

## **Financial Literacy Series**

Hello all,

Before we start with a series of terms in financial planning & management, in this write up lets understand the term financial literacy.

Financial literacy is the ability to understand and effectively use various financial skills, including personal financial management, budgeting, and investing. Financial literacy is a lifelong learning. It provides a foundation for analysing & understanding your relationship with money.

There are certain benefits that can be obtained on account of financial literacy such as:

- People who are financially literate are generally less vulnerable to financial fraud.
- A strong foundation of financial literacy can help support various life goals, such as saving for education or retirement, using debt responsibly, and running a business.
- Key aspects to financial literacy include knowing how to create a budget, plan for retirement, manage debt, and track personal spending.

Source:

<https://www.pmjdy.gov.in/files/Financial-Literacy/flc-skilling>.