, 7 Shipping, 3 ITI, 2 Fashion Technology, 3 Architecture, 3 Medical, 5 Dental, 2 Ayurvedic, 1 Homeopathic, 2 Nursing, 3 Pharmacy, 22 Management, 4 Hotel Management, 3 Law, 3 Computer Technology, 2 Research and 7 General Colleges in Navi Mumbai.

#### **2.4 Conclusion:**

Thus, in this chapter an attempt is made to review the historical backgrounds of Financial Literacy, Newspapers and Navi Mumbai. The historical background such reviewed forms a strong base for the further research in next chapters.

---

**Refernces:**

<sup>1</sup> Source: Total Readership, Indian Readership Survey, 2012.

<sup>2</sup> Source: Audit Bureau of Circulation, July – Dec, 2014.

<sup>3</sup> The Media Research Users Council.

<sup>4</sup> as per the Media Research Users Council's Indian Readership Survey (IRS) Round II,2014

<sup>5</sup> Indian Readership Survey (IRS) 2012.

<sup>6</sup> <http://www.nmmconline.com/history>

<sup>7</sup> [http://www.cidco.maharashtra.gov.in/NM\\_Supercity.aspx](http://www.cidco.maharashtra.gov.in/NM_Supercity.aspx)

## Chapter 3 Objectives, Hypotheses and Research Methodology

---

3. Introduction: .....	57
3.1 Importance of the study: .....	57
3.2 Objectives of the study: .....	58
3.3 Hypothesis: .....	58
3.4 Research methodology: .....	59
3.5 Sources of data collection:.....	59
A. Schedule:.....	60
B. Questionnaire: .....	60
3.6 Sample design:.....	60
3.7 Study period:.....	60
3.8 Chapter scheme:.....	61
3.9 Limitations of the study:.....	61

## Chapter 3 Objectives, Hypotheses and Research Methodology

---

### 3. Introduction:

In this chapter, an attempt is made to chalk out the research designing aspect required to carry out further research. The chapter deals with aspects like Objectives of the Study, Hypothesis, research methodology, Sample designing, study period, sources of data collection, research tools used, limitation of the research, parameters to be analysed, chapter scheme, importance of the study etc.

### 3.1 Importance of the study:

The New Mumbai (also called Navi Mumbai) area of Thane district of the Maharashtra state is selected for the study of the role of the newspapers in spreading financial literacy because the New Mumbai is one of the largest planned cities in the world, Navi Mumbai holds a population of 21 lakhs people and Average literacy rate of Navi Mumbai city is 91.57 percent (as per the 2011 census), there has been rapid growth of the SEZs (Special Economic Zones) like IT and BPO zones in the different parts of the New Mumbai, Navi Mumbai is being developed rapidly with its class infrastructure and modern nodes, there has been well-planned network of railways and roads, there has been a huge

migration in the city due to the SEZs, the spread on newspapers is rapid in the area and all the leading newspapers publish separate sections on the news related to the New Mumbai.

### **3.2 Objectives of the study:**

The present study is an attempt to understand the role of newspapers in the financial literacy and following objectives of the study is considered:

- To understand the spread of the newspapers selected for the study in the selected demographic area to find out the reader base.
- To analyse the components of the newspapers which are related to the financial literacy aspect and evaluate the selected new items related to the financial literacy.
- To review the newspaper readers' perceptions towards the news items related with the financial literacy.

### **3.3 Hypothesis:**

Based on the above broad objectives of the study following hypotheses are made:

- There has been a good spread of the selected news papers in the New Mumbai region in the recent times.
- The selected News papers cover the different aspects of the financial literacy.



- The readers of the newspapers are satisfied with contains related to financial literacy covered in the selected newspapers and such contents affect the decision making of the readers in the financial matter.

### **3.4 Research methodology:**

The study covers the spread of the newspapers in the area of New Mumbai. The study focuses on the financial literacy related contents of the selected newspapers and also tries to assess the impact of such contents on the decision making of the readers. Thus, for the study both schedule and questionnaire methods are used as sources of data collection as given below.

### **3.5 Sources of data collection:**

The data is collected both from the primary and the secondary sources. The primary data sources include the questionnaire, interviews and observations while the sources of the secondary data includes Gazetteers, Government Reports, Theses, Dissertations, Published reports in the Newspapers, Reports published by the agencies and associations related to the organisations of the newspapers, authentic internet sources and so on.

### **A. Schedule:**

The schedule used for the data collection covers aspects like spread of the selected newspapers in the areas of New Mumbai, reader base, etc.

### **B. Questionnaire:**

The Questionnaire is used as a source of primary data collection to get in touch with the perception of readers of the selected newspapers about the financial literacy. The questionnaire comprises of following parts:

Part.1 - Demographic and Socio-Economic Status

Part.2 - Financial Literacy and Role of Newspapers

Part.3 - Suggestions

### **3.6 Sample design:**

For the study, a sample of eight news papers, four- Marathi news papers and four English newspapers is selected. Further, the study also considers the sample of five hundred newspaper readers of the above selected newspapers in the different parts of the New Mumbai area.

### **3.7 Study period:**

The study period of three years starting from the year 2011-12 to 2013-14 is covered.

### **3.8 Chapter scheme:**

Following is the chapter scheme of the thesis:

Chapter-1 : Introduction

Chapter-2 : is related to the background study of History of financial Literacy, Newspapers and Navi Mumbai area.

Chapter-3 : is related to the Research Methodology

Chapter-4 : is related to the performance analysis of the collected data

Chapter-5 : is related to the performance analysis of the collected data  
(Continued)

Chapter-6 : Review of related Literature

Chapter-7 : Deals with findings and Conclusions

Chapter-8 : Deals with suggestions.

Chapter-9 : Deals with scope for further research

: Bibliography

### **3.9 Limitations of the study:**

Following are the limitations of the study.

1. The study is limited to only Navi Mumbai area of the Thane district for making the study manageable.
2. Further, to make study manageable only eight Newspapers that too only four newspapers of English language and four newspapers of Marathi language is taken for the sample.

## Chapter 4 Research Analysis-I

---

4. Introduction: .....	63
4.1 Capital market and Financial literacy:.....	63
4.2 General Budgetary News Items:.....	66
4.3 General Economy Related News Items:.....	69
4.4 Precious Metals related News Items: .....	72
4.5 Personal Finance Related News Items: .....	74
4.6 Local Finance Related News Items: .....	77
4.7 Hypothesis testing: .....	80
4.8 Conclusion: .....	81

## Chapter 4 Research Analysis-I

---

### **4. Introduction:**

In this chapter, an attempt is made to analyse the financial literacy related news and information covered in the selected newspapers. This chapter deals with different aspects related to areas of finance and financial literacy, their frequencies in the selected newspapers, their viability to consumers etc. The above aspects related to financial literacy are being analysed by collecting news items and headlines related to different types of financial literacy, published in the selected newspapers during the period from 1<sup>st</sup> July, 2012 to 31<sup>st</sup> December, 2012. The news items are collected from the newspapers especially circulated in the sample area selected for the study i.e. Navi Mumbai.

The published news items analysed are about different aspects of financial literacy related to general economy, personal benefit, budgetary provisions, capital market, precious metals, general finance, local area etc. as analysed below:

### **4.1 Capital market and Financial literacy:**

One of the news items that appears very regularly in almost all the newspapers in general and selected newspapers for the study in

particular is nothing but capital market or share market related news. These types of news published in the newspapers provide vital information about the daily up-downs happening in the major stock markets of the country. Analysis is provided about the causes of rise and fall in the capital market indices. The news items also provide for analysis of day to day happenings in different segments like Large-cap, Mid-cap, Small-cap, Pharma-segment, Automobile-segment etc. These kind of news items also provide information about the performance results of the companies, their expansion plans etc.

The table given below deals with such capital market related news items published in the selected newspapers during the study period.

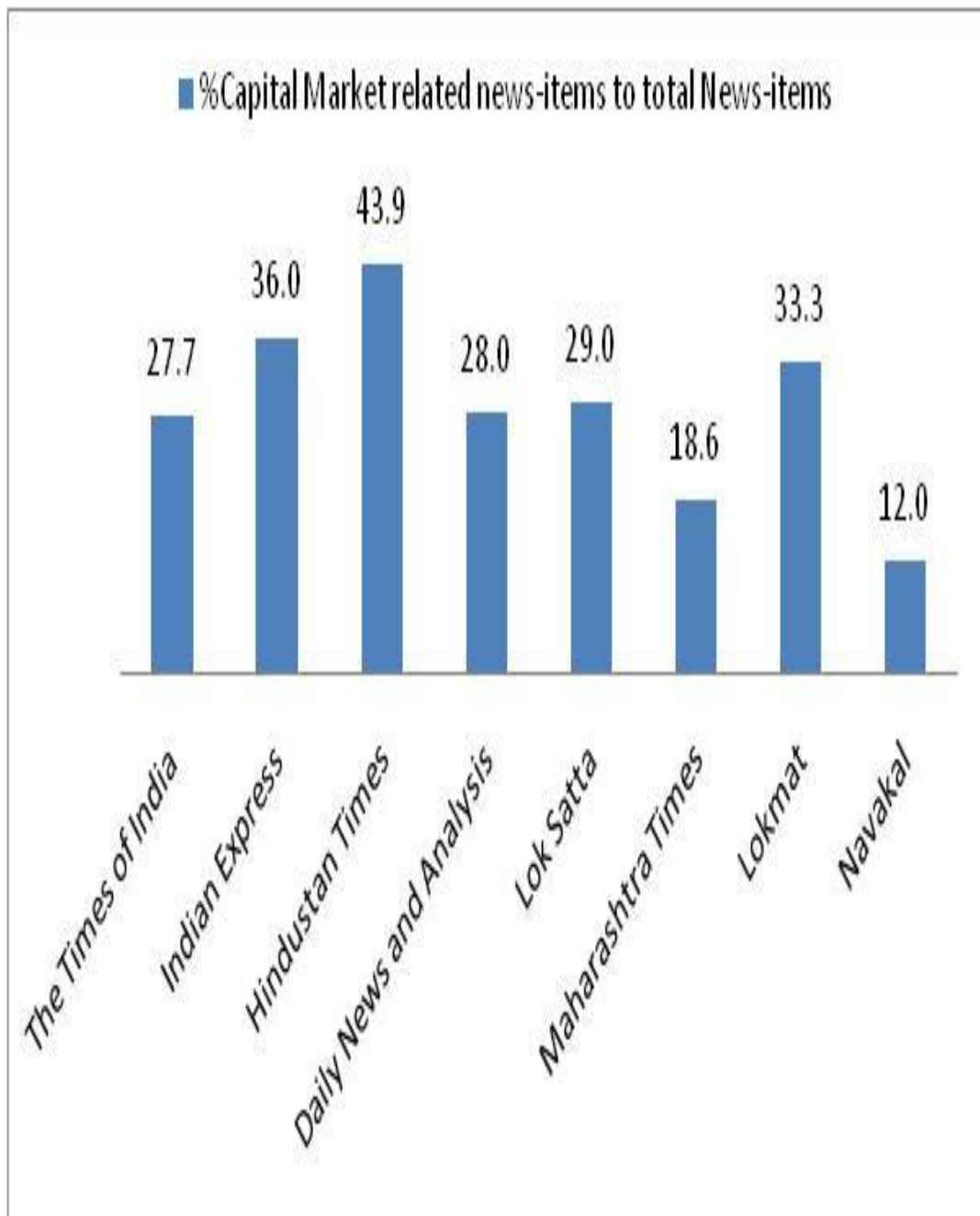
**Table 4.1 Capital Market Related News Items**

<b>News papers</b>	<b>Capital Market related News items</b>	<b>Total News items</b>	<b>% to total</b>
The Times of India	78	282	27.7
Indian Express	108	300	36.0
Hindustan Times	108	246	43.9
Daily News and Analysis	84	300	28.0
Lok Satta	54	186	29.0
Maharashtra Times	48	258	18.6
Lokmat	78	234	33.3
Navakal	18	150	12.0
Avg.	72	245	29

*Source: News items of selected Newspapers*

From the table given above it is understood that on an average 29% of total news items covered in the selected newspapers were related to capital market. Individually, Hindustan Times was found to be the newspaper having 43% of total news items dedicated for the capital market related matters among the English newspapers while among Marathi newspapers, Lokmat published 33.3% of the total news items related to capital market related matters. Only Marathi newspaper Navakal, among all the selected English and Marathi newspapers, published capital market matters below the average, i.e. 12% and remaining all the selected newspapers maintained the minimum average of 29%.

**Figure 4.1 Capital Market Related News Items**



#### **4.2 General Budgetary News Items:**

General budgetary news items play a vital role in spreading financial literacy. These news items are of general importance as it affects the living of people in general and common people in particular. Some of the



news items covered by the selected newspapers in particular and all the newspapers in general are related to: changes in the prices of petrol, diesel, kerosene, gas, railways etc. due to changes in tax structure, budgetary provision for specific purpose by government, allotment of funds for the welfare of the society, infrastructural development etc.

The table given below deals with such General Budgetary News items published in the selected newspapers during the study period.

**Table 4.2 General Budget Related News Items**

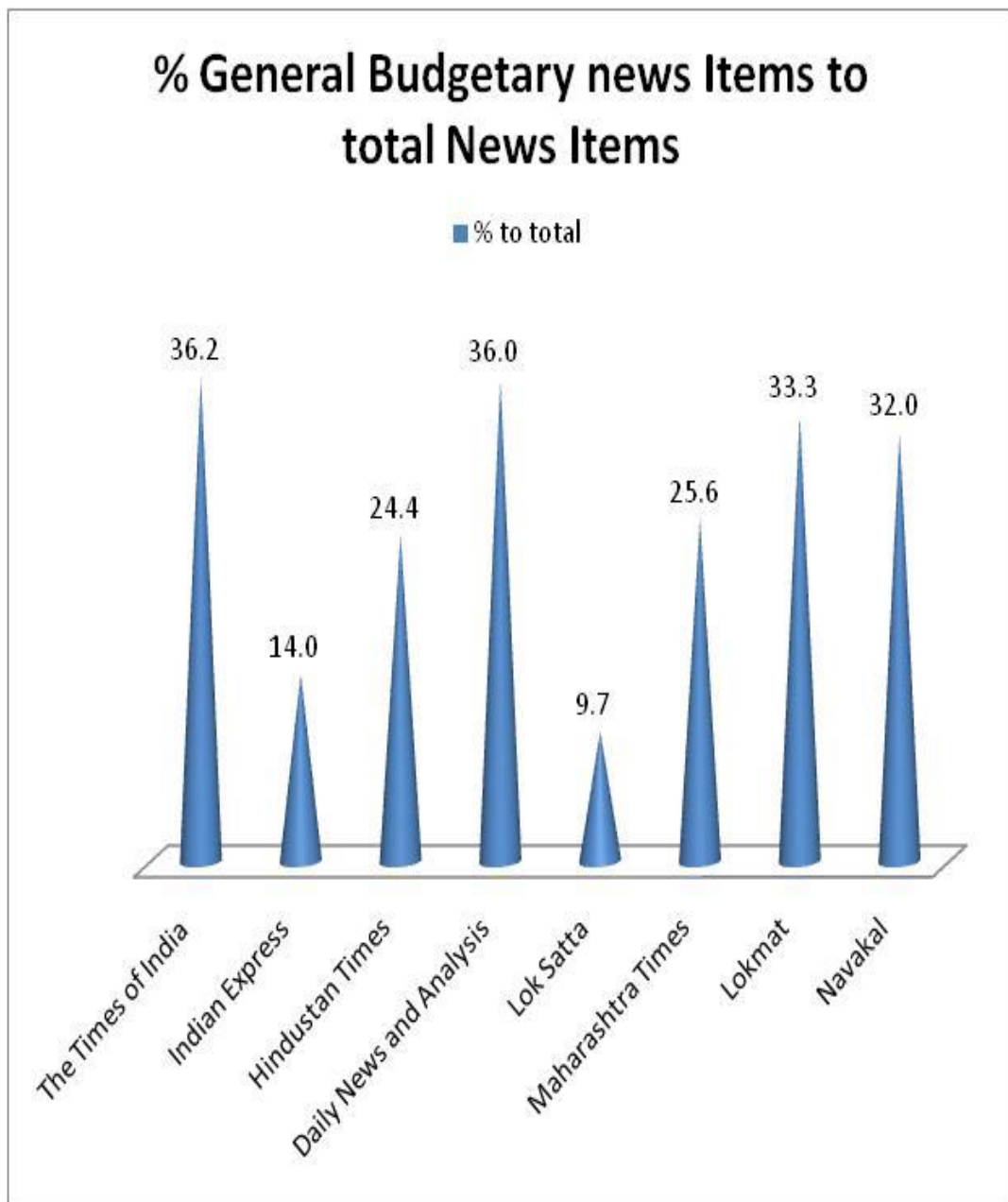
<b>News papers</b>	<b>General Budgetary News items</b>	<b>Total News items</b>	<b>% to total</b>
The Times of India	102	282	36.2
Indian Express	42	300	14.0
Hindustan Times	60	246	24.4
Daily News and Analysis	108	300	36.0
Lok Satta	18	186	9.7
Maharashtra Times	66	258	25.6
Lokmat	78	234	33.3
Navakal	48	150	32.0
Avg.	65	245	26

*Source: News items of selected Newspapers*

From the table given above it is understood that on an average 26% of total news items covered in the selected newspapers were related to General Budgetary News items. Individually, The Times of India and Daily News and Analysis were found to be the newspapers having almost 36% of total news items dedicated for the General Budget related news

matters among the English newspapers, while among Marathi newspapers, Lokmat and Navakal both published more than 30% of the total news items related to General Budget related matters. Only Marathi newspaper Lok Satta and English Newspaper Indian Express, among all the selected English and Marathi newspapers, published General Budgetary matters below the average, i.e. 9.7% and 14% respectively and remaining almost all the selected newspapers maintained the minimum average of 26%.

Figure 4.2 General Budget Related News Items



### 4.3 General Economy Related News Items:

The general economy related news items are important indices of the growth and development of the economy. It provides bird's eye-view about the general economic affairs of the country. Here news items

covered are like indices about inflation, national income, employment-unemployment rate, growth in production in different segments, export-import activities, Foreign Direct Investment (FDI) and other type of inflows, Balance of Payment related matters, Foreign currency reserves, foreign exchange rates, capital out-flow, predictions about agricultural and industrial production etc.

The table given below deals with such General Budgetary News items published in the selected newspapers during the study period.

**Table 4.3 General Economy Related News Items**

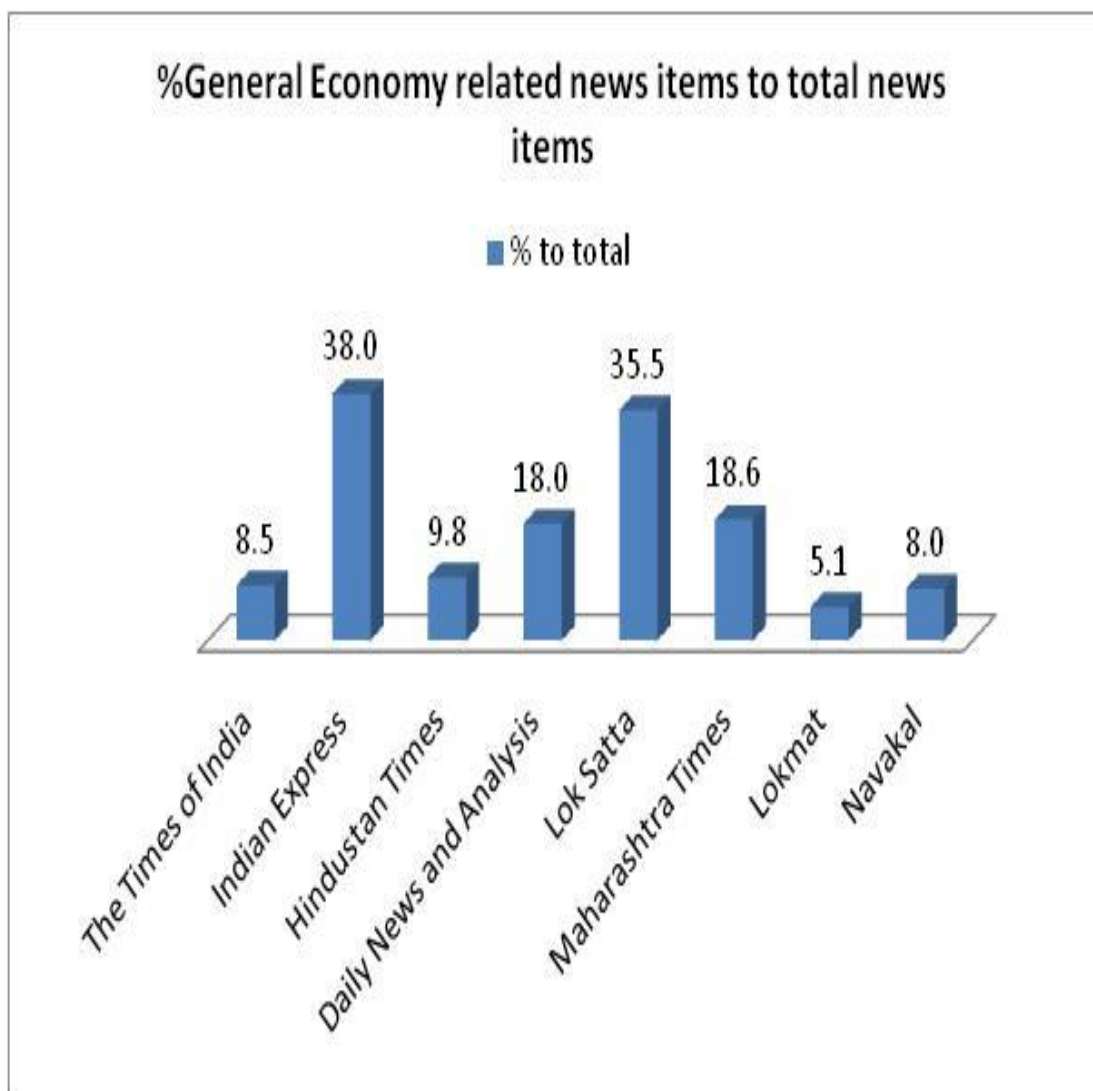
<b>News papers</b>	<b>General Economy Related News Items</b>	<b>Total News items</b>	<b>% to total</b>
The Times of India	24	282	8.5
Indian Express	114	300	38.0
Hindustan Times	24	246	9.8
Daily News and Analysis	54	300	18.0
Lok Satta	66	186	35.5
Maharashtra Times	48	258	18.6
Lokmat	12	234	5.1
Navakal	12	150	8.0
Avg.	44	245	18

*Source: News items of selected Newspapers*

From the table given above it is understood that on an average 18% of total news items covered in the selected newspapers were related to General Economy related News items. Individually, Indian Express was found to be the newspapers having 38% of total news items dedicated for

the General Economy related news matters among the English newspapers, while among Marathi newspapers, Lok Satta published more than 30% of the total news items related to General Budget related matters. But, Marathi newspapers Lokmat and Navakal as well as English Newspapers Times of India and Hindustan Times, among all the selected English and Marathi newspapers, published General Economy related matters below minimum average of 18%.

**Figure 4.3 General Economy Related News Items**



#### 4.4 Precious Metals related News Items:

One of the important and traditionally very attractive investment option available for an individual especially, in countries like India where it has both social as well as economic touch, is investment in precious metals like gold, silver, diamond etc. the news items related to such precious metals deal with changes in their prices in the wholesale and retail markets of different regions, import – export activities, futures and options price related matters, causes of changes in price, availability etc.

The table given below deals with such General Budgetary News items published in the selected newspapers during the study period.

**Table 4.4 Precious Metals Related News Items**

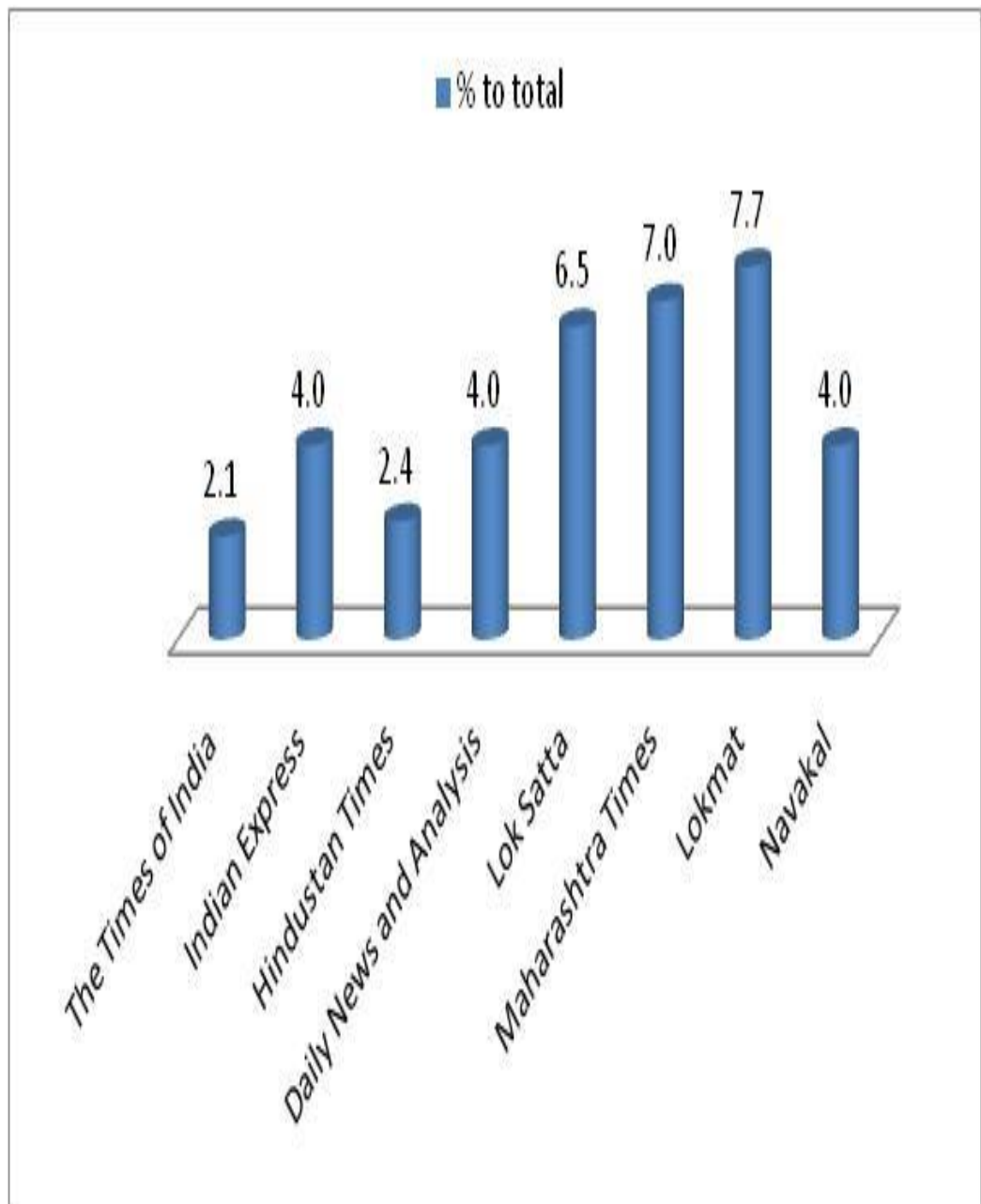
<b>News papers</b>	<b>Precious Metals Related News Items</b>	<b>Total News items</b>	<b>% to total</b>
The Times of India	6	282	2.1
Indian Express	12	300	4.0
Hindustan Times	6	246	2.4
Daily News and Analysis	12	300	4.0
Lok Satta	12	186	6.5
Maharashtra Times	18	258	7.0
Lokmat	18	234	7.7
Navakal	6	150	4.0
Avg.	11	245	4.7

*Source: News items of selected Newspapers*

From the table given above it is understood that on an average 5% of total news items covered in the selected newspapers were related to

Precious Metal related News items. Individually, Indian Express and Daily News and Analysis were found to be the newspapers having almost 4% of total news items dedicated for the General Economy related news matters among the English newspapers, while among Marathi newspapers, Lokmat and Maharashtra Times published more than 7% of the total news items related to General Budget related matters. But, almost all the Marathi newspapers have publish such Precious Metal related news items above or equal to average. However, in case of English Newspapers Times of India and Hindustan Times, among all the selected English and Marathi newspapers, published Precious Metal related matters below minimum average of 4.7%.

**Figure 4.4 Precious Metals Related News Items**



#### **4.5 Personal Finance Related News Items:**

Among all the news items seen above the most important news items which enormously help and affect the individual finance related decision making is personal Finance related news items., they are looked upon as



guiding spirit to manage personal finance. In certain newspaper these type of news items are regularly publish with the help of case study of some hypothetical family set up and suggestions are made regarding their financial management. The news items covered here are changes in tax rates like, income tax, service tax, Value Added Tax (VAT) etc. on general consumption products, Tax saving schemes, Insurance, Pension, Mutual Fund etc. schemes and their positive and negative effects on personal finance, loan switching option and their benefits, regular income generating options etc.

The table given below deals with such Personal Finance related News items published in the selected newspapers during the study period.

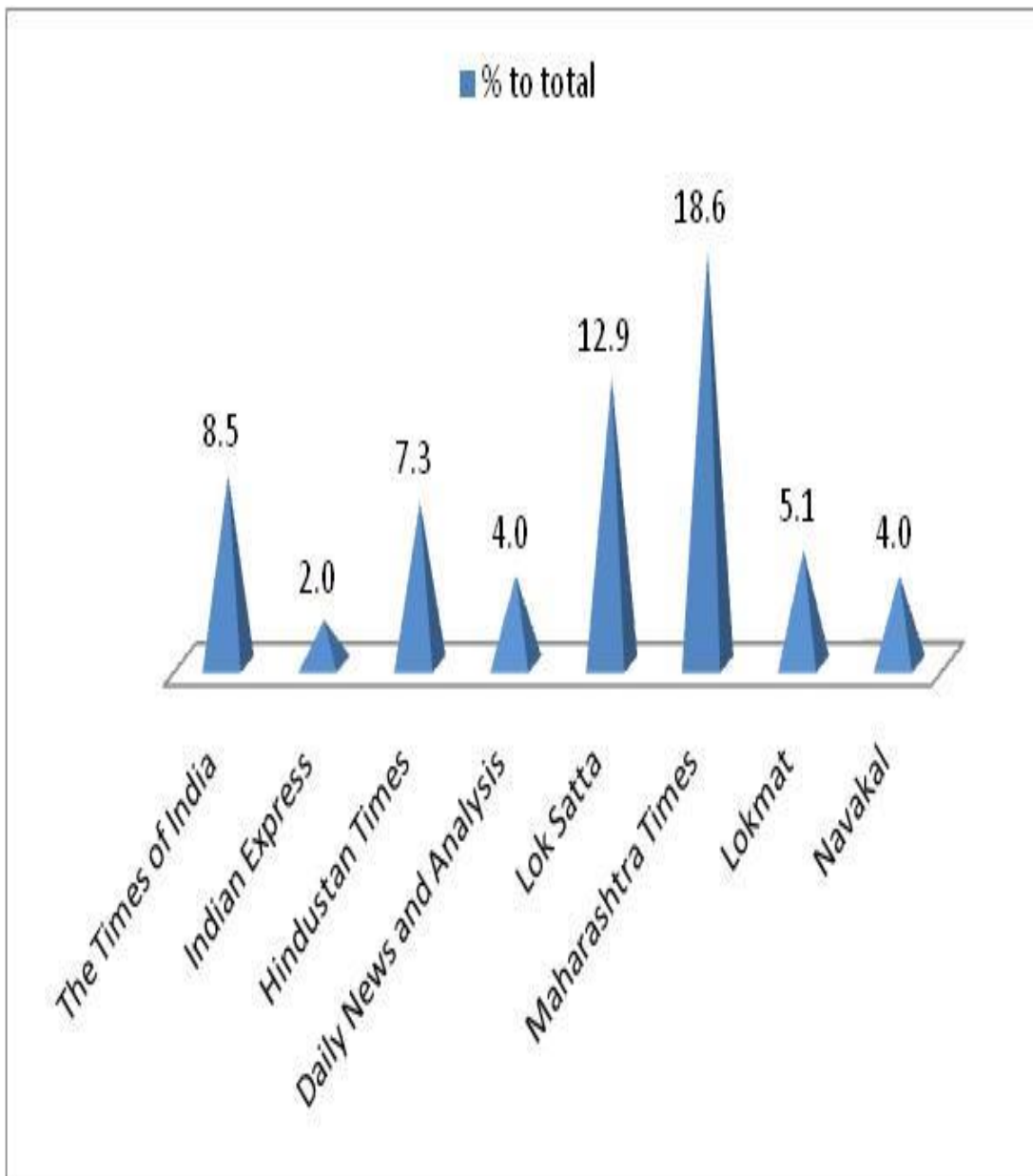
**Table 4.5 Personal Finance Related News Items**

<b>News papers</b>	<b>Personal Finance Related News Items</b>	<b>Total News items</b>	<b>% to total</b>
The Times of India	24	282	8.5
Indian Express	6	300	2.0
Hindustan Times	18	246	7.3
Daily News and Analysis	12	300	4.0
Lok Satta	24	186	12.9
Maharashtra Times	48	258	18.6
Lokmat	12	234	5.1
Navakal	6	150	4.0
Avg.	19	245	7.8

*Source: News items of selected Newspapers*

From the table given above it is understood that on an average almost 8% of total news items covered in the selected newspapers were related to Personal Finance related News items. Individually, The Times of India was found to be the newspapers having 8.5% of total news items dedicated for the Personal Finance related news matters among the English newspapers, while among Marathi newspapers, Lok Satta and Maharashtra Times published more than average of the total news items related to Personal Finance related matters. But, Marathi newspapers Lokmat and Navakal as well as English Newspapers Indian Express and Daily News and Analysis, among all the selected English and Marathi newspapers, published Personal Finance related matters below minimum average of 8%.

**Figure 4.5 Personal Finance Related News Items**



#### **4.6 Local Finance Related News Items:**

One of the important financial awareness spreading news items in the selected newspapers in particular and almost all the newspapers in general are local area related financial news items. These news items provide information about the financial matters concerned with local area

which include provisions related to developing local area especially by local government, changes in finance policy decisions by the local government, revision in local body tax rates etc.

The table given below deals with such Personal Finance related News items published in the selected newspapers during the study period.

**Table 4.6 Local Finance Related News Items**

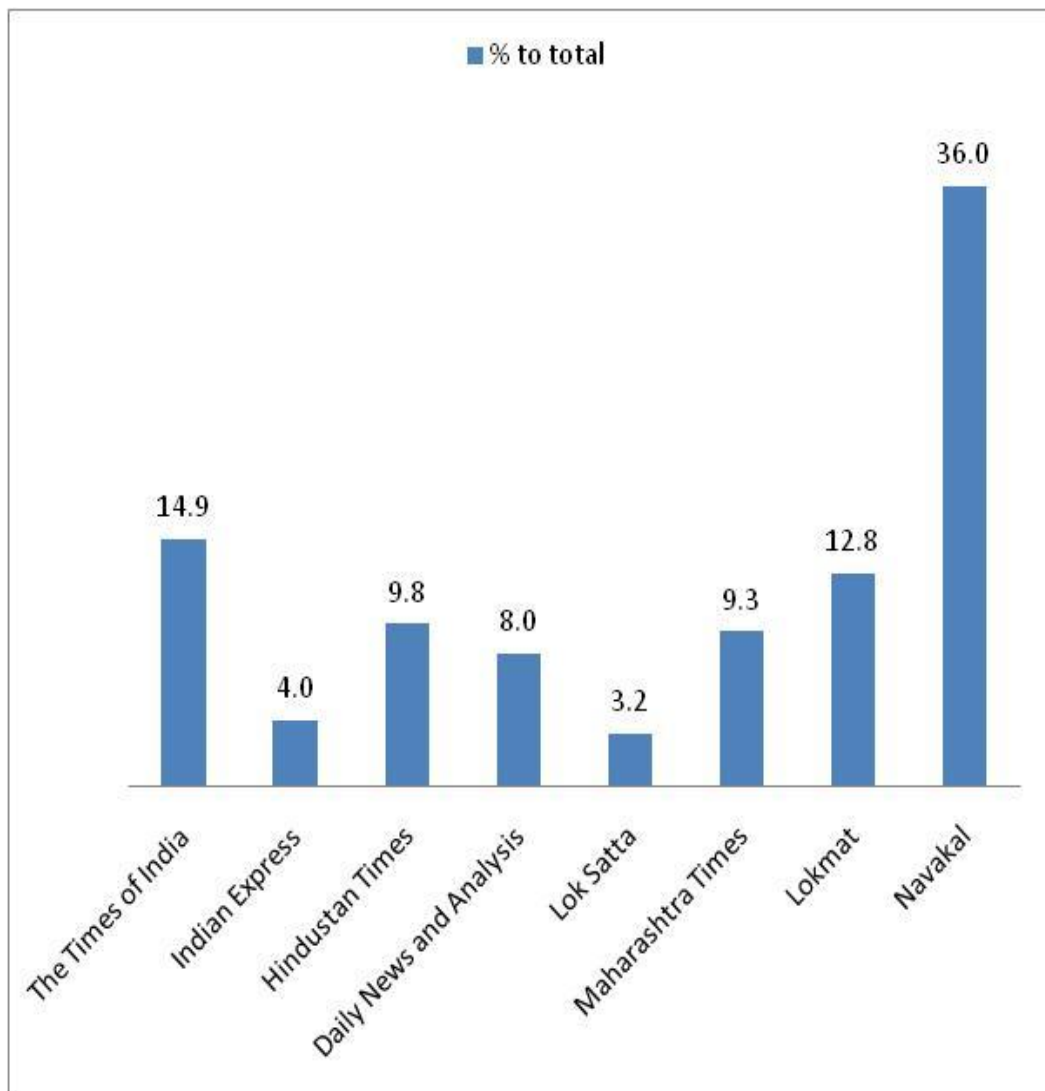
<b>News papers</b>	<b>Local Finance Related News Items</b>	<b>Total News items</b>	<b>% to total</b>
The Times of India	42	282	14.9
Indian Express	12	300	4.0
Hindustan Times	24	246	9.8
Daily News and Analysis	24	300	8.0
Lok Satta	6	186	3.2
Maharashtra Times	24	258	9.3
Lokmat	30	234	12.8
Navakal	54	150	36.0
Avg.	27	245	12.2

*Source: News items of selected Newspapers*

From the table given above it is understood that on an average almost 12% of total news items covered in the selected newspapers were related to Local Finance related News items. Individually, The Times of India was found to be the newspapers having almost 15% of total news items dedicated for the Local Finance related news matters among the

English newspapers, while among Marathi newspapers, Navakal and Lokmat published more than average of the total news items related to Local Finance related matters. But, Marathi newspapers Lok Satta and Maharashtra Times as well as English Newspapers Indian Express, Hindustan Times and Daily News and Analysis, among all the selected English and Marathi newspapers, published Local Finance related matters below minimum average of 12%.

**Figure 4.6 Local Finance Related News Items**



#### 4.7 Hypothesis testing:

From the above analysis the hypothesis that we had made earlier (in chapter 3) is tested as follows:

The research hypothesis regarding the role of newspapers in spreading financial literacy was:

H0: The selected News papers cover the different aspects of the financial literacy.

From the data analysed above following interpretations are drawn:

**Table 4.7 Hypothesis Testing**

Types of news items	Avg. no. of news items	Avg. % to total news items	Chi-square value
Capital Market Related News Items	72	29	0.129
General Budgetary News Items	65	27	0.009
General Economy Related News Items	44	19	0.033
Precious Metals related News Items	11	4.7	0.003
Personal Finance Related News Items	19	7.8	0.01
Local Finance Related News Items	27	12.5	0.254
		Total	0.438

Sources: computed

From the above analysis it is observed that at five degree of freedom and at significance level of 5%, the calculated chi-square value is 0.438 which

is less than the table value of 11.07 and hence the research hypothesis that **the selected News papers cover the different aspects of the financial literacy is accepted.**

#### **4.8 Conclusion:**

Thus, from the above analysis, it can be concluded that in different selected news papers, different weightage is given to different kind of financial news items. In English newspapers, in general, on an average, importance is given to Capital Market related news items, Precious Metal related news items, General Economy related news items and General Budgetary items. While in Marathi newspapers importance is given to Local Finance related news items and Personal Finance related issues.

## Chapter 5 Research Analysis-II

---

5. Introduction: .....	83
5.1 Determination of sample size and Description of simple:.....	83
5.1.1 Area-Wise Distribution of Sample: .....	87
5.1.2 Gender-Wise Distribution of Sample: .....	89
5.1.3 Age group-Wise Distribution of Sample: .....	91
5.2 Gender and Choice of Newspaper Readers: .....	92
5.3 Newspapers and Familiarity with Financial, Investment and Market Performances: .....	94
5.4 Newspapers and Financial Management related Information: .....	98
5.5 Different Parts of Newspapers and Financial Literacy:.....	100
5.6 Effect of Newspapers on Household Budget, Investment Option, Tax Saving Option and New Financial Products: .....	103
5.7 Role of Newspapers in Spreading Banking Related Facial Literacy: .....	106
5.8 Role of Newspapers in Spreading Facial Literacy Related to Other Than Banking Saving Options: .....	109
5.9 Role of Newspapers in Spreading Awareness about different kinds of markets: .....	112
5.10 Role of Newspapers in Spreading Awareness about different Types of Frauds:.....	116
5.11 Hypothesis testing:.....	120
5.12 Conclusion: .....	122



## Chapter 5 Research Analysis-II

---

### **5. Introduction:**

In this chapter, an attempt is made to analyse impact of newspapers on readers about the financial literacy and related data is collected using questionnaire method. This chapter deals with different aspects related to areas of finance and financial literacy, their impact on newspapers, their viability to consumers etc. As said above, the aspects related to financial literacy are being analysed by getting questionnaires filled by the respondents (readers of selected newspapers) related to different types of financial literacy. The questionnaires are being filled from the readers of selected newspapers, circulated in the sample area selected for the study i.e. Navi Mumbai.

The published news items analysed are about different aspects of financial literacy related to general economy, personal benefit, budgetary provisions, capital market, precious metals, general finance, local area etc. as analysed below:

### **5.1 Determination of sample size and Description of simple:**

In any research determination of appropriate sample size is an important task to be undertaken. In order to determine appropriate sample size, however it is important to know approximate population size. In our

case newspaper readers will form the population and the population size is obtained by getting circulation information about the sampled newspapers along with other leading newspapers in Navi Mumbai area. The table given below shows the data about the circulation of the leading newspapers in the selected area i.e. Navi Mumbai as on 31<sup>st</sup> march, 2015.

**Table 5.1 Circulation of newspapers in Navi Mumbai**

<b>Newspapers</b>	<b>No.of circulations</b>	<b>% share to total</b>	<b>% share of sampled newspapers</b>
The Times of India	60453	23.05	<b>85.57</b>
Indian Express	3315	1.26	
Hindustan Times	38918	14.84	
Daily News and Analysis	33765	12.87	
Lok Satta	23026	8.78	
Maharashtra Times	23625	9.01	
Lokmat	21902	8.35	
Navakal	19438	7.41	
Sakal	8713	3.32	
Mid-day	6106	2.33	
The Hindu	1570	0.60	
Financial Express	202	0.08	
Economic Times	16395	6.25	
Mint	2540	0.97	
Pudhari	1487	0.57	
Sandhyanand	842	0.32	
<b>Total</b>	<b>262297</b>	<b>100</b>	

Source: Audit Bureau of Circulation.

Chi-square value= **25710351.6\***      \*=5% significance

Thus, from the table given above it is understood that the sampled newspapers have their place in top-10 mostly circulated newspapers and the share of sampled newspapers i.e. The Times of India, Indian Express, Hindustan Times, Daily News and Analysis, Lok Satta, Maharashtra Times, Lokmat, Navakal is more than 85%.

### **Hypothesis testing-**

As mentioned in chapter related to research methodology, the third hypothesis regarding the impact of newspapers in spreading financial literacy and affecting decision making was:

- There has been a good spread of the selected news papers in the New Mumbai region in the recent times.

So, the null hypothesis put for the test will be:

- There has been no good spread of the selected news papers in the New Mumbai region in the recent times.

In order to test the null hypothesis chi-square test is applied and following information is tabulated to calculate chi-square value.

**Table 5.2 circulation of sampled newspapers in Navi Mumbai**

<b>Newspapers</b>	<b>No.of circulations</b>	<b>% share to total</b>
The Times of India	60453	26.93
Indian Express	3315	1.48
Hindustan Times	38918	17.34
Daily News and Analysis	33765	15.04
Lok Satta	23026	10.26
Maharashtra Times	23625	10.53
Lokmat	21902	9.76
Navakal	19438	8.66
<b>Total</b>	<b>224442</b>	<b>100.00</b>

Source: Computed.

Chi-square value= **21997560.42\*** Table value= **14.067\*** (\*=5% significance)

From the table given above it is computed that Chi-square value is greater than the table value and hence, the null hypothesis i.e.  $H_0$  There has been no good spread of the selected news papers in the New Mumbai region in the recent times, is **rejected** and the research hypothesis i.e. **There has been a good spread of the selected news papers in the Navi Mumbai region in the recent times, is accepted.**

The table given below provides details about the total readers of the selected newspapers and calculation of the sample size by determining the appropriate margin of error and confidence level.

**Table 5.3 Determination of Sample Size**

No.of newspaper circulation	No. Of sampled newspapers	Margin of error	Expected Confidence level	Recommended Sample size	Selected sample size
262297	08	5%	95%	384	400

Source: Computed.

Thus, from the above table it is understood that, the total circulation of almost all the leading news

Here the description of sample is attempted by showing the distribution of sample area-wise, age-wise, gender-wise etc. as explained below:

### **5.1.1 Area-Wise Distribution of Sample:**

While collecting data using questionnaire method through simple random sampling, an attempt is made to represent all the important areas of the Navi Mumbai as shown below:

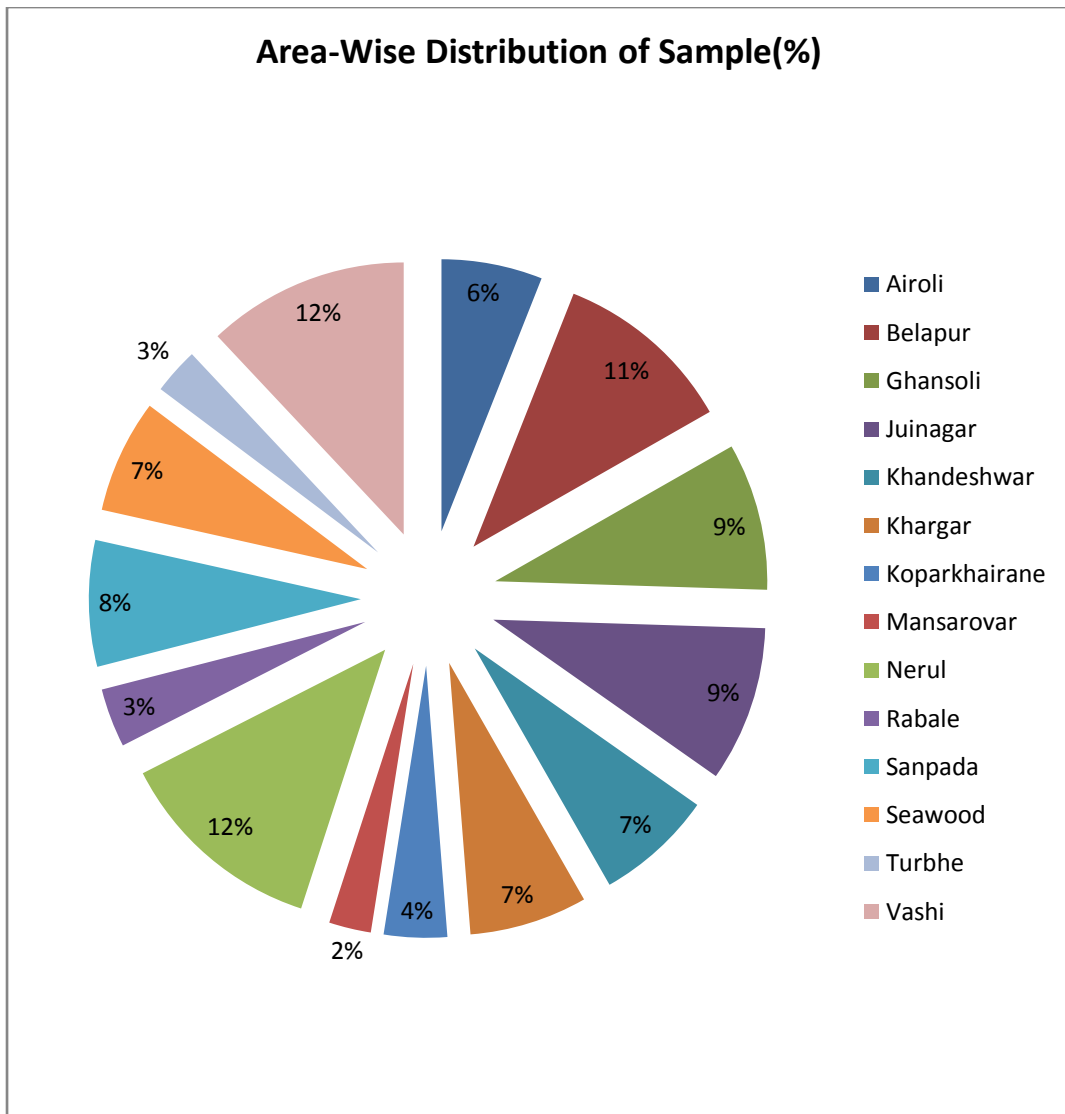
**Table 5.4 Area-wise Distribution of Sample**

Area	Number of Respondents	%
Airoli	24	6
Belapur	43	10.75
Ghansoli	35	8.75
Juinagar	37	9.25
Khandeshwar	28	7
Khargar	28	7
Koparkhairane	15	3.75
Mansarovar	10	2.5
Nerul	50	12.5
Rabale	14	3.5
Sanpada	30	7.5
Seawood	27	6.75
Turbhe	11	2.75
Vashi	48	12
<b>Total</b>	<b>400</b>	<b>100</b>

Source: Data collected through questionnaire.

Chi-square value= **10.45\*** \*=5% significance

As shown in the data given above, different areas of the Navi Mumbai, have been given importance as per their population distribution and accordingly, top four areas having more residential spaces are Nerul, Vashi, Belapur and Juinagar. Accordingly, the sample is collected from these areas by collecting 12.5%, 12%, 10.7% and 9.25% respectively. Similarly, bottom four areas having least representation in the sample are: Mansarovar (2.5%), Turbhe (2.75%), Rabale (3.5%) and Koparkhairane (3.75%).



**Figure 5.1 Area-wise Distribution of Sample**

### 5.1.2 Gender-Wise Distribution of Sample:

Since data is collected using simple random method, distribution of sample gender-wise shows following picture:

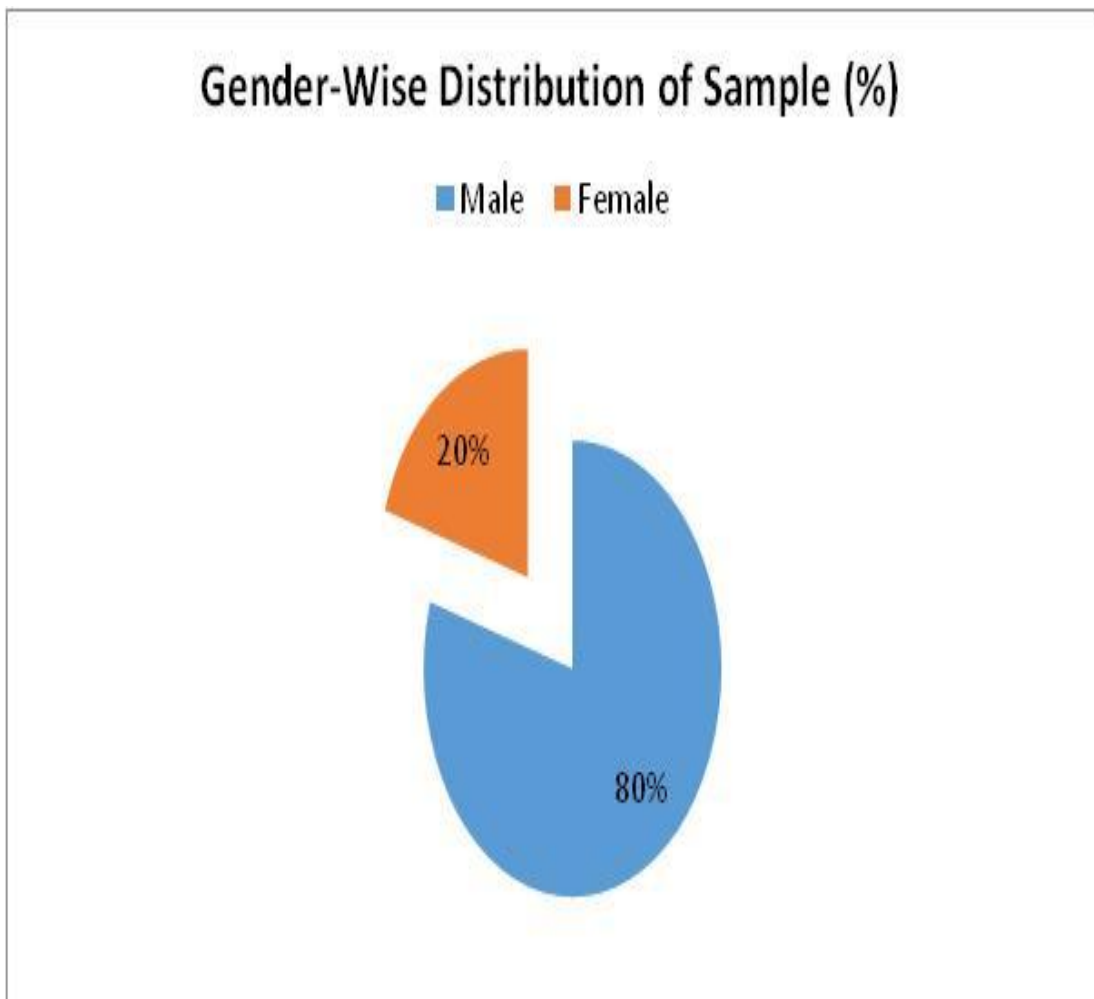
**Table 5.5 Gender-Wise Distribution of Sample**

<b>Gender</b>	<b>Number of Respondents</b>	<b>%</b>
Male	319	79.75
Female	81	20.25
<b>Total</b>	<b>400</b>	<b>100</b>

Source: Data collected through questionnaire.

Chi-square value= **16.03\***    \*=5% significance

As per table given above, in the sample representation of almost 20% is given to females while 80% to males.



**Figure 5.2 Gender-wise Distribution of Sample**



### 5.1.3 Age group-Wise Distribution of Sample:

The table given below shows age group-wise distribution of the sample:

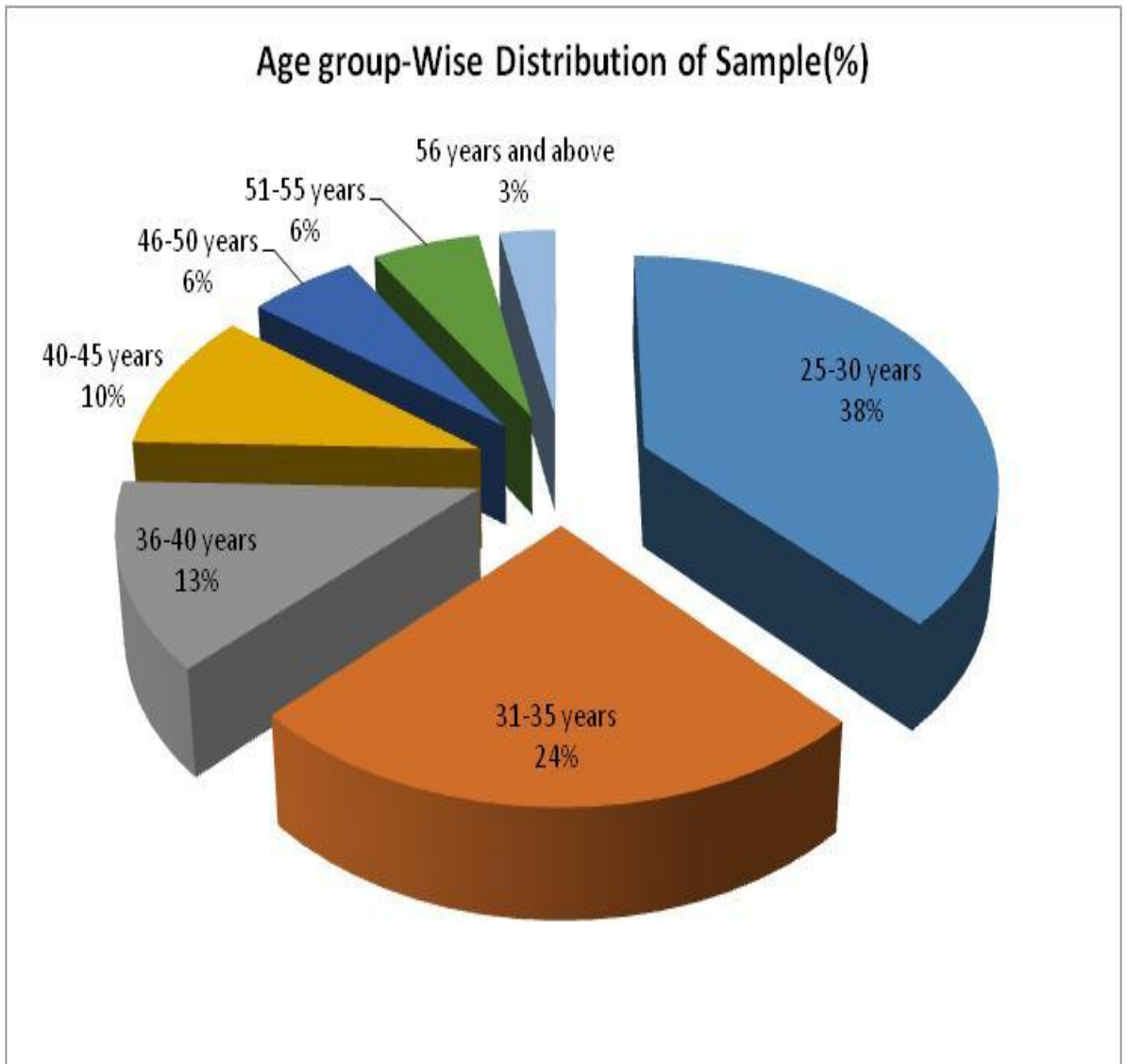
**Table 5.6 Age group-Wise Distribution of Sample**

<b>Age group</b>	<b>Number of Respondents</b>	<b>%</b>
25-30 years	152	38
31-35 years	98	24.5
36-40 years	52	13
40-45 years	40	10
46-50 years	23	5.75
51-55 years	23	5.75
56 years and above	12	3
<b>Total</b>	<b>400</b>	<b>100</b>

Source: Data collected through questionnaire.

Chi-square value= **12.3\***      \*=5% significance

From the above table it is understood that the sample gives representation to all the age groups starting from income earning age group of 23-30 years till above 56 years of age. The respondents included in the various age groups show descending order of inclusion i.e. highest being included in the youngest age group and lowest in the age group of near retirement.



**Figure 5.3 Age group-Wise Distribution of Sample**

## **5.2 Gender and Choice of Newspaper Readers:**

Here an attempt is made to find out gender specific choice of newspapers (Primary choice) of the samples about the choice of the newspapers or preference in reading the newspapers from the selected group of newspapers i.e. Marathi and English newspapers and following facts got revealed:

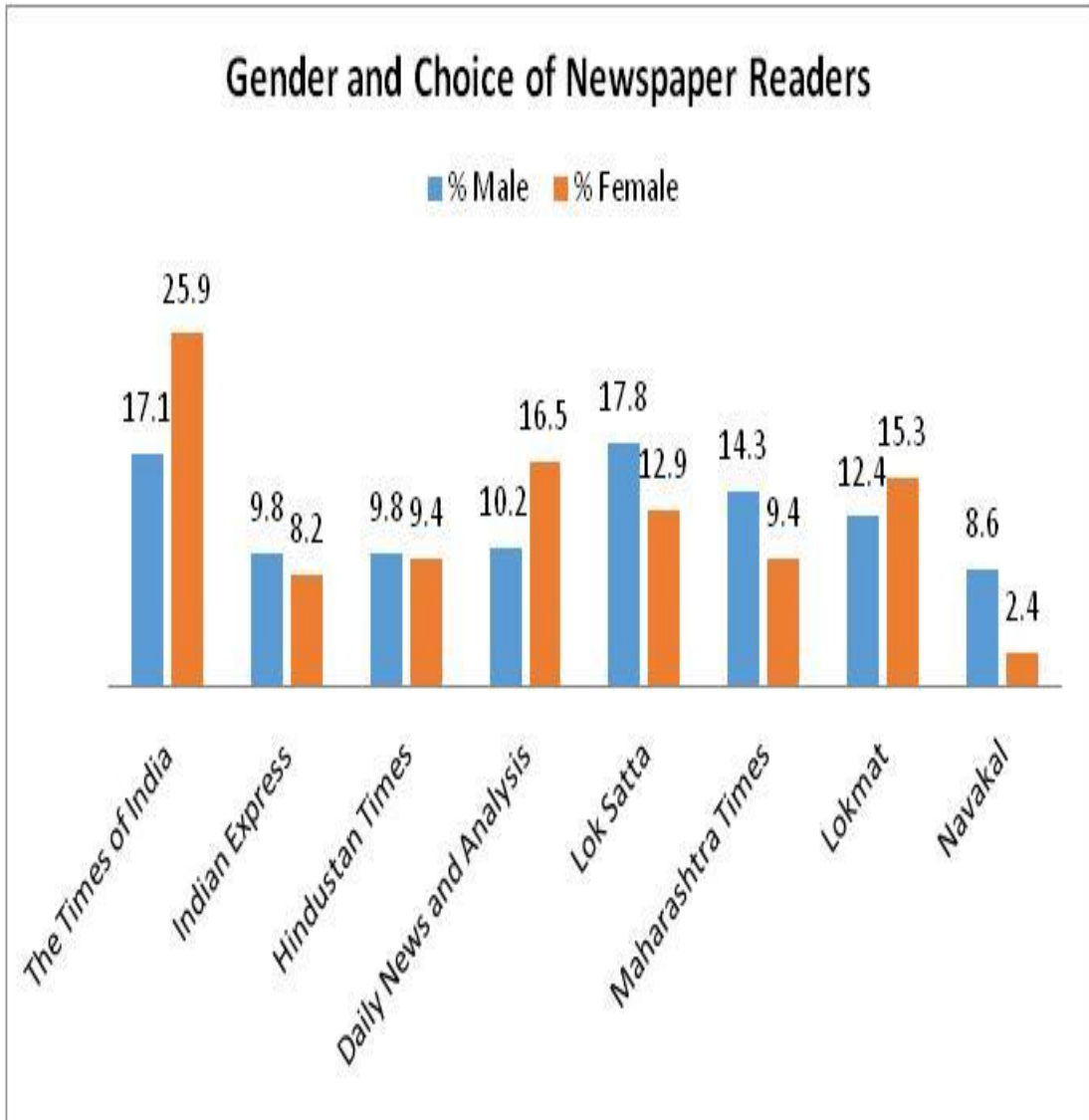
**Table 5.7 Gender and Choice of Newspaper Readers**

News papers	Male	Female	% Male	% Female
The Times of India	54	22	17.1	25.9
Indian Express	31	7	9.8	8.2
Hindustan Times	31	8	9.8	9.4
Daily News and Analysis	32	14	10.2	16.5
Lok Satta	56	11	17.8	12.9
Maharashtra Times	45	8	14.3	9.4
Lokmat	39	13	12.4	15.3
Navakal	27	2	8.6	2.4
<b>Total</b>	<b>315</b>	<b>85</b>	<b>100.0</b>	<b>100.0</b>

Source: Data collected through questionnaire.

Chi-square value= **5.13\***      \*=5% significance

From the table given above it is understood that preference of newspapers (primary choice) differs from newspapers to newspapers as per gender. Among English newspapers, males preferred The Times of India (17.1%) most followed by Daily News and Analysis (10.2%) while females also preferred The Times of India (25.9%) most followed by Daily News and Analysis (16.5%) . Similarly, among Marathi newspapers, males preferred LokSatta (17.8%) and Maharashtra Times (14.3%) most while, females preferred Lokmat (153%) and Loksatta (12.9%).



**Figure 5.4 Gender and Choice of Newspaper Readers**

### **5.3 Newspapers and Familiarity with Financial, Investment and Market Performances:**

Newspapers play an important role in making people aware about the financial matters, investment avenues and market performances. In this regard, the questionnaire asked the question- “State how newspaper makes you familiar with financial, investment and market

performances?” and the data collected through questionnaire shows following results:

**Table 5.8 Newspapers and Familiarity with Financial, Investment and Market Performances**

News papers	No. of readers	Very Familiar		Familiar		Not much Familiar	
		No.of responses	%	No.of responses	%	No.of responses	%
The Times of India	75	24	32	34	45.3	11	14.7
Indian Express	37	20	54.1	14	37.8	2	5.4
Hindustan Times	39	8	20.5	20	51.3	8	20.5
Daily News and Analysis	45	21	46.7	18	40.0	5	11.1
Lok Satta	66	29	43.9	28	42.4	8	12.1
Maharashtra Times	53	23	43.4	22	41.5	7	13.2
Lokmat	52	15	28.8	22	42.3	11	21.2
Navakal	29	11	37.9	14	48.3	4	13.8
		Avg.	38.4	Avg.	43.6	Avg.	14.0

Source: Data collected through questionnaire.

Chi-square value=15.858\*

\*=5% significance

From the table given above, it is understood that among English newspapers, majority of the readers of The Times of India, Daily News and Analysis and Indian Express found that these newspapers made them either very familiar or familiar with financial matters, investment avenues and market performances, while among Marathi newspapers majority of readers of Lokssatta and Maharashtra Times expressed that these newspapers made them either very familiar or familiar with financial matters, investment avenues and market performances. Thus, almost 80% of respondents responded that the newspapers made either very familiar or familiar with financial matters, investment avenues and market performances. So, it is concluded that newspapers help readers in making them familiar with financial matters, investment avenues and market performances.

### Newspapers and Familiarity with Financial, Investment and Market Performances

■ Not much Familiar   ■ Familiar   ■ Very Familiar

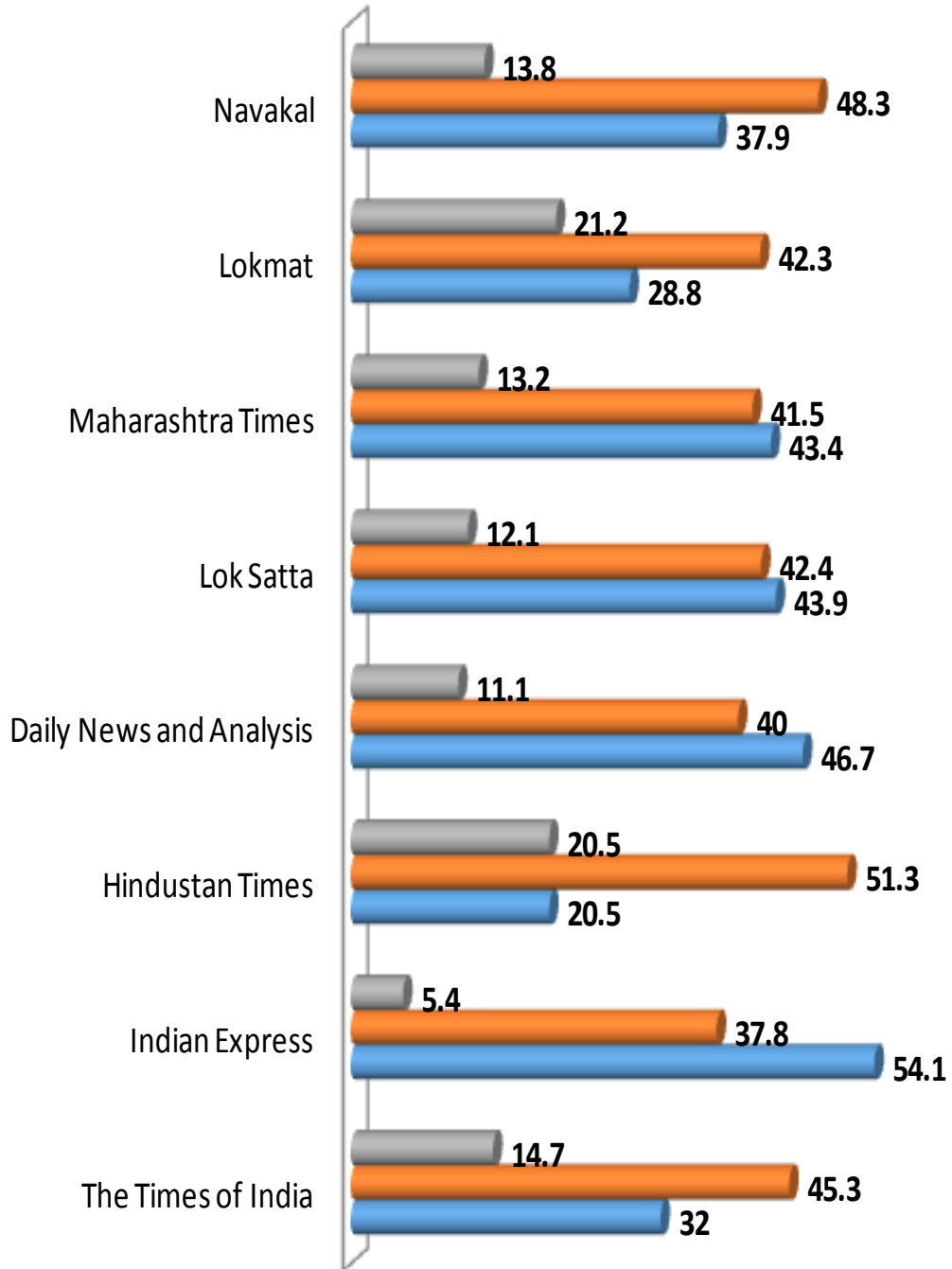


Figure 5.5 Newspapers and Familiarity with Financial, Investment and Market Performances

## 5.4 Newspapers and Financial Management related Information:

The newspapers help their readers in providing those types of information which provide information that are helpful to readers in managing their finance. The questionnaire asked the question-“State how newspaper helps you in gaining financial management related information” and the responses are tabulated as follows:

**Table 5.9 Newspapers and Financial Management related Information**

News papers	No. of readers	Very high		Moderate		Low	
		No.of responses	%	No.of responses	%	No.of responses	%
The Times of India	75	42	56.0	19	33.9	14	18.7
Indian Express	37	34	91.9	2	2.2	1	2.7
Hindustan Times	39	22	56.4	7	12.4	9	23.1
Daily News and Analysis	45	32	71.1	7	9.8	6	13.3
Lok Satta	66	48	72.7	13	17.9	5	7.6
Maharashtra Times	53	39	73.6	10	13.6	4	7.5
Lokmat	52	28	53.8	15	27.9	9	17.3
Navakal	29	17	58.6	10	17.1	2	6.9
		Avg.	66.8	Avg.	16.8	Avg.	12.1

Source: Data collected through questionnaire.

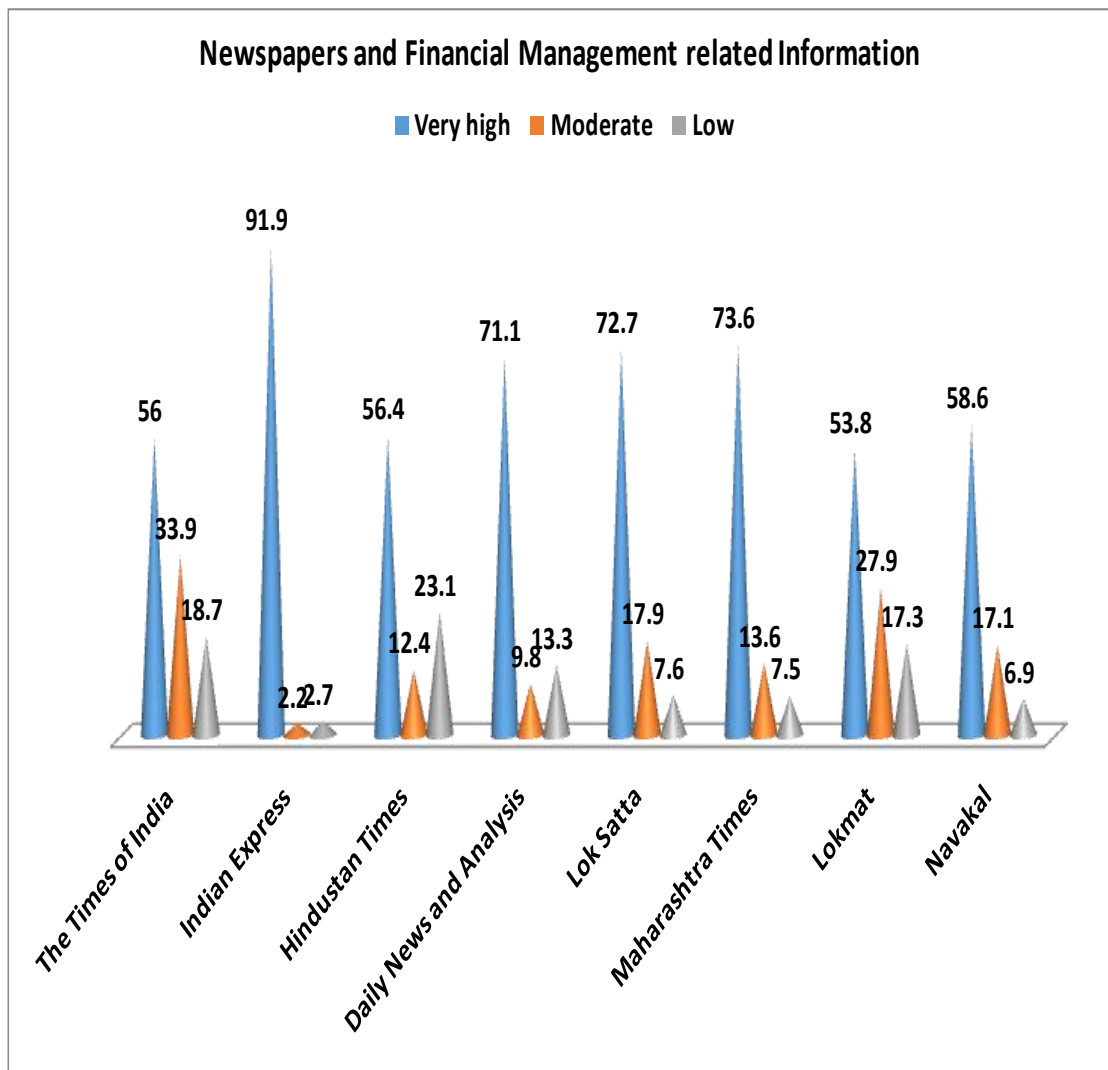
Chi-square value=30.423\*

\*=5% significance

From the table given above it is understood that almost 88% of readers of the selected newspapers feel that the selected newspapers have



helped them in their financial management. Further, among English newspapers, readers of Indian Express and Daily News and Analysis showed that they have been highly benefited in financial management while among Marathi newspapers, readers of Lok Satta and Maharashtra Times found to be highly benefited in financial management. Thus, the newspapers have positive impact on financial decision making of the newspaper readers.



**Figure 5.6 Newspapers and Financial Management related Information**

### **5.5 Different Parts of Newspapers and Financial Literacy:**

Newspapers are having different part in their regular issues and in their different parts various types of information are grouped. Some of the important parts of the newspapers in general and the selected newspapers in particular are-page containing General News, page containing Business News, page containing Special Articles, Special Newspapers supplements, Promotional pamphlets in newspapers, Commercials, Special Newspapers magazines etc. The table given below shows responses from the readers when they were asked question-“State the part of newspaper which provides information and affect your financial behaviours most”.

**Table 5.10 Parts of Newspapers and Financial Literacy**

<b>News papers</b>	<b>Gener al News</b>	<b>Busin ess News</b>	<b>Specia l Article</b>	<b>Special Supplement</b>	<b>Promotio nal Pamphlets</b>	<b>Com merci als</b>	<b>Newspap er Magazine s</b>
<b>The Times of India</b>	42	56	19	34	14	34	22
<b>Indian Express</b>	34	92	2	2	1	14	7
<b>Hindustan Times</b>	22	56	7	12	9	20	8
<b>Daily News and Analysis</b>	32	71	7	10	6	18	14
<b>Lok Satta</b>	48	73	13	18	5	28	11
<b>Maharasht ra Times</b>	39	74	10	14	4	22	8
<b>Lokmat</b>	28	54	15	28	9	22	13
<b>Navakal</b>	17	59	10	17	2	14	2

Source: Data collected through questionnaire.

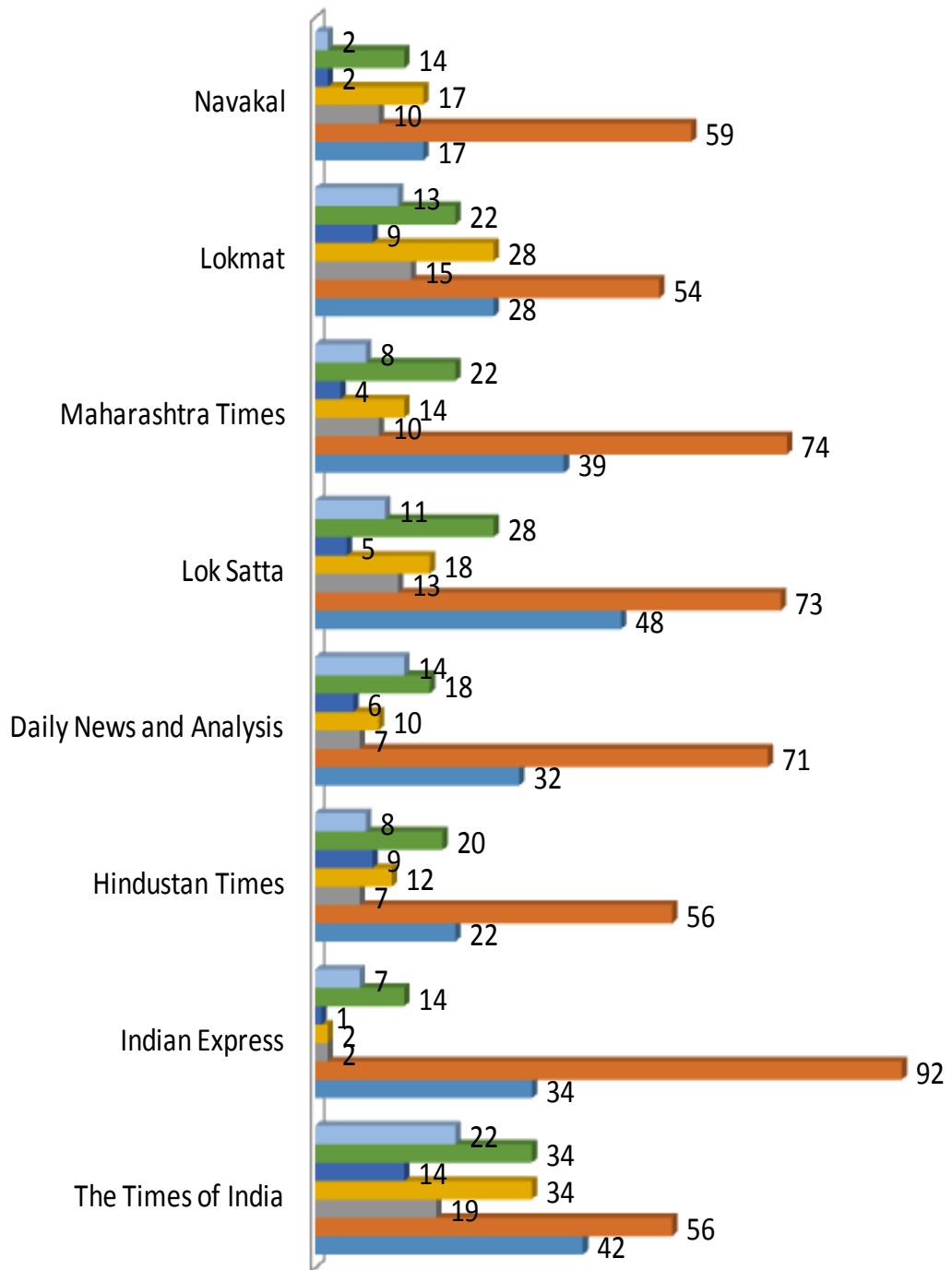
Chi-square value= 113.738\*

\*=5% significance

From the table above it is understood that in case of English newspapers the part of the newspaper which provide the information most and which affect the behavior of the readers widely are- page containing general news, Business news, commercials and magazines. While, in Marathi newspapers it is general news, Business news and Special supplements.

### Different Parts of Newspapers and Financial Literacy

- Newspaper Magazines    ■ Commercials    ■ Promotional Pamphlets
- Special Supplement    ■ Special Article    ■ Business News
- General News



**Figure 5.7 Parts of Newspapers and Financial Literacy**

## 5.6 Effect of Newspapers on Household Budget, Investment Option, Tax Saving Option and New Financial Products:

Newspapers provide for information which can affect Household Budget, Investment Option, Tax Saving Option and Introduction to New Financial Products. In this regard, the readers of selected newspapers were asked question whether newspapers affect your Household Budget, Investment Option, Tax Saving Option and New Financial Products and the reply is tabulated as follows:

**Table 5.11 Effect of Newspapers on Household Budget, Investment Option, Tax Saving Option and New Financial Products**

Newspapers	Household Budget		Investment Option		Tax Saving Option		New Financial products	
	% Yes	% No	% Yes	% No	% Yes	% No	% Yes	% No
The Times of India	52	22	52	22	30	43	34	40
Indian Express	27	8	25	10	13	21	19	14
Hindustan Times	25	13	26	12	14	23	19	19
Daily News and Analysis	30	15	33	12	18	27	28	17
Lok Satta	57	9	51	15	27	38	19	47
Maharashtra Times	47	6	41	12	24	29	25	28
Lokmat	43	9	33	19	25	27	18	34
Navakal	27	2	16	13	12	17	13	16

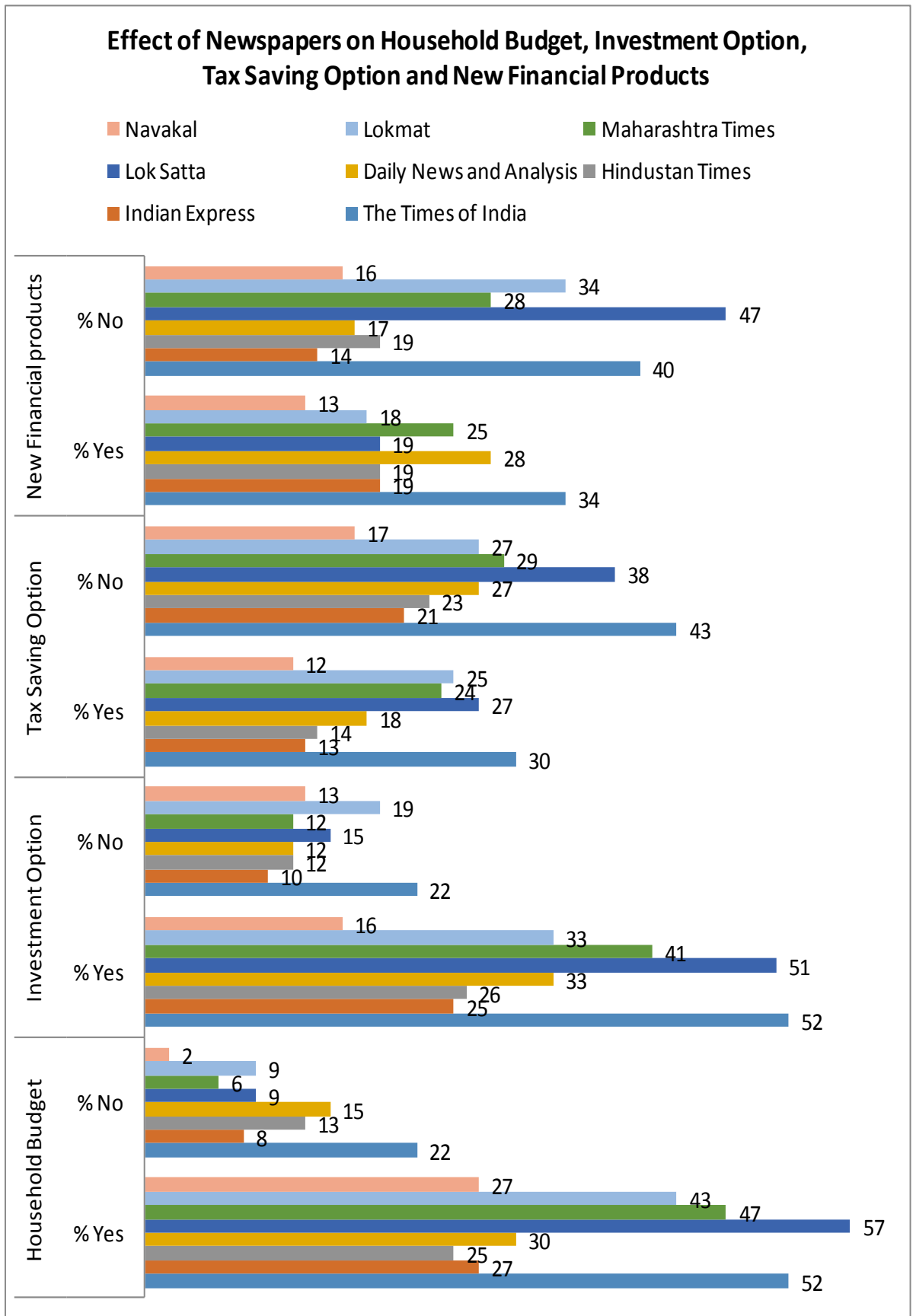
Source: Data collected through questionnaire

Chi-square value = 14.82 \*

\*=5% significance.

From the table given above it is revealed that among English Newspapers, readers of The Times of India while among Marathi newspapers readers of Loksatta and Maharashtra Times believed that their newspapers affect their decisions regarding Household Budget. In case of Investment Options and effect of Newspapers, among English Newspapers readers of The Times of India and among Marathi newspapers readers of Loksatta and Maharashtra Times replied that their newspapers affect their investment options related decisions.

However, in case of both tax saving option and about New Financial Products related information provided by the newspapers, both readers of English newspapers and Marathi Newspapers are found less satisfied.



**Figure 5.8 Effect of Newspapers on Household Budget, Investment Option, Tax Saving Option and New Financial Products**

## **5.7 Role of Newspapers in Spreading Banking Related Financial Literacy:**

Newspapers play an important role in creating and spreading awareness about financial literacy related to banking transactions. In this regard, the questionnaire tried to get response of the selected newspaper readers about their views in this matter. Different aspects of banking related financial literacy were grouped into following: Types of accounts (like savings, current etc.), Types of deposits (like demand deposit, term deposit, recurring deposit etc.) and Types of loans (Housing loan, Vehicle Loan, Personal Loan etc.). The table given below shows responses of the readers regarding this aspect of financial literacy:



**Table 5.12 Role of Newspapers in Spreading Banking Related Facial Literacy**

Newspapers	Types of accounts		Types of deposits		Types of loans	
	% Yes	% No	% Yes	% No	% Yes	% No
The Times of India	59	41	50	50	28	72
Indian Express	35	65	24	76	28	72
Hindustan Times	32	68	22	78	19	81
Daily News and Analysis	38	62	29	71	23	77
Lok Satta	54	46	49	51	28	72
Maharashtra Times	45	55	33	67	27	73
Lokmat	47	53	33	67	18	82
Navakal	22	78	18	82	15	85

Source: Data collected through questionnaire.

Chi-square value = 8.679\*                      \*=5% significance.

From the table given above it is understood that in awareness about types of bank accounts readers of Times of India, among English Newspapers and the readers of Loksatta, among Marathi newspapers were found more satisfactory than other newspapers. Same thing is also obvious in case of awareness about Types of deposits also.

However, in awareness about types of loans the readers of all the selected newspapers are found less aware. Thus, newspapers need to undertake systematic programmes to create and spread awareness about different types of loans.

### Role of Newspapers in Spreading Banking Related Facial Literacy

■ Types of loans % No   
 ■ Types of loans % Yes   
 ■ Types of deposits % No  
■ Types of deposits % Yes   
 ■ Types of accounts % No   
 ■ Types of accounts % Yes

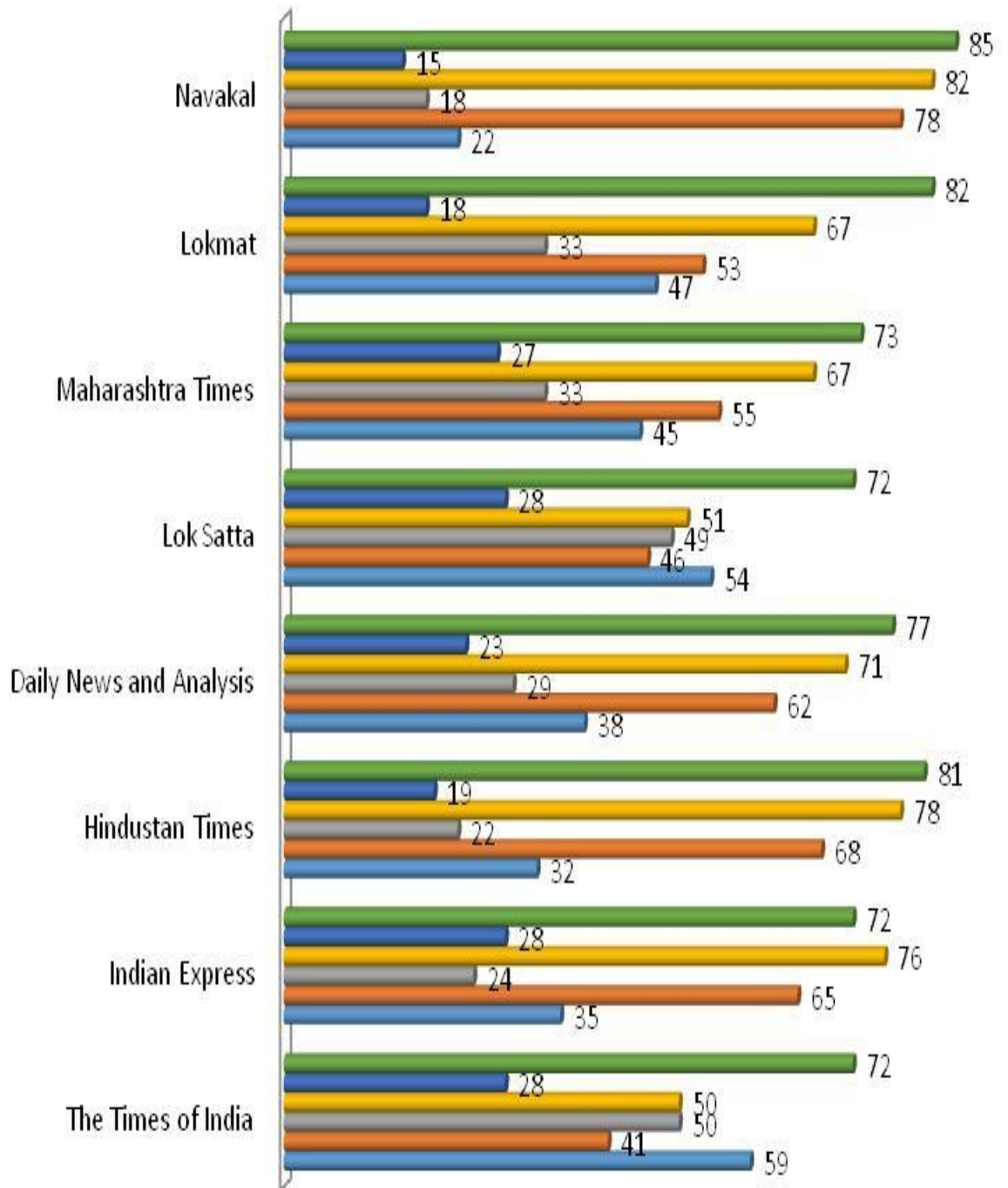


Figure 5.9 of Newspapers in Spreading Banking Related Facial Literacy

## 5.8 Role of Newspapers in Spreading Facial Literacy Related to Other Than Banking Saving Options:

Newspapers can also play an important role in spreading awareness about other than banking saving options like Post office savings (including Indira Vikas Patra, National Savings Certificate, Kisan Vikas patra etc.), Insurance products (Life and Non-life) and Investment in Bonds/Debentures/Chit funds/ Public Provident Fund/EPF etc. The table given below contains reply of the readers of the selected newspapers.

**Table 5.13 Role of Newspapers in Spreading Facial Literacy Related to Other Than Banking Saving Options**

Newspapers	Post office savings		Insurance products		Bonds/Debentures/Chit funds etc.	
	% Yes	% No	% Yes	% No	% Yes	% No
The Times of India	73	27	75	25	43	57
Indian Express	87	13	37	63	29	71
Hindustan Times	89	11	39	61	26	74
Daily News and Analysis	90	10	45	55	26	74
Lok Satta	80	20	66	34	36	64
Maharashtra Times	86	14	53	47	26	74
Lokmat	72	28	52	48	20	80
Navakal	84	16	29	71	14	86

Source: Data collected through questionnaire.

Chi-square value = 38.824 \*      \*=5% significance.

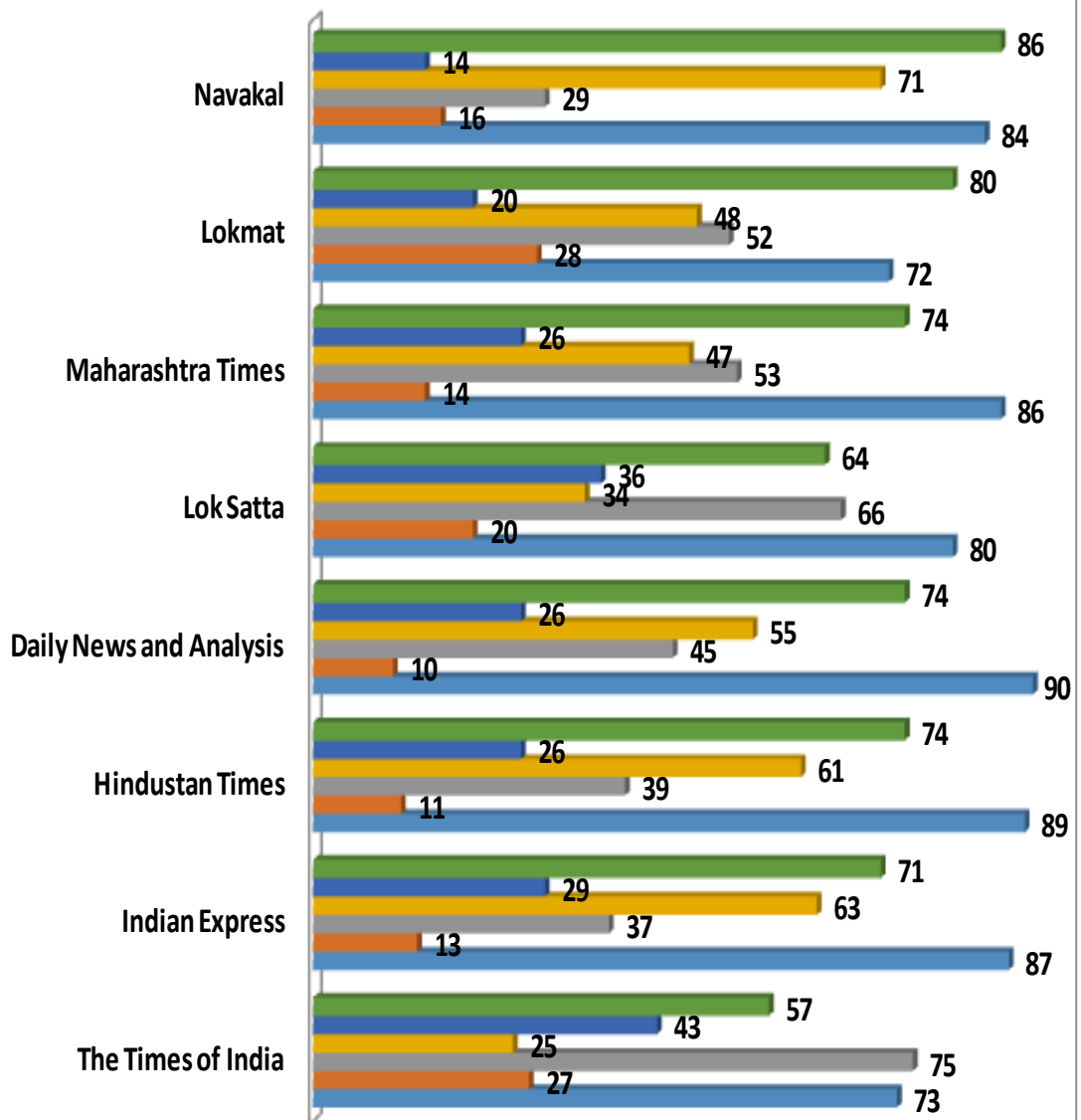
From the table given above it is understood that in awareness about post office savings, readers of all the selected newspapers, among both

English and Marathi Newspapers were found more Same thing is also obvious in case of awareness about Insurance products.

However, in awareness about advanced options to save like bonds, debentures, chit fund etc. the readers of all the selected newspapers are found less aware. Thus, a systematic awareness programme about such advanced savings options by the selected newspapers in particular is required.

## Role of Newspapers in Spreading Facial Literacy Related to Other Than Banking Saving Options

- Bonds/Debentures/Chit funds etc. % No    ■ Bonds/Debentures/Chit funds etc. % Yes
- Insurance products % No                    ■ Insurance products % Yes
- Post office savings % No                    ■ Post office savings % Yes



**Figure 5.10 Role of Newspapers in Spreading Facial Literacy Related to Other Than Banking Saving Options**

## **5.9 Role of Newspapers in Spreading Awareness about different kinds of markets:**

One of the important aspects of financial literacy is awareness about different types of market and their functioning like Share Market, Commodity market, Forex market (Foreign Exchange Market), Precious Metals and Real Estate market. The table given below tabulates the responses of the readers of selected newspapers about the awareness in this regard spread by their newspapers.

**Table 5.14 Role of Newspapers in Spreading Awareness about different kinds of markets**

News papers	Share Market		Commodity Market		Forex market		Real Estate Market		Precious metals Market	
	% Yes	% No	% Yes	% No	% Yes	% No	% Yes	% No	% Yes	% No
The Times of India	62	38	35	65	35	65	61	39	30	70
Indian Express	76	24	20	80	19	81	59	41	26	74
Hindustan Times	45	55	19	81	23	77	46	54	22	78
Daily News and Analysis	64	36	21	79	16	84	41	59	22	78
Lok Satta	65	35	30	70	32	68	23	77	37	63
Maharashtra Times	64	36	42	58	24	76	26	74	27	73
Lokmat	38	62	26	74	14	86	13	87	21	79
Navakal	15	85	15	85	13	87	17	83	16	84

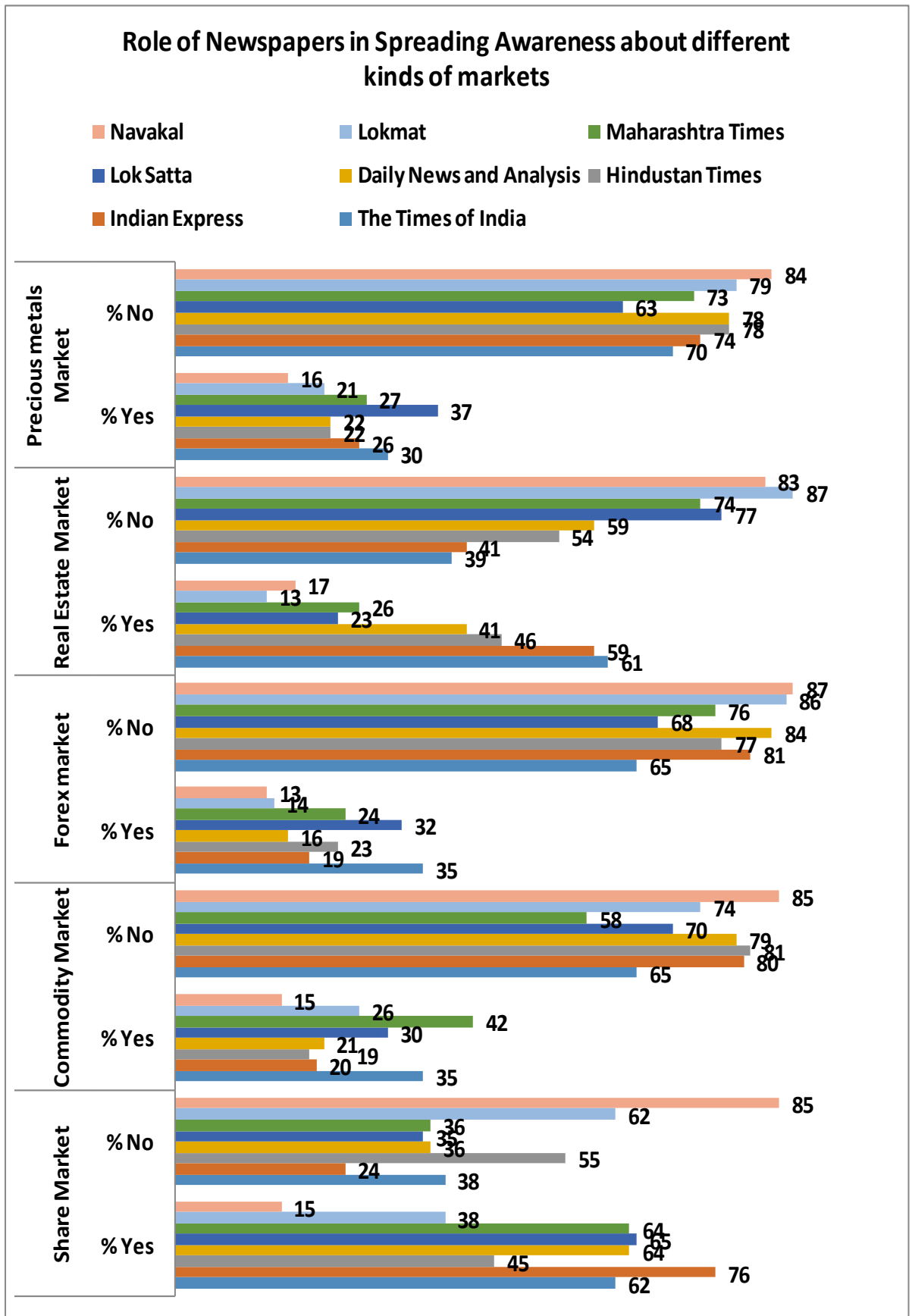
Source: Data collected through questionnaire.

Chi-square value = 288.479\*

\*=5% significance.

From the table above it is seen that in case of share market relate information readers of almost all the newspapers whether English or Marathi, found more satisfied than any other market related information.





**Figure 5.11 Role of Newspapers in Spreading Awareness about different kinds of markets**

However, compared to all other newspapers Marathi or English, the readers of Lokmat and Navakal are found less satisfied.

But, in case of Commodity market, Precious metal market and Forex market, readers of both English and Marathi newspapers are found less satisfied.

### **5.10 Role of Newspapers in Spreading Awareness about different Types of Frauds:**

Newspapers also provide information about various types of frauds like Banking frauds (like- internet banking, credit card, debit card, loan defaults, Signature Forgery etc.), share market related frauds, Corporate frauds, Court decisions on such frauds, Corruption and role of vigilance department. The table given below deals with such responses of the readers of the selected newspapers.

**Table 5.15 Role of Newspapers in Spreading Awareness about different Types of Frauds**

News papers	Banking frauds		share market frauds		Corporate frauds		Court decisions		Corruption & vigilance department	
	% Yes	% No	% Yes	% No	% Yes	% No	% Yes	% No	% Yes	% No
The Times of India	65	35	73	27	53	47	71	29	47	53
Indian Express	61	39	63	37	66	34	34	66	34	66
Hindustan Times	48	52	61	39	52	48	48	52	48	52
Daily News and Analysis	53	47	67	33	29	71	47	53	44	56
Lok Satta	52	48	64	36	75	25	63	37	43	57
Maharashtra Times	42	58	78	22	45	55	61	39	53	47
Lokmat	34	66	71	29	39	61	55	45	55	45
Navakal	29	71	48	52	37	63	25	75	37	63

Source: Data collected through questionnaire.

Chi-square value = 216.124\*

\*=5% significance.

From the table above it is revealed that the readers of the selected newspapers are almost at dilemma about the information covered about banking frauds as almost 50% readers are satisfied while equal proportion of readers are not satisfied.

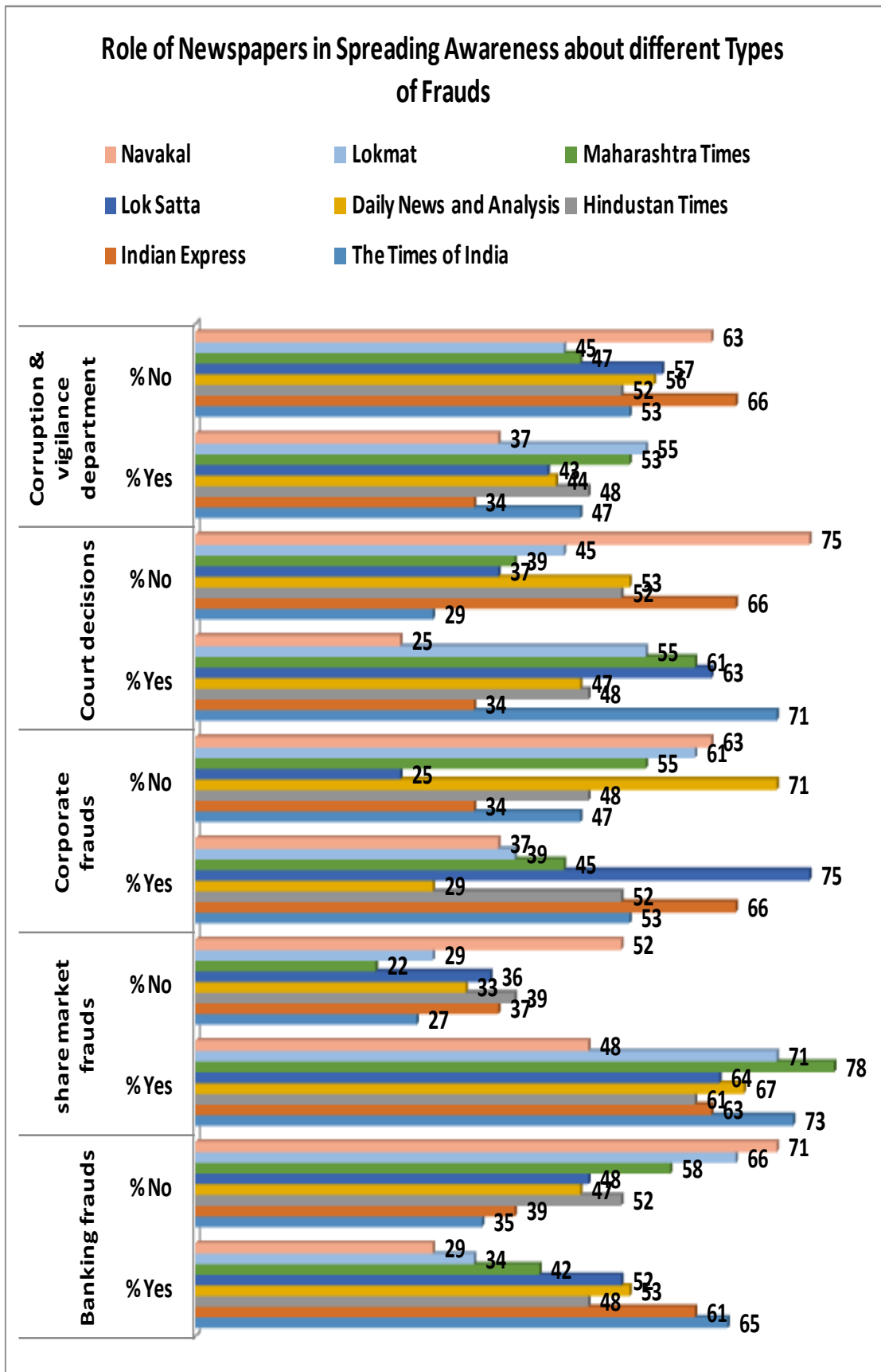
However, in share market frauds related information, readers of English newspapers are found more satisfied than Marathi newspapers except readers of Navakal.

Further, in Corporate frauds, among English Newspaper readers, except readers of Daily News and Analysis, all remaining newspaper readers found satisfied. Similarly among Marathi newspapers, readers of Loksatta found more satisfied in the share market related fraud information.

In case of information on Court decisions on different financial frauds, the readers of Marathi newspapers were found more satisfied than that of English newspapers.

Finally, in case of matter rand information related to Corruption and role of vigilance department in handling such cases, the readers of both the newspapers i.e. English and Marathi found less satisfied.

Thus, newspapers are required to cover more such fraud related information in their newspapers and create awareness about the same as a part of financial literacy and for the benefits of readers.



**Figure 5.12 Role of Newspapers in Spreading Awareness about different Types of Frauds**

### **5.11 Hypothesis testing:**

As mentioned in chapter related to research methodology, the third hypothesis regarding the impact of newspapers in spreading financial literacy and affecting decision making was:

- The readers of the newspapers are satisfied with contains related to financial literacy covered in the selected newspapers and such contents affect the decision making of the readers in the financial matter.

Hence, the null hypothesis to be tested will be:

- $H_0$  = The readers of the newspapers are not satisfied with contains related to financial literacy covered in the selected newspapers and such contents do not affect the decision making of the readers in the financial matter.

The table given below summarises the above found information.

**Table 5.16 Hypothesis Testing**

<b>Criteria</b>	<b>Chi-square value</b>	<b>Table value</b>	<b>Remark</b>
Area-wise Distribution of Sample	10.45	2.73	Rejected
Gender-Wise Distribution of Sample	16.03	0.00	Rejected
Age group-Wise Distribution of Sample	12.3	1.64	Rejected
Gender and Choice of Newspaper	5.13	2.17	Rejected
Newspapers and Familiarity with Financial, Investment and Market Performances	15.85	6.57	Rejected
Newspapers and Financial Management related Information	30.42	6.57	Rejected
Parts of Newspapers and Financial Literacy	113.73	45.74	Rejected
Effect of Newspapers on Household Budget, Investment Option, Tax Saving Option and New Financial Products	14.82	11.59	Rejected
Role of Newspapers in Spreading Banking Related Facial Literacy	8.679	6.57	Rejected
Role of Newspapers in Spreading Facial Literacy Related to Other Than Banking Saving Options	38.82	6.57	Rejected
Role of Newspapers in Spreading Awareness about different kinds of markets	288.47	16.93	Rejected
Role of Newspapers in Spreading Awareness about different Types of Frauds	216.12	16.93	Rejected

Sources: Computed.

From the above table it is clear that the chi-square value for the criteria is than the table values are at 5 per cent level of significance. Therefore, the null hypothesis framed i.e.  $H_0 =$  The readers of the newspapers are not satisfied with contains related to financial literacy covered in the selected newspapers and such contents do not affect the decision making of the readers in the financial matter, **is rejected** and research hypothesis i.e. **The readers of the newspapers are satisfied with contains related to financial literacy covered in the selected newspapers and such contents affect the decision making of the readers in the financial matter is accepted.**

### **5.12 Conclusion:**

Thus, from the above analysis it can be concluded that the newspapers play an important role in spreading financial literacy among the readers. The newspapers provide various types of knowledge about the financial aspects which influence saving-investment related as well as other financial decisions of the readers. The news items covered in the newspapers like Share Market, Commodity Market, Forex market, Real Estate Market, Precious metals Market, Banking related information like savings and investment options provided by the banks and other than banking institutions, information and awareness about different types of frauds, corruptions, performances i.e. ups and downs in the market,



analysis about the future trends, news items related to budget, tax saving options etc. all influence the individual and household budgets. In all this a very important role is played by the newspapers because of easy availability, scholarly articles that too in one's own preferred language etc. advantages.

## Chapter 6 Review of Literature

---

6.1 Introduction: .....	125
6.2 Review of Literature: .....	125
6.3 Research gap: .....	143
6.4 Conclusion:.....	144

## Chapter 6 Review of Literature

---

### 6.1 Introduction:

In this chapter an attempt is made to review to research works related to the research topic made by the researchers in the past. The literature reviewed includes- Theses, Dissertations, Research Papers, Research Articles, Books, Journals, Magazines, Unpublished Works, Reports of News paper Associations and so on.

### 6.2 Review of Literature:

According to Worthington Andrew C. (2006), (Worthington Andrew C. , *Predicting Financial Literacy in Australia*, PhD, Faculty of Commerce, University of Wollongong,Australia.), in a broader sense, financial literacy can be stated as “understanding of economics and how economic conditions and circumstances affect household decisions”. Thus, from his point of view, the financial literacy not only covers those micro-economic areas of study which affect the individual decision making but also those macro-economic areas that directly or indirectly affects such decisions.

Natalie, Newton and Chrisann (2010), (Natalie Gallery, Cameron Newton and Chrisann Palm (2010), *A Framework for Assessing Financial Literacy and Superannuation Investment Choice Decisions*, Reserach Paper, University of New South Wales (UNSW), Sydney, Australia) have considered the financial literacy in narrow sense and their definition of financial literacy focuses on “basic money management tools such as budgeting, saving, investing and insurance”. Thus as opposed to the broader view this definition considers the importance of the micro-economic tools of financial literacy that affect the individual decision making.

The definition by ANZ Bank (2011), (ANZ Bank (2011), *The ANZ Survey of Adult Financial Literacy in Australia*, The Australia and New Zealand Banking Group Limited (ANZ), Australia.) covers the broader area of macro-economic tools which are used for the decision making b y the individuals and accordingly, “Financial literacy is the ability to make informed judgements and to take effective decisions regarding the use and management of money. Financial literacy is therefore a combination of a person’s skills, knowledge, attitudes and ultimately their behaviours in relation to money”. Thus, here importance is given to the use and management of money with combinations of individual’s own personal skills, knowledge, attitudes and behaviours.

Carol, A. and others (2000), (Carol Anderson, Jamie Kent, Deanna Lyter, Jurg Siegenthaler and Jeremy Ward (2000), *Personal Finance and the Rush to Competence*, National Field Study Commissioned by the Fannie Mae Foundation, Institute for Socio-Financial Studies, USA.) has given stress on the personal financial literacy where individuals own competencies play important role rather than the institutions that provide the financial literacy. Accordingly, “Personal financial literacy is the ability to read, analyse, manage and communicate about the personal financial conditions that affect material well being. It includes the ability to discern financial choices, discuss money and financial issues without (or despite) discomfort, plan for the future and respond competently to life events that affect everyday financial decisions, including events in the general economy”. Thus in this definition a stress is given on the personal competencies rather than institutions set up for the financial decision making.

Kim (2001), (Kim Jinhee. (2001), *Financial knowledge and objective and subjective financial wellbeing*, Consumer Interests Annual, American Council on Consumer Interests, USA.) relates the financial literacy with basic knowledge about the broader macro-economic aspects

and it is about the “a basic knowledge that people need in order to survive in a modern society”.

Cathy (2002), relates the financial literacy with the understanding of the key financial terms and use of the same in the routine life for the decision making. According to her, “Financial knowledge is defined as understanding key financial terms and concepts needed to function daily in society”.

Marsha and others (2008), (Marsha Courchane, Adam Gailey and Peter Zorn, (2008), *Consumer Credit Literacy: What Price Perception?* Journal of Economics and Business, USA.) considered financial literacy as a knowledges based on the self assessment by an individual and decision making thereof. Thus, they have made a point to the consumer literacy as the literacy of making decisions by a person on the basis of one’s own competencies. So, accordingly financial literacy is basically consumer literacy and they define it as- “Consumer literacy is self-assessed financial knowledge or objective knowledge”.

According to Lisa and others (2008), (Lisa Servon and Robert Kaestner(2008), *Consumer Financial Literacy and the Impact of Online Banking on the Financial Behavior of Lower-Income Bank Customers*, The Journal of Consumer Affair, USA.) “Financial literacy refers to a

person's ability to understand and make use of financial concepts". Thus, here a point is made to the understanding of the financial concepts and use of the same for the decision making about the financial matters.

Mandell, L. (2008), (Mandell Lewis (2007), *The Impact of Financial Education in High School and College.*) also made a point to the financial literacy as "the ability to use knowledge and skills to manage financial resources effectively for lifetime financial security". Thus, the financial literacy here is considered in the context of management of the available financial resources for the effective financial security of the long term.

Even, according to Sandra (2010), (Sandra Braunstein and Carolyn Welch (2002), *Financial Literacy: An Overview of Practice, Research, and Policy*, Federal Reserve Bulletin, USA.) "Financial literacy is the ability to use knowledge and skills to manage financial resources effectively for a lifetime of financial well-being". Thus, the effective use of the knowledge for the management of financial resources is being pointed out.

As pointed out by ASIC (2003), (ASIC (2003), *Financial Literacy in Schools*, Consultation Paper, Australian Securities and Investments

Commission, Australia.) financial literacy is about the managing the financial resources and is related to “Confidence with managing money”. Thus the definition covers over-all management of the financial resources with confidence gained from the financial literacy.

Worthington (2006), (Op.cit.) relates the financial literacy with the mathematical ability and thereby understanding of the financial terms for the effective use of the financial literacy and accordingly for him financial literacy is related to “Mathematical ability and understanding of financial terms”.

Mas (2005), (Ignacio Mas, (2010), *How can we increase savings among the poor*, Centre for Micro Finance, working paper, Bill and Melinda Gates Foundation, Washington, USA.) defines financial literacy as- “The ability of people to make informed judgments and take effective decisions in managing their finances”. Thus, this definition stresses on the financial literacy as a tool to manage the finances of the person. The definition also specifies the development of ability to manage the financial resources through the financial literacy.

Lusardi and Tufano (2009), (Lusardi Annamaria and Peter Tufano (2009), *Education, Debt Literacy, Financial Experiences and*



*Overindebtedness*, Paper Presented to the OECD-Brazilian International Conference on Financial Education, Rio de Janeiro, Brazil.) studied the financial literacy in the context of Debt literacy. They studied Debt literacy as a part of overall financial literacy. According to them, “Debt literacy determines proficient borrowing”. Thus, they have linked the financial literacy in general and debt literacy in particular with proficiency to borrow and according to them; the debt literacy makes people proficient in borrowings as a part of overall financing. As far as the components involved in the Debt literacy, according to them, “The core competency of a financially literate person is the ability to understand debt, and the processes involved to avoid it, reduce it and repay it. It also relates to competence in using loans”. Thus, according to them, various components studied under the Debt literacy includes: 1. Ability to understand debt. 2. Ability to understand processes involved in obtaining debt. 3. Ability to understand processes involved in avoiding debt. 4. Ability to understand processes involved in reducing debt. 5. Ability to understand processes involved in repaying debt. 6. Competence in using loans. Thus, the study area by the researchers cover the wide components involved in the debt literacy.

Further, to the above components of the debt literacy as the part of the financial literacy, the definition given by the World Bank (2008)

includes- “responses to debt including the ability to determine whether debt is justified”. Thus the component of the debt literacy as a part of the financial literacy included by the World Bank is ability to determine whether debt is justified.

Thus, both the above definitions deal with the Debt illiteracy and accordingly Debt illiteracy is related with over- indebtedness, and an inability to reduce existing levels of debt.

Hiroshi (2002), (Hiroshi Fujiki and Cheng Hsiao (2002), *Public Opinion Survey on Household Financial Assets and liabilities*, Institute for Monetary and Economic studies, Bank of Japan, Japan.) studied the financial literacy in the context of the financial investment and stressed on choice of the suitable investment portfolio through the ability gained by the financial literacy. Accordingly, “Competence in investing and choosing the most suitable investment portfolio is another key feature of financial literacy”. The researcher further states that the “Selection of an investment portfolio depends on the finance available for investment and the purpose of investment”. Thus, the importance of the financial literacy in the context of investment and portfolio management lies in the availability of the finance and the purpose of the investment. The

researcher has also suggested three basic criteria for choosing investments and those are: safety, liquidity and profitability.

Different definitions of financial literacy in United States (PACFL, 2008), (PACFL, (2008), Annual Report to the President, President's Advisory Council on Financial Literacy, USA.) Canada (Task Force on Financial Literacy, 2010), United Kingdom (FSA, 2011), (Financial Services Authority (2011), *Consumer Council guide to the FSA's Money Made Clear web resource*, UK.), and Australia (Financial Literacy Foundation, Australia, 2008) (Financial Literacy Foundation, (2008), *Understanding Money, Money Management*, Portal by Australia, Australia.) also signify the importance of application of financial knowledge in financial literacy as seen in the earlier literature reviews.

H.M. Treasury (2007), (HM Treasury (2007), *Financial Capability: The Government's Long Term Approach*, Proceedings of the Association for Financial Counselling and Planning Education, U.K.) has dealt with the ability developed by the financial literacy and stated that "financially capable consumers plan ahead, find and use information, know when to seek advice and can understand and act on this advice, leading to greater participation in the financial services market." Thus, accordingly, the financial literacy makes people capable to: 1. Plan the financial matters for the future well in advance, 2. find and use

information related to the finance and related matters, 3. know when to seek advice on the financial matters and issues, 4. understand and act on this advice for the better management of financial resources and finally, 5. greater participation in the financial services market.

According to Sandra Huston (2010), (Sandra Huston. (2010), *Measuring Financial Literacy*, The Journal of Consumer Affairs, American Council on Consumer Affairs, USA.) “Financial literacy means having the knowledge, skills and confidence to make responsible financial decisions”. Thus, this definition relates the financial literacy not only with the gaining knowledge and skills in the financial matters but also with the making of responsible financial decisions.

According to Remund (2010), (David , Remund ( 2010), *Financial Literacy Explicated: The Case for a Clearer Definition in an Increasingly Complex Economy*, The Journal of Consumer Affairs, USA.)“The conceptual definitions of financial literacy fall into five categories: (1) knowledge of financial concepts, (2) ability to communicate about financial concepts, (3) aptitude in managing personal finances, (4) skill in making appropriate financial decisions and (5) confidence in planning effectively for future financial needs”. Thus in this definition the area of communication skills is added to the Financial literacy. Therefore,

according to him, financial literacy requires communication skills also. It includes the ability to apply knowledge and to communicate that knowledge, making financial literacy vital to effective decision making.

According to Fox and others (2005), (Fox, J., Bartholomae, S. and Lee, J (2005), *Building the Case for Financial Education*, Journal of Consumer Affairs, USA.) “Financial literacy is understood by the link” it creates i.e. its relationship with the area of knowledge and the development of ability to deal with the financial matters.

Holzmann (2010), (Holzmann Robert (2010), *Bringing Financial Literacy and Education to Low and Middle Income Countries: The Need to Review, Adjust and Extend Current Wisdom*, World Bank, USA.) extended the above given link of knowledge and ability to the skills and also included the attitudes to behaviour to the given link. According to him the importance of the financial literacy can be well understood with the behavioural and attitudinal changes brought in the financially literate person through the impartment of financial knowledge. According to him, “This link is important, because knowledge influences attitudes which then manifests into particular types of behaviour.”

ANZ Bank (2008), (Op.cit.) also links the financial literacy with the attitudes of the people with respect to gain of the financial literacy.

Financial Literacy Foundation, Australia (2008), (Op.cit.) links the financial literacy with the change in the attitude of the financially literate persons and relates it with the attitude of the financially literate persons with respect to future and risk taking attitude. According to the definition financial literacy is related to “whether people live for today or for the future, or whether insurance is necessary or preferences for risk etc.”

Carolynne and Richard and others, (2000), (Carolynne, L., Mason, J., Richard, M. and Wilson, (2000), *Conceptualising Financial Literacy*, Business School Research Paper Series, Loughborough University, London, UK.) in their research study titled ‘Conceptualising Financial Literacy’. The main aim of the study was to examine the nature of the term financial literacy. The paper begins by looking at concerns that exist over an individual’s ability to use financial information effectively and the implications. The authors argue that financial awareness and financial literacy are not synonymous and financial literacy is a complex phenomenon.

Margaret Miller, Nicholas Godfrey, Bruno Levesque and Evelyn Stark (2009), (Margaret Miller, Nicholas Godfrey, Bruno Levesque and Evelyn Stark (2009), *The Case for Financial Literacy in Developing Countries- Promoting Access to Finance by Empowering Consumers*, World Bank, USA.) in their study titled ‘The Case for Financial Literacy in Developing Countries- Promoting Access to Finance by Empowering Consumers’ discussed the importance of financial literacy for consumers in developing countries. According to them, “financial literacy is an active process, in which communicating information is only the beginning but empowering consumers to take action to improve their financial wellbeing is the ultimate goal.” Further, they state that, “Financial literacy is critical for promoting access to finance by creating incentives and environments that promote desired financial behaviours such as saving, budgeting, or using credit wisely.” Thus, the study broadly covers the aspects of financial behaviours like saving, budgeting, or using credit.

Atkinson, Adele and others (2011), (Atkinson Adele and Anne Messy (2011), *Measuring Financial Literacy: Results Of The OECD-INFE Pilot Study*, OECD - International Network on Financial Education (INFE), UK.) in their research work titled, ‘Measuring Financial Literacy: Results of the OECD - INFE Pilot Study’, focused on variations in

financial knowledge, behaviour and attitude across countries and among the people and they found that there is a lack of financial knowledge amongst a sizeable proportion of the population and there is considerable room for improvement in terms of financial behaviour. According to the authors, “financial knowledge, financial behaviour and attitude are the key elements of financial literacy”.

Matthew Martin (2007), (Mathew Martin (2005), *Literature Review on the Effectiveness of Financial Education* , Research Department, Federal Reserve Bank of Richmond , United States.) in his study titled, ‘A Literature Review on the Effectiveness of Financial Education’ dealt with the researches on financial literacy programmes conducted internationally and opined that, “The most financial literacy programs are relatively new; much of the literature reviewed is also new and financial literacy is still developing as a program of research.” The important findings of his study are: - Firstly, Some households make mistakes with personal finance decisions. Secondly, Mistakes are more common for low income and less educated households. Thirdly, there is a causal connection between increases in financial knowledge and financial behaviour and fourthly, the benefits of financial education appear to span a number of areas including retirement planning, savings, home ownership, and credit use.



Susan L. Rutledge (2010), (Susan L. Rutledge, (2010), *Consumer Protection and Financial Literacy Lessons from Nine Country Studies*, World Bank, USA.) in the Working Paper, ‘Good Practices for Consumer Protection and Financial Literacy in Europe and Central Asia: A Diagnostic Tool’ tried to presents a set of ‘Good Practices for Consumer Protection and Financial Literacy’ which were developed for the World Bank's Europe and Central Asia Region. Accordingly, The Good Practices are expected to provide a practical tool for systematic analysis of laws, regulations and institutions involved in consumer protection and financial literacy. According to her, The Good Practices are based on four key concepts viz; (1) simple, easy to understand and comparable consumer disclosure (2) prohibition of abusive business practices by financial service providers (3) an easy, inexpensive and speedy method of resolving disputes with financial institutions; and consumers and (4) financial education to consumers so that they can understand financial services and products and make informed decisions.

Abhijit V. Banerjee and others (2006), (Abhijit V. Banerjee and Esther Duflo (2006), *The Economic Lives of the Poor*, Abdul Latif Jameel Poverty Action Lab, Massachusetts Institute of Technology, Cambridge, Massachusetts, USA) in their study titled- ‘The Economic Lives of the poor’ surveyed the data from 13 countries to document the financial

flows of the poor people. The authors compared their patterns of consumption and income generation as well as their access to markets and publicly provided infrastructure and their relationship with financial literacy.

A survey conducted by Master Card Worldwide (2010), (MasterCard Worldwide Insights (2010), *How Well Do Women Know Their Money: Financial Literacy Across Asia/Pacific, Middle East and Africa*, Master Card, USA.) titled, 'How Well Do Women Know Their Money: Financial Literacy across Asia/Pacific, Middle East and Africa' tried to understand Basic Money Management, Financial Planning and Investment related issues of women. The survey found out that there is a need for targeted financial literacy education to close the gap between the current level of financial literacy and the level it 'should' be at. Secondly, there is a close correlation between financial knowledge and planning and those women who exhibited higher levels of financial literacy were more likely to be proactive in planning for their future.

Sumit Agarwal (2010), (Sumith Agarwal, (2010), *Financial Counselling, Financial Literacy, and Household Decision Making*, Pension Research Council, WP 2010-34, The Wharton School, University of Pennsylvania, Philadelphia. USA.) in his research paper titled-

‘Financial Counselling, Financial Literacy, and Household Decision Making’ tried to establish a relationship between financial counselling, financial literacy, and consumer decision making. According to his findings, most consumers are ill prepared to meet their goals based on their asset, liabilities and risk profiles and suggested that financial counselling is an important tool in educating consumers in their decision making.

Pallavi Seth, and others (2010), (Pallavi Seth, Patel G.N. and Krishnan, K.K. (2010), *Financial Literacy and Investment Decisions of Indian Investors, A Case of Delhi & NCR*, Birla Institute of Management Technology, Greater Noida, India.) conducted a study entitled ‘Financial Literacy & Investment Decisions of Indian Investors, A Case of Delhi& NCR’ to assess the level of financial literacy among people residing in Delhi and National Capital Region (NCR) who invest in different financial instruments, like Post Office Savings Scheme, Mutual Funds, Life Insurance, Stock market etc. The study analysed the relationship between financial literacy and other factors like age, income and education. The study also tried to find out the financial instruments which are considered to be the most reliable and the source of information which is mostly used by the individuals while taking investment decisions.

Sharma and Padhy (2011), (Sharma, S. N. and Padhy, L. P.(2011), *Financial Inclusion: A Strategic Mantra for Sustainable Business Model for Banks*, Vinimaya, National Institute of Bank Management (NIBM), Pune, India.) in their research article titled- 'Financial Inclusion: A Strategic Mantra for Sustainable Business Model for Banks' opined that 'financial inclusion aims at 'connecting people' with the banking system and not just opening accounts. The success of financial inclusion depends much on the extent of financial literacy.'

Dhawal Paramjeet Singh (2011), (Dhawal Paramjeet Singh (2011), *Community Journalism*, Anmol Publication, New Delhi, India.) in his book "Community Journalism" has noted the role of journalism is shifted to new paradigm with emergence of "service journalism" and the role of service journalism is primarily informational, to enlighten the reader or viewer about behaviour that may be risky in terms of future implications and provide guidance about what steps to take to reduce or control risk.thus, the author implies the active role of journalism in spreading awareness and affecting decisions of readers in financial and other matters.

### **6.3 Research gap:**

The above reviewed academic research in the form of government regulations, organizational initiatives, research articles, newspaper articles, research publications, books and research journals, magazines, unpublished research works (in Ph.D. thesis, dissertations, project reports etc.), annual reports of institutions like Reserve Bank of India, Banking and non-banking institutions, private institutions, non-government organizations (NGOs) etc., in the area of financial literacy reveal that the area of financial literacy is relatively new and multi-dimensional and therefore the literatures available for the review are limited and target specific. .

The review of available literature also reveals that even though some comparative studies are conducted about financial literacy in various parts of the world including India, , no systematic attempt is made to study the financial literacy of people in view of the role of newspapers that too in the specific area of the New Mumbai.

## **6.4 Conclusion:**

Thus, the research study related to the role of newspapers in spreading the financial literacy and its impact on the people of the New Mumbai region stands distinct than the researches done earlier in the field of the financial literacy.

## Chapter 7 Findings and Suggestions

---

7. Introduction: .....	146
7.1 Findings: .....	146
7.2 Suggestions: .....	156

## Chapter 7 Findings and Suggestions

---

### 7. Introduction:

In this chapter, an attempt is made to summarise all the major findings of all the chapters analysed previously which are as follows:

#### 7.1 Findings:

- While analysis capital market related news items covered by the selected newspapers, on an average 29% of total news items covered in the selected newspapers were related to capital market. Individually, Hindustan Times was found to be the newspaper having 43% of total news items dedicated for the capital market related matters among the English newspapers while among Marathi newspapers, Lokmat published 33.3% of the total news items related to capital market related matters. Only Marathi newspaper Navakal, among all the selected English and Marathi newspapers, published capital market matters below the average, i.e. 12% and remaining all the selected newspapers maintained the minimum average of 29%.



- In General Budgetary News items it was found that, that on an average 26% of total news items covered in the selected newspapers were related to General Budgetary News items. Individually, The Times of India and Daily News and Analysis were found to be the newspapers having almost 36% of total news items dedicated for the General Budget related news matters among the English newspapers, while among Marathi newspapers, Lokmat and Navakal both published more than 30% of the total news items related to General Budget related matters. Only Marathi newspaper Lok Satta and English Newspaper Indian Express, among all the selected English and Marathi newspapers, published General Budgetary matters below the average, i.e. 9.7% and 14% respectively and remaining almost all the selected newspapers maintained the minimum average of 26%.
- While analysing General Economy related news items covered by selected newspapers it was understood that, on an average 18% of total news items covered in the selected newspapers were related to General Economy related News items. Individually, Indian Express was found to be the newspapers having 38% of total news items dedicated for the General Economy related news matters among

the English newspapers, while among Marathi newspapers, Lok Satta published more than 30% of the total news items related to General Budget related matters. But, Marathi newspapers Lokmat and Navakal as well as English Newspapers Times of India and Hindustan Times, among all the selected English and Marathi newspapers, published General Economy related matters below minimum average of 18%.

- In consideration of precious metal related news items covered by selected newspapers, it is understood that on an average 5% of total news items covered in the selected newspapers were related to Precious Metal related News items. Individually, Indian Express and Daily News and Analysis were found to be the newspapers having almost 4% of total news items dedicated for the General Economy related news matters among the English newspapers, while among Marathi newspapers, Lokmat and Maharashtra Times published more than 7% of the total news items related to General Budget related matters. But, almost all the Marathi newspapers have publish such Precious Metal related news items above or equal to average. However, in case of English Newspapers Times of India and Hindustan Times, among all the selected English and

Marathi newspapers, published Precious Metal related matters below minimum average of 4.7%.

- While analysis about the personal finance related news item covered by selected newspapers it was found that on an average almost 8% of total news items covered in the selected newspapers were related to Personal Finance related News items. Individually, The Times of India was found to be the newspapers having 8.5% of total news items dedicated for the Personal Finance related news matters among the English newspapers, while among Marathi newspapers, Lok Satta and Maharashtra Times published more than average of the total news items related to Personal Finance related matters. But, Marathi newspapers Lokmat and Navakal as well as English Newspapers Indian Express and Daily News and Analysis, among all the selected English and Marathi newspapers, published Personal Finance related matters below minimum average of 8%.
- In local finance related news items covered by the selected newspapers it was found that on an average almost 12% of total news items covered in the selected newspapers were related to

Local Finance related News items. Individually, The Times of India was found to be the newspapers having almost 15% of total news items dedicated for the Local Finance related news matters among the English newspapers, while among Marathi newspapers, Navakal and Lokmat published more than average of the total news items related to Local Finance related matters. But, Marathi newspapers Lok Satta and Maharashtra Times as well as English Newspapers Indian Express, Hindustan Times and Daily News and Analysis, among all the selected English and Marathi newspapers, published Local Finance related matters below minimum average of 12%.

- In different selected news papers, different weightage is given to different kind of financial news items. In English newspapers, in general, on an average, importance is given to Capital Market related news items, Precious Metal related news items, General Economy related news items and General Budgetary items. While in Marathi newspapers importance is given to Local Finance related news items and Personal Finance related issues.

- Among selected newspapers, it was found that preference of newspapers (primary choice) differs from newspapers to newspapers as per gender. Among English newspapers, males preferred The Times of India (17.1%) most followed by Daily News and Analysis (10.2%) while females also preferred The Times of India (25.9%) most followed by Daily News and Analysis (16.5%) . Similarly, among Marathi newspapers, males preferred LokSatta (17.8%) and Maharashtra Times (14.3%) most while, females preferred Lokmat (153%) and Loksatta (12.9%).
- While considering selected newspapers and the awareness they spread about Financial, Investment and Market Performances matters, it is understood that among English newspapers, majority of the readers of The Times of India, Daily News and Analysis and Indian Express found that these newspapers made them either very familiar or familiar with financial matters, investment avenues and market performances, while among Marathi newspapers majority of readers of Lokssatta and Maharashtra Times expressed that these newspapers made them either very familiar or familiar with financial matters, investment avenues and market performances. Thus, almost 80% of respondents responded that the newspapers

made either very familiar or familiar with financial matters, investment avenues and market performances. So, it is concluded that newspapers help readers in making them familiar with financial matters, investment avenues and market performances.

- In case of newspapers and their role in help in managing household budget, it was observed that it is understood that almost 88% of readers of the selected newspapers feel that the selected newspapers have helped them in their financial management. Further, among English newspapers, readers of Indian Express and Daily News and Analysis showed that they have been highly benefited in financial management while among Marathi newspapers, readers of Lok Satta and Maharashtra Times found to be highly benefitted in financial management. Thus, the newspapers have positive impact on financial decision making of the newspaper readers.
- While considering part of newspapers affecting financial decisions of the readers, it is understood that in case of English newspapers the part of the newspaper which provide the information most and which affect the behavior of the readers widely are- page

containing general news, Business news, commercials and magazines. While, in Marathi newspapers it is general news, Business news and Special supplements.

- The study revealed that among English Newspapers, readers of The Times of India while among Marathi newspapers readers of Loksatta and Maharashtra Times believed that their newspapers affect their decisions regarding Household Budget. In case of Investment Options and effect of Newspapers, among English Newspapers readers of The Times of India and among Marathi newspapers readers of Loksatta and Maharashtra Times replied that their newspapers affect their investment options related decisions.
- However, in case of both tax saving option and about New Financial Products related information provided by the newspapers, both readers of English newspapers and Marathi Newspapers are found less satisfied.
- In the study related to role of newspapers in spreading banking related financial literacy among readers of selected newspapers, it is understood that in awareness about types of bank accounts

readers of Times of India, among English Newspapers and the readers of Loksatta, among Marathi newspapers were found more satisfactory than other newspapers. Same thing is also obvious in case of awareness about Types of deposits also. However, in awareness about types of loans the readers of all the selected newspapers are found less aware. Thus, newspapers need to undertake systematic programmes to create and spread awareness about different types of loans.

- In considering role newspapers in spreading other than banking related saving options, it was observed that it is understood that in awareness about post office savings, readers of all the selected newspapers , among both English and Marathi Newspapers were found more Same thing is also obvious in case of awareness about Insurance products. However, in awareness about advanced options to save like bonds, debentures, chit fund etc. the readers of all the selected newspapers are found less aware. Thus, a systematic awareness programme about such advanced savings options by the selected newspapers in particular is required.



- In awareness about different types of markets spread by the selected newspapers, it is seen that in case of share market related information readers of almost all the newspapers whether English or Marathi, found more satisfied than any other types of markets like Commodity market, Forex market (Foreign Exchange Market), Precious Metals and Real Estate market, related information.
- In spreading awareness about different types of financial frauds, the study revealed that the readers of the selected newspapers are almost at dilemma about the information covered about banking frauds as almost 50% readers are satisfied while equal proportion of readers are not satisfied. However, in share market frauds related information, readers of English newspapers are found more satisfied than Marathi newspapers except readers of Navakal. Further, in Corporate frauds, among English Newspaper readers, except readers of Daily News and Analysis, all remaining newspaper readers found satisfied. Similarly among Marathi newspapers, readers of Loksatta found more satisfied in the share market related fraud information.

- In case of information on Court decisions on different financial frauds, the readers of Marathi newspapers were found more satisfied than that of English newspapers.
- Finally, in case of matters and information related to Corruption and role of vigilance department in handling such cases, the readers of both the newspapers i.e. English and Marathi found less satisfied.

## **7.2 Suggestions:**

- ❖ Newspapers are required to cover more about different types of financial frauds related information in their newspapers and create awareness about the same as a part of financial literacy and also for the benefits of readers.
- ❖ A well structured financial literacy programme keeping in mind requirements of different age groups like youngsters, professionals, businessman, salaried persons, senior citizens etc. should be carried out as the requirements of different category of individuals differ in the case of risk taking capacity, income etc. factors. Here,

newspapers can publish special articles, provide supplements, undertake case studies etc.

- ❖ It was observed that local finance related news are not satisfactorily covered by the newspapers, in this regard newspapers require to dedicate some supplement or a page in the newspaper itself. Further, newspapers can spread literacy among the local area people by arranging programmes like guest speakers, experts, debate competition, essay writing etc.
- ❖ Financial literacy week or month kind of a campaign can be run through newspapers where maximum number of newspapers should come together and publish articles, experts opinions, articles by financial planners etc. separately in well propagated manner in their newspapers.
- ❖ Here, an interactive column can also be started where the questions from the readers related to financial literacy and management can be answered once/twice in a week by experts, financial planners etc.

- ❖ Local government is responsible for providing various services to the local area in this case a dedicated space in the newspapers can be used to publish news items related to planning and financial management of the local governments where readers are more concerned.
  
- ❖ It seems that regional newspapers do not give prime importance to the news articles, expert advice, columns, features etc. in order to literate their readers and hence suggestion is given that regional newspapers should reserve separate page or pages for articles, features, expert advice related to financial literacy.
  
- ❖ Development of culture of financial literacy will be of immense help to the regional newspapers because they have advantage of larger readership as compared to English newspapers because of language barriers. For this, newspapers need to publish specialized articles on regular basis using innovative techniques like contest, Question-answer series, Advisory columns etc. and these can help readers in making decisions about savings, investments etc.

❖ It is on record that since last two decades regional language newspapers readership is increasing continuously as compare to English language newspapers for various reasons .so all regional newspapers should cater the need of financial issues awareness among readers , because it will be easy for them to literate their readers about financial matters and also they should use simple terminology or language for better and easy understanding of readers , it might happen that readers may have several doubts about their financial matters like investment , share market , loan availing etc , newspapers should start advisory columns and interactive columns for their readers . it will be a platform for readers to get their doubts solved through this way , as the advisor who may be financial experts will available to guide them , advise them about various financial matters which readers may have doubts.

❖ Also regular Senior experts from various financial institutions like banks, private finance institutions, stock market etc should be invited by newspapers to write about various matters related to finance which definitely help readers for improving their financial knowledge.

- ❖ Nowadays many people invest in share market , mutual funds , debentures which may give them more returns comparatively but as a investor they don't have in depth knowledge about do's and don'ts of stock market so special segment /features regularly if published in newspapers then reader will be benefitted and they will take right decision about stock market matters .
  
- ❖ Regional newspapers should organize programs like seminars, workshops etc for direct interaction of their readers with well-known and expert financial consultants where their issues related to financial matters can be guided hence all these efforts will support to literate readers

## Chapter 8 Scope for Further Research

---

8. Introduction: .....	162
8.1 Topics for Further Research .....	162

## Chapter 8 Scope for Further Research

---

### 8. Introduction:

In this chapter, an attempt is made to provide various topics which can be a path way for the further research in the area of financial literacy and role of media like newspapers:

#### 8.1 Topics for Further Research

- A research can be carried out to understand the role of other media like TV channels, News channels, Magazines, Journals etc. In spreading financial literacy.
- A research focusing on the role of newspapers in other languages than English and Marathi in spreading financial literacy can be considered.
- The impact of newspapers on spreading financial literacy in other areas than the studied one that is, Navi Mumbai can be undertaken.



## Bibliography

---

Given below is the list of Books, Journals, Newspaper Articles, Thesis, Research Articles etc. which are referred and used for the research purpose along with suggested reading materials:

- i. Worthington Andrew C. (2006), *Predicting Financial Literacy in Australia*, PhD, Faculty of Commerce, University of Wollongong, Australia.
- ii. Natalie Gallery, Cameron Newton and Chrisann Palm (2010), *A Framework for Assessing Financial Literacy and Superannuation Investment Choice Decisions*, Research Paper, University of New South Wales (UNSW), Sydney, Australia.
- iii. ANZ Bank (2011), *The ANZ Survey of Adult Financial Literacy in Australia*, The Australia and New Zealand Banking Group Limited (ANZ), Australia.
- iv. Carol Anderson, Jamie Kent, Deanna Lyter, Jurg Siegenthaler and Jeremy Ward (2000), *Personal Finance and the Rush to*

*Competence*, National Field Study Commissioned by the Fannie Mae Foundation, Institute for Socio-Financial Studies, USA.

- v. Kim Jinhee. (2001), *Financial knowledge and objective and subjective financial wellbeing*, Consumer Interests Annual, American Council on Consumer Interests, USA.
- vi. Marsha Courchane, Adam Gailey and Peter Zorn, (2008), *Consumer Credit Literacy: What Price Perception?* Journal of Economics and Business, USA.
- vii. Lisa Servon and Robert Kaestner(2008), *Consumer Financial Literacy and the Impact of Online Banking on the Financial Behavior of Lower-Income Bank Customers*, The Journal of Consumer Affairs, USA.
- viii. Mandell Lewis (2007), *The Impact of Financial Education in High School and College on Financial Literacy and Subsequent Financial Decision Making*, The American Economic Association, USA.

- ix. Sandra Braunstein and Carolyn Welch (2002), *Financial Literacy: An Overview of Practice, Research, and Policy*, Federal Reserve Bulletin, USA.
- x. ASIC (2003), *Financial Literacy in Schools*, Consultation Paper, Australian Securities and Investments Commission, Australia.
- xi. Ignacio Mas, (2010), *How can we increase savings among the poor*, Centre for Micro Finance, working paper, Bill and Melinda Gates Foundation, Washington, USA.
- xii. Lusardi Annamaria and Peter Tufano (2009), *Education, Debt Literacy, Financial Experiences and Overindebtedness*, Paper Presented to the OECD-Brazilian International Conference on Financial Education, Rio de Janeiro, Brazil.
- xiii. Hiroshi Fujiki and Cheng Hsiao (2002), *Public Opinion Survey on Household Financial Assets and liabilities*, Institute for Monetary and Economic studies, Bank of Japan, Japan.
- xiv. PACFL, (2008), Annual Report to the President, President's Advisory Council on Financial Literacy, USA

- xv. Financial Services Authority (2011), *Consumer Council guide to the FSA's Money Made Clear web resource*, U K.
- xvi. Financial Literacy Foundation, (2008), *Understanding Money, Money Management*, Portal by Australia, Australia.
- xvii. HM Treasury (2007), *Financial Capability: The Government's Long Term Approach*, Proceedings of the Association for Financial Counselling and Planning Education, U.K.
- xviii. Sandra Huston. (2010), *Measuring Financial Literacy*, The Journal of Consumer Affairs, American Council on Consumer Affairs, USA.
- xix. David , Remund ( 2010), *Financial Literacy Explicated: The Case for a Clearer Definition in an Increasingly Complex Economy*, The Journal of Consumer Affairs, USA.
- xx. Fox, J., Bartholomae, S. and Lee, J (2005), *Building the Case for Financial Education*, Journal of Consumer Affairs, USA.

- xxi. Holzmann Robert (2010), *Bringing Financial Literacy and Education to Low and Middle Income Countries: The Need to Review, Adjust and Extend Current Wisdom*, World Bank, USA.
- xxii. Carolynne, L., Mason, J., Richard, M. and Wilson, (2000), *Conceptualising Financial Literacy*, Business School Research Paper Series, Loughborough University, London, UK.
- xxiii. Margaret Miller, Nicholas Godfrey, Bruno Levesque and Evelyn Stark (2009), *The Case for Financial Literacy in Developing Countries- Promoting Access to Finance by Empowering Consumers*, World Bank, USA.
- xxiv. Atkinson Adele and Anne Messy (2011), *Measuring Financial Literacy: Results Of The OECD- INFE Pilot Study*, OECD - International Network on Financial Education (INFE), UK.
- xxv. Mathew Martin (2005), *Literature Review on the Effectiveness of Financial Education*, Research Department, Federal Reserve Bank of Richmond, United States.

- xxvi. Susan L. Rutledge, (2010), *Consumer Protection and Financial Literacy Lessons from Nine Country Studies*, World Bank, USA.
- xxvii. Abhijit V. Banerjee and Esther Duflo (2006), *The Economic Lives of the Poor*, Abdul Latif Jameel Poverty Action Lab, Massachusetts Institute of Technology, Cambridge, Massachusetts, USA.
- xxviii. MasterCard Worldwide Insights (2010), *How Well Do Women Know Their Money: Financial Literacy Across Asia/Pacific, Middle East and Africa*, Master Card, USA.
- xxix. Sumith Agarwal, (2010), *Financial Counselling, Financial Literacy, and Household Decision Making*, Pension Research Council, WP 2010-34, The Wharton School, University of Pennsylvania, Philadelphia. USA.
- xxx. Pallavi Seth, Patel G.N. and Krishnan, K.K. (2010), *Financial Literacy and Investment Decisions of Indian Investors, A Case of Delhi & NCR*, Birla Institute of Management Technology, Greater Noida, India.

- xxxi. Sharma, S. N. and Padhy, L. P.(2011), *Financial Inclusion: A Strategic Mantra for Sustainable Business Model for Banks*, Vinimaya, National Institute of Bank Management (NIBM), Pune, India.
- xxxii. Dhawal Paramjeet Singh (2011), *Community Journalism*, Anmol Publication, New Delhi, India.
- xxxiii. <http://www.nmmconline.com/history>.
- xxxiv. [http://www.cidco.maharashtra.gov.in/NM\\_Supercity.aspx](http://www.cidco.maharashtra.gov.in/NM_Supercity.aspx)

## Appendix

### Questionnaire

#### INTERVIEW SCHEDULE

##### I. Demographic and Socio-Economic Status

**Name of the respondent (optional) :**

**Sex :** Male  Female

**Age:** 25-30 years  31-35 years  36-40 years   
41-45 years  46-50 years  51-55 years  Above 56 years

**Marital Status:** Married  Unmarried

**Educational Qualification:** SSL  HSC  Under graduate   
Post graduate  Diploma / Technical Education   
Professional Qualification  Others (Specify)



**Nature of occupation:** Daily wager  Salaried  Business   
Households  Students  Retired  Professionals   
Others

**State your Monthly income:** Below Rs.10000  Rs.10001-  
Rs.20000  Rs.20001- Rs.50000  Above Rs.50001

**Size of the family:** 2-4 members  5-7 members   
More than 7 members

**Number of earning members in the family:** 1  2  3  4   
5 & more

**Number of dependents in the family:** 1  2  3  4   
5 & more

**Are you residing in:** Own house  Rented house  Housing quarter

Other (specify)  \_\_\_\_\_

**Which Newspaper you read:**

- Maharashtra Times  Nava Kaal   
Loksattat  Lokmat  Indian Express  Times of India   
DNA  Hindustan Times



**State which of the following items is affected due to newspapers:**

- Household Budgeting       Effective managing of credit card       Profitable
- Investing Options       Easy means of availing loans       Taxes Savings Options
- Innovative Life Insurance       Interest Rate Returns       Giving to charities
- Financial Products Introduced       Vehicle of Safe Saving       Means of Earning
- Alternative Income       Others

**State the level of awareness about following created by newspapers in you:**

<b>Instruments</b>	<b>Very High</b>	<b>High</b>	<b>Low</b>	<b>Very low</b>
Saving Accounts				
Bank Fixed Deposits				
Public Provident Fund				
National Saving Certificates				
Post Office Savings				
Mutual Funds				
Life Insurance				
Debentures				
Bonds				
Share Market				
Commodity Market				
Forex Market				
Real Estates				
Gold/Silver				
Chit Funds				
Housing Loan				
Vehicle loan				
Education Loan				
Personal Loan				
Banking Frauds				
Share Market Frauds				
Chit Fund Frauds				
Corporate Frauds				
Consumer Court Decisions				
Misuse of Internet Banking				
Misuse of Credit/Debit Cards				
Signature Forgery				
Corruption/Bribing officers				
Role of Vigilance Department				

