

India ranks 23rd in financial literacy Among 28 countries

India ranks 23rd in financial literacy just ahead of Morocco, South Africa and Vietnam, according to Visa's 2012 Global Financial Literacy study.

The study, which assessed and ranked the financial literacy levels of the people in 28 markets, says average saving set aside for an emergency among Indian respondents is 1.9 months-close to the survey average of 2 months. Respondents from china have been the best at saving for an emergency with 3.9 months. It is followed by Taiwan (3.7 months), Hong Kong (3.5 months), Japan (3.3 months) and Canada (3.2 months).

The survey says that Indian women and young adults are lagging behind in financial literacy. Indian women are (34%) more likely than men (29%) not to have any savings at all.

The survey finds that younger respondents (18-24 years old, 41%) are also more likely to have no emergency saving at all compared with older respondents (25-34 years old, 25%; 35-49 years old, 32% and 50-64 years old, 33%).

The survey says Indians don't hold money management discussions in the family very frequently. On average, Indian respondents discuss budgeting, savings and responsible spending with their children just 10 days per year compared with global average of 19 days per year. Despite this, Indians felt confident that the young adults are adequately prepared to manage their own finances. Uttam Nayak, group country manager, India and south Asia, Visa, Said: "The Barometer clearly demonstrates that more needs to be done in advancing financial education in India, especially among women and young people."

Twice as many women (43%) than men said they did not understand personal money management well enough to discuss with their family.

On the global ranking, Brazil topped the barometer findings, having the highest level of financial literacy, followed by Mexico, Australia, the US and Canada. In Asia Pacific, Australia, New Zealand, Japan, Thailand and Malaysia make up the top five markets in this region.