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Abstract

Digital financial literacy has emerged as a critical skill in the modern world, where technological advancements are rapidly transforming financial ecosystems. It encompasses the knowledge, skills, and confidence required to effectively use digital platforms for financial transactions, budgeting, saving, investing, and understanding financial risks. In an era dominated by online banking, mobile payment systems, cryptocurrency, and financial applications, digital financial literacy serves as a cornerstone for economic inclusion, security, and empowerment.

This abstract explores the multidimensional aspects of digital financial literacy, emphasizing its significance in promoting financial inclusion, especially among underserved populations. It highlights the role of digital tools in bridging the gap between traditional and modern financial systems, enabling individuals to make informed decisions while safeguarding against cyber risks and fraud. Moreover, it addresses the challenges posed by the digital divide, such as unequal access to technology, lack of education, and generational disparities.

By integrating financial education with digital literacy, stakeholders—governments, financial institutions, and educators—can foster an inclusive and resilient financial environment. This study underscores the importance of digital financial literacy as an enabler of economic growth, financial security, and equitable participation in the global digital economy, advocating for targeted interventions to bridge knowledge gaps and ensure widespread adoption.

Keywords: Financial Literacy, Digital Financial Literacy

Introduction

As of present the impact of virtual entertainment, innovation and online assets are tremendous and in this pre-tense computerized education is acquiring ubiquity as a wellspring of long lasting mastering and expertise improvement. Computerized abilities are essential in the illumination of the present computerized transformation from one side of the planet to the other, making it basic to enable the residents of the country to move towards a credit only economy and join the unrest and monetary proficiency is a need for monetary consideration and what better method for accelerating the course of monetary education than computerized monetary education.

Physical foundations which are paper based are still generally acknowledged however it is inevitable before they are obscured by monetary innovation or digitalization. computerized monetary education can be seen according to two alternate points of view at he individual level, a serious level of monetary proficiency permits buyer to get to monetary open doors through computerized advances; at the public level, a

monetarily proficient public takes part in financial movement that makes aggregate steadiness and flourishing. Along these lines, advanced education happens to foremost significance.

A large portion of the people know about bank credits, yet less mindful about other monetary items. Furthermore, generally speaking has low monetary abilities which reflected in lacking record keeping, unfortunate money the executives, ill-advised saving propensities, less mindfulness on monetary ventures (Kamal Gupta 2014). sufficient monetary education is vital for an emerging nation like india. with the populace size she holds, it turns out to be fairly an endurance need to guarantee that her residents are taught, prepared and have the imperative abilities to oversee cash and enjoy solid saving propensities.

Visa monetary education review (2014), portrays Indians as in case monetarily proficient individuals across the globe with young people and ladies battling with their monetary information. The orientation inclination, pay predisposition and so forth. Partition and outline

the country into two outrageous posts and the time has finally come to end this separation. The rustic regions where the absence of computerized proficiency makes a few reasonable and social boundaries to improvement. Likewise, one of the greatest inadequacies is that India keeps on experiencing an unreasonable frontier snootiness making it difficult for the everyday person to follow. Age hole being another of the conspicuous variables that makes entrance more troublesome. Another point was computerized man controlled society. The predominant orientation predisposition in the country society, which expects ladies to be unequipped for utilizing the innovation effectively. Notwithstanding this large number of troubles India is as yet propelling quick towards its main goal of all out digitalization highlighting its significance and pertinence considerably more .

Definition of digital financial literacy

Like computerized proficiency and monetary education, advanced monetary proficiency is a multi-layered idea. While some past writing (e.g., OECD 2017) has depicted different parts of advanced monetary proficiency, there is still no normalized meaning of computerized monetary education. We propose four components of computerized monetary proficiency, including information on advanced monetary items and administrations, familiarity with advanced monetary dangers, information on advanced monetary gamble control, and information on shopper privileges and change methodology.

The primary aspect is information on advanced monetary items and administrations, which catches the fundamental comprehension of computerized monetary items and administrations. People ought to know about the presence of forward thinking monetary items and administrations gave through computerized means like the web and cell phones. These administrations for the most part fall into four significant classes, in spite of the fact that there are covers:

- Installments: Electronic cash, cell phone wallets, crypto resources, settlement administrations;
- Resource the executives: Web banking, online merchants, robo counsels, crypto resource exchanging, individual monetary administration, versatile exchanging;

- Elective money: Group subsidizing, distributed loaning, online accounting report loaning, receipt and store network finance, and so on; and

- Others: Web based protection administrations, and so on.

As well as monitoring DFS, individuals ought to have the option to analyze the advantages and disadvantages of each accessible DFS. Such information would assist them with figuring out the fundamental elements of various sorts of DFS (for example either for individual purposes or for business purposes).

The second element of advanced monetary proficiency is consciousness of computerized monetary dangers. People and firms need to comprehend the extra dangers that they might bring about while utilizing DFS, which are more assorted yet at times harder to detect than those related with customary monetary items and administrations. DFS clients ought to know about the presence of online misrepresentation and digital protection gambles. There is a large number of potential dangers confronting DFS clients, for example,

Phishing: When a programmer professes to be a foundation to get the client to disclose individual information, as usernames or passwords, through messages or interpersonal organizations;

Pharming: When an infection diverts the client to a misleading page, making her unveil individual data; **Spyware:** When noxious programming embeds itself into the clients' PC or cell phone and communicates individual information;

SIM card trade: When somebody acts like the client and gets the client's SIM card, in this way getting private information.

DFS clients ought to likewise know that their computerized impression , including data they give to DFS suppliers, may likewise be a wellspring of hazard, regardless of whether it result straightforwardly in a misfortune, including:

Profiling: Clients might be rejected from admittance to specific administrations in light of their web-based information and exercises.

Hacking: Hoodlums might take individual information from their web-based exercises such as interpersonal organizations.

Because of simple admittance to credit empowered by fintech, DFS shoppers could likewise deal with expected issues of overborrowing or unnecessarily exorbitant loan

fees. Such gamble can set off unforeseen and huge misfortunes when the DFS suppliers are not managed or just pitifully controlled. Overborrowing may likewise hurt their FICO assessment. At last, inconsistent admittance to DFS could worsen holes between the rich and poor people.

DFS clients ought to completely comprehend agreements specified in agreements they carefully sign with DFS suppliers. They ought to likewise know about (dangerous) ramifications of advanced agreements. They ought to comprehend that DFS suppliers might involve their own data for different purposes, for example, computing their credit requests, promoting and credit assessment. As far as monetary dangers, effectiveness of admittance to fund might prompt overborrowing, which

The third component of computerized monetary education is advanced monetary gamble control, which is connected with DFS's comprehension clients might interpret how to shield themselves from chances emerging from such use. They ought to know how to utilize PC projects and versatile applications to abstain from spamming, phishing, and so forth. They ought to likewise know how to safeguard their own distinguishing proof number (PIN) and other individual data while utilizing monetary administrations gave through advanced implies.

The final aspect is information on customer freedoms and change methods, in situations where DFS clients succumb to the previously mentioned gambles. DFS clients ought to comprehend their freedoms and know where they can go and how to get change assuming that they succumb to misrepresentation or other misfortune. They ought to likewise comprehend their privileges in regards to their own information, and how they can acquire change against unapproved use.

REVIEW OF LITERATURE

Shachi Prakash (2012), in his article weights on the significance of monetary proficiency or training and advising in regards to issues connected with credit in the period of rising credit defaults, and defective monetary consideration and attempts to track down reasons concerning why bank initiatives have stayed as simple drives and were not carried out to this reason yet.

Puneet Bhushan (2013) through his review closed factors, for example, schooling,

orientation, pay and other segment factors go quite far in impacting financial education of a country or local area and that the general proficiency rate is unsuitable.

Lavanya Rekha Bahadur (2015), premise her concentrate on the twin mainstays of monetary proficiency and monetary consideration and the significance of starting monetary instruction at school level and stirring the way up.

CHALLENGES

Advanced monetary proficiency (DFL) is probably going to turn into an undeniably significant part of schooling for the Computerized Age. The advancement of the 'gig' economy implies that people will turn out to be more liable for their own monetary preparation. People should deal with their own retirement investment funds and annuities more, due the pattern of changing to characterized commitment from characterized benefit benefits plans. Purchasers should have a more elevated level monetary complexity to genuinely take advantage of monetary innovation (fintech) items and administrations, and stay away from misrepresentation and expensive slip-ups. These improvements highlight the need to foster computerized monetary schooling projects to work on advanced monetary proficiency, with an emphasis on abilities liable to be basic for those taking part in the Computerized Economy. G20 nations need to characterize computerized monetary proficiency, plan apparatuses to survey it, and foster projects to advance computerized monetary instruction as well as exceptional projects for weak gatherings, including the old, the less taught, proprietors of little and medium-sized endeavors (SMEs) and startup firms, and ladies.

Proposal

G20 nations need to collaborate to foster reliable meanings of computerized monetary proficiency, to plan and execute apparatuses to evaluate it, and foster methodologies and projects to advance advanced monetary instruction as well as unique projects for weak gatherings, including the older, the less taught, proprietors of little and medium-sized endeavors (SMEs) and startup firms, ladies, and so on.

Expanding acknowledgment of significance of advanced monetary education

Monetary innovation (fintech), i.e., utilizing programming, applications and computerized

stages to convey monetary administrations to customers and organizations through advanced gadgets, for example, cell phones, has become perceived as a promising instrument to advance monetary consideration, i.e., access of prohibited families and little firms to monetary items and administrations. In 2010, the G20 supported the Monetary Consideration Activity Plan (FIAP) and laid out the Worldwide Organization for Monetary Incorporation (GPMI) to arrange and execute it. The FIAP was refreshed at the 2014 G20 Pioneers Highest point in Brisbane and recognizing the significance of fintech, incorporates a promise to execute the G20 Standards for Creative Monetary Consideration under a common vision of widespread access (BIS and WB 2016).

Be that as it may, further developed admittance to monetary administrations through fintech requires more significant levels of advanced monetary education to take advantage of them and to keep away from miss-selling, fakes such phishing, hacking assaults, unapproved utilization of information, prejudicial treatment and social issues like over the top getting. Advanced monetary proficiency is probably going to turn into an inexorably significant part of instruction for the Computerized Age. The improvement of the 'gig' economy implies that people will turn out to be more liable for their own monetary preparation. People should deal with their own retirement investment funds and annuities more, due the pattern of changing to characterized commitment from characterized benefit benefits plans. Additionally, the decentralized idea of fintech suggests that buyers should have expanding monetary refinement to handle monetary data. This focuses to the requirement for countries to remember advanced monetary schooling for their public monetary instruction systems.

Undoubtedly, monetary education has become perceived as a significant necessity for compelling monetary consideration, alongside buyer security, and has acquired a significant situation in the strategy plan of numerous nations (OECD/INFE 2015a). At the Los Cabos culmination in 2012, G20 pioneers embraced the Undeniable Level Standards on Public Techniques for Monetary Schooling proposed by the Association for Financial Collaboration and the Global Organization on Monetary Training

(OECD/INFE), consequently recognizing the significance of facilitated arrangement ways to deal with monetary schooling (G20 2012). In 2016 G20 pioneers zeroed in on advanced monetary education all the more intently and embraced the Significant level Standards for Computerized Monetary Consideration, which remember Rule 6 for "Reinforce Advanced and Monetary Proficiency and Mindfulness" (GPMI 2016). What's more, computerized innovation makes monetary administrations borderless. It permits individuals effectively admittance to monetary items and administrations gave in different nations. This shows the significance of worldwide coordination in controlling Fintech, yet additionally in work on computerized monetary proficiency of people in general. Nonetheless, most public monetary schooling methodologies don't address advanced monetary proficiency explicitly, however rather center around fundamental monetary ideas. Besides, the G20 has not yet evolved rules for computerized monetary proficiency or advanced monetary training. We believe this to be a significant hole that should be filled.

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