

## **FINANCIAL LITERACY OF HIMACHAL PRADESH “A CASE STUDY OF SHIMLA”**

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### **ABSTRACT**

The present paper focuses on determining the financial literacy level of people living in Shimla the capital of Himachal Pradesh. In Shimla most of the people belong to service class, followed by business class and agriculturist. People were asked about different financial instruments like Bank Deposits, Post Office Saving Schemes, Mutual Funds, Life Insurance, Stock market etc. According to RBI, Financial literacy can broadly be defined as “providing familiarity with and understanding of financial market products, especially rewards and risks, in order making informed choices”. The study also analyses the relationship between financial literacy and the demographic and socio economic factors like age, gender, income occupation, education, marital status, type of family etc.

**KEYWORDS:** Financial Literacy, Financial Instruments