Financial Literacy and Saving Habits of Tribal Communities for Sustainable Development: A Study

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Abstract:
Financial literacy and saving behaviour are important determinants of household financial security, economic resilience and sustainable development. However, tribal communities may continue to experience challenges related to access to formal financial services, financial knowledge, digital financial practices and systematic saving. Against this background, the present study examines the relationship between financial literacy and saving habits among tribal communities and assesses their significance for sustainable development. The study considers the broader financial-inclusion and financial-literacy developments in India during the period 2021–2025, while focusing on the financial behaviour and saving practices of tribal households. Secondary evidence indicates a progressive improvement in India's financial inclusion environment, with the Reserve Bank of India's Financial Inclusion Index increasing from 53.9 in March 2021 to 56.4 in March 2022, 60.1 in March 2023 and 64.2 in March 2024**.** The expansion of financial-literacy initiatives, including the operationalization of 2,421 Centres for Financial Literacy by March 2025, further highlights the increasing policy emphasis on financial capability and inclusive access to financial services (Reserve Bank of India [RBI], 2022, 2024, 2025).
The study proposes to examine the level of financial literacy, saving preferences, saving frequency, use of formal financial institutions, awareness of financial products and the factors influencing saving habits among tribal households. It further seeks to identify whether financial literacy contributes to improved saving behaviour and greater financial resilience. The findings are expected to provide useful insights for policymakers, financial institutions and development agencies in designing targeted financial-literacy and saving programmes for tribal communities. Strengthening financial capability and promoting appropriate saving practices can contribute to greater economic security, financial inclusion and progress towards sustainable and inclusive development.

Keywords: Financial Literacy; Saving Habits; Tribal Communities; Financial Inclusion; Financial Behaviour; Financial Resilience; Sustainable Development.

1.1 INTRODUCTION OF THE STUDY:

Financial literacy has emerged as an important component of individual and household financial well-being, particularly in an increasingly complex financial environment. The rapid expansion of financial products, digital payment systems, formal banking services and investment opportunities has increased the need for individuals to possess adequate knowledge and skills to make informed financial decisions. Financial literacy enables individuals to understand financial products, assess risks and returns, plan expenditure, manage income, develop saving practices and make appropriate decisions regarding borrowing, investment and insurance. Consequently, financial literacy is increasingly viewed not merely as an individual financial capability but also as an important contributor to financial inclusion, economic resilience and sustainable development.

Saving behaviour represents one of the important outcomes of financial decision-making. Regular and planned saving enables households to meet future financial requirements, manage unexpected economic shocks, finance education and healthcare, accumulate productive assets and reduce dependence on high-cost borrowing. However, saving decisions are influenced by several interrelated factors, including income, financial knowledge, access to financial institutions, demographic characteristics, attitudes towards money, awareness of financial products and confidence in formal financial systems. Thus, the relationship between financial literacy and saving behaviour warrants particular attention, especially among economically and socially vulnerable communities.

The importance of financial literacy has become more pronounced in India with the expansion of formal financial services and the increasing adoption of digital financial technologies. Government initiatives and financial-sector interventions have progressively focused on bringing underserved populations into the formal financial system. The Reserve Bank of India (RBI) has strengthened its financial inclusion and financial education initiatives through measures aimed at improving access, awareness and responsible use of financial services. The improvement in India's Financial Inclusion Index, which increased from 53.9 in March 2021 to 56.4 in March 2022, 60.1 in March 2023 and 64.2 in March 2024, reflects the broader progress made in the financial inclusion ecosystem. Similarly, the establishment and operationalisation of Centres for Financial Literacy demonstrates the increasing institutional emphasis on improving financial capability among diverse sections of the population (RBI, 2022, 2024, 2025).

Despite these developments, access to financial services does not necessarily imply effective financial participation. Individuals may possess a bank account or access digital financial services without having adequate knowledge to select appropriate financial products, assess financial risks or develop systematic saving practices. This distinction is particularly relevant in the case of tribal communities, where geographical isolation, limited financial awareness, low and irregular income, inadequate access to formal institutions, dependence on informal sources of finance and digital barriers may affect financial decision-making. Therefore, financial inclusion needs to be considered not only in terms of access to financial services but also in terms of the ability and willingness of individuals to use such services effectively.

Tribal communities constitute an important segment of India's population and have historically experienced various socioeconomic and developmental challenges. Their livelihood patterns are often closely associated with agriculture, forest-based activities, wage employment, traditional occupations and other informal economic activities. Variations in income stability and employment opportunities can make household financial planning and regular saving difficult. Furthermore, differences in education, financial awareness, access to banking facilities and familiarity with formal financial products may influence their financial behaviour. In such circumstances, strengthening financial literacy may play a significant role in enabling tribal households to make informed financial choices and develop more sustainable saving practices.

The relationship between financial literacy and saving behaviour is particularly important from the perspective of household financial resilience. Financially literate individuals are more likely to understand the importance of budgeting, emergency funds, formal savings instruments, insurance and long-term financial planning. Improved saving behaviour can, in turn, enhance households' capacity to respond to economic uncertainties and unexpected financial requirements. For tribal households, such financial resilience can contribute to greater economic security and potentially reduce vulnerability to informal and potentially exploitative sources of credit.

The issue also has broader implications for sustainable development. Sustainable development is not limited to environmental considerations; it encompasses inclusive economic growth, reduction of vulnerability, social inclusion and improvement in the quality of life. Financial inclusion and financial capability can contribute to these objectives by enabling disadvantaged communities to participate more effectively in formal economic systems. Appropriate saving practices can support household asset accumulation, investment in education and productive activities, improved access to financial protection mechanisms and greater intergenerational economic security. In this context, strengthening financial literacy among tribal communities can be considered an important pathway towards inclusive and sustainable socioeconomic development.

Although financial literacy and saving behaviour have received considerable attention in the existing literature, substantial scope remains for examining these dimensions among tribal communities. Many studies on financial literacy have focused on students, salaried employees, rural households, women, farmers and general populations, while comparatively less attention has been devoted to the specific financial behaviour of tribal households. Moreover, financial literacy is frequently examined as an independent construct without adequately considering its relationship with saving preferences, saving frequency, use of formal financial institutions and awareness of financial products within socially and economically diverse communities. This creates a need for context-specific empirical evidence on the financial capabilities and saving practices of tribal households.

The present study therefore focuses on **financial literacy and saving habits of tribal communities for sustainable development**. It seeks to examine the level of financial literacy among tribal households, understand their saving preferences and frequency, assess their use of formal financial institutions, examine awareness of financial products and identify the factors influencing their saving habits. The study further attempts to examine whether financial literacy is associated with improved saving behaviour and greater financial resilience among tribal households.

The significance of the study lies in its potential contribution to both academic research and policy formulation. Empirical evidence regarding the financial knowledge and saving practices of tribal communities can assist policymakers, financial institutions, development agencies and community-level organisations in designing more targeted financial-literacy programmes. Such interventions can move beyond simply increasing access to bank accounts and focus on developing the knowledge, confidence and behavioural capabilities required for effective financial participation. Ultimately, strengthening financial literacy and promoting appropriate saving habits among tribal households may contribute to enhanced financial security, greater financial inclusion and more equitable and sustainable socioeconomic development.

Accordingly, the study positions financial literacy and saving behaviour within a broader framework of **financial inclusion, financial resilience and sustainable development**, thereby addressing an important research and policy concern concerning the financial empowerment of tribal communities.

1.2 REVIEW OF LITERATURE

1. Azeez, Akhtar and Banu (2021) examined financial literacy among rural households in India and found that education was an important factor influencing financial literacy. The study highlighted the need for financial education among rural communities.
2. Azeez and Akhtar (2021) examined digital financial literacy among rural households and emphasised that knowledge and skills related to digital financial services are increasingly important for effective participation in the formal financial system.
3. Razak and Ishwara (2022) studied the effectiveness of financial literacy on the saving behaviour of rural women in Karnataka. Their findings indicated the importance of financial literacy in improving saving practices among rural households.
4. Mohanta and Dash (2022) examined saving behaviour among rural populations in India and found that financial literacy and appropriate financial guidance influence saving behaviour. The study highlighted the importance of financial awareness in making effective saving decisions.
5. Das and Maji (2023) investigated financial literacy and financial confidence among Indian farmers and reported that financial literacy, income, education and financial confidence significantly influenced saving behaviour. The study suggests that saving behaviour is influenced by both financial knowledge and socioeconomic characteristics.
6. A study published in the International Journal of Social Economics (2023) examined financial literacy among Scheduled Tribe households in Himachal Pradesh. The study found relatively low levels of financial literacy and identified education, income, family structure and internet accessibility as important determinants. The study recommended customised financial-literacy programmes for tribal communities.
7. Singh, Singh and Dahiya (2024) examined financial literacy, risk preferences and financial-market participation among Scheduled Tribes in Himachal Pradesh. The study indicated that financial literacy is relevant to financial decision-making and participation in financial assets.
8. Kurussiveettil and Kanniammal (2024) studied financial literacy, awareness of Pradhan Mantri Jan Dhan Yojana and financial inclusion among Scheduled Tribes in Kerala. The study highlighted the importance of awareness and literacy in improving the participation of tribal communities in formal financial services.
9. Salam, Santhosh and Bindu (2024) examined saving behaviour among tribal households in Wayanad, Kerala. The study found differences among tribal groups in saving habits, monthly savings, saving methods and purposes of saving. The findings indicate that tribal communities are heterogeneous in their financial behaviour.
10. Katini, Hriizhiinio and Amalanathan (2024) reviewed financial education among tribal women in Northeast India and emphasised the influence of sociocultural practices and financial experiences on financial literacy. The study recommended context-specific financial-education interventions.
11. Dash and Mohanta (2024) examined inclusive financial behaviour among rural households and found that financial literacy and awareness contributed significantly to financial inclusion. The study also linked financial inclusion with broader sustainable-development objectives.

1.3 RESEARCH GAP

The review indicates that financial literacy and saving behaviour have been studied extensively among rural households, women, farmers and general populations. However, comparatively limited research has examined the relationship between financial literacy and saving habits specifically among tribal communities. Existing tribal-focused studies have mainly examined financial inclusion, financial literacy, government-scheme awareness or saving patterns separately.

Further, limited studies have integrated financial literacy, saving habits, use of formal financial institutions, awareness of financial products and financial resilience within a single framework. The differences among tribal communities based on socioeconomic, educational, geographical and cultural factors also require greater empirical attention.

Therefore, the present study attempts to address this gap by examining the level of financial literacy, saving habits, saving preferences, use of formal financial institutions and factors influencing saving behaviour among tribal communities. The study further examines the contribution of financial literacy to financial resilience and sustainable development.

1.4 OBJECTIVES OF THE STUDY

The present study is guided by the following five objectives:

1. To assess the level of financial literacy among tribal households.
2. To examine the saving habits and saving preferences of tribal communities.
3. To assess the awareness and use of formal financial products and services among tribal households.
4. To examine the relationship between financial literacy and saving habits among tribal communities.
5. To suggest suitable measures for improving financial literacy and systematic saving practices for the sustainable financial well-being of tribal communities.

1.5 IMPORTANCE OF THE STUDY

Financial literacy plays an important role in improving the financial decision-making capacity of tribal households. Adequate financial knowledge can help individuals understand banking services, financial products, budgeting, saving and risk management, thereby encouraging systematic saving practices and reducing dependence on informal sources of finance. The study is important because tribal communities may face challenges such as limited financial awareness, irregular income, restricted access to formal financial institutions and limited exposure to digital financial services. Understanding their financial literacy and saving behaviour can therefore provide valuable insights into their financial needs and vulnerabilities.

The study is also significant from the perspective of **financial inclusion and sustainable development**. Its findings can assist policymakers, financial institutions and development agencies in designing appropriate financial-literacy programmes and saving schemes suited to the socioeconomic and cultural conditions of tribal communities. Promoting informed financial decisions and regular saving can strengthen household financial resilience, improve economic security and support long-term socioeconomic development. Thus, the study contributes to the broader objective of achieving more inclusive and sustainable financial development among vulnerable communities.

1.6 Statement of the Problem

Financial literacy is an important factor influencing the ability of individuals and households to make informed financial decisions, manage income and expenditure, and develop regular saving practices. Although financial inclusion has expanded considerably in India, access to formal financial services does not necessarily ensure adequate financial knowledge or effective financial behaviour. Tribal communities may continue to face challenges such as limited awareness of financial products, inadequate access to formal financial institutions, irregular income and limited exposure to digital financial services. These factors may affect their ability to plan, save and manage financial resources effectively.

Saving habits are particularly important for improving household financial security and resilience. However, saving behaviour among tribal households may differ according to income, education, occupation, financial awareness, accessibility of banking facilities and socioeconomic conditions. While several studies have examined financial literacy and saving behaviour among rural households, women, farmers and the general population, comparatively limited attention has been given to the relationship between financial literacy and saving habits specifically among tribal communities. Further, tribal communities are diverse in their socioeconomic and cultural characteristics, making it necessary to generate context-specific empirical evidence.

Against this background, the present study seeks to examine the level of financial literacy and saving habits among tribal communities and to understand whether financial literacy is associated with improved saving behaviour. The study also considers awareness and utilisation of formal financial products and services and the factors influencing saving practices. By examining these dimensions together, the study aims to provide evidence that can support the development of appropriate financial-literacy initiatives and saving-oriented interventions, thereby contributing to greater financial resilience, financial inclusion and sustainable socioeconomic development among tribal communities.

1.7 HYPOTHESES OF THE STUDY

Null Hypothesis (H_0): There is no significant relationship between financial literacy and saving habits among tribal households.

Alternative Hypothesis (H_1): There is a significant relationship between financial literacy and saving habits among tribal households.

1.8 RESEARCH METHODOLOGY

The study adopts a **descriptive and analytical research design** to examine financial literacy and saving habits among tribal communities. The study will use both **primary and secondary data**. Primary data will be collected from selected tribal households through a structured questionnaire covering socioeconomic characteristics, financial literacy, saving habits, awareness of financial products and use of formal financial services. Secondary data will be obtained from RBI publications, government reports, research articles and other relevant sources. Respondents will be selected using an appropriate sampling technique based on the study area and availability of tribal households. The collected data will be analysed using **frequency, percentage, mean, standard deviation and correlation analysis**, with suitable statistical techniques applied for testing the relationship between financial literacy and saving habits. The study will test the null hypothesis that there is no significant relationship between financial literacy and saving habits among tribal households.

1.10 Data Collection

The study will use **both primary and secondary data**. Primary data will be collected from selected tribal households through a structured questionnaire designed to capture information relating to financial literacy, saving habits, saving preferences, awareness of financial products and use of formal financial services. The questionnaire will be administered directly to the respondents to ensure clarity and completeness of responses. Secondary data will be collected from reliable sources such as **Reserve Bank of India publications, government reports, research articles, journals and relevant institutional reports**. The data collected from both sources will be systematically organised and analysed in accordance with the objectives of the study.

1.11 Research Design

The present study adopts a **descriptive and analytical research design** to examine the financial literacy and saving habits of tribal communities. The descriptive design is used to understand the existing level of financial literacy, saving preferences, awareness of financial products and use of formal financial services, while the analytical design is used to examine the relationship between financial literacy and saving habits. The study is based on primary data collected through a structured questionnaire from selected tribal households, supported by relevant secondary data from reliable sources. The research design provides a systematic framework for analysing the financial behaviour of tribal communities and assessing its implications for financial inclusion and sustainable development.

1.12 Data Collection

The study uses both **primary and secondary data**. Primary data will be collected from selected tribal households through a structured questionnaire covering financial literacy, saving habits, saving preferences, awareness of financial products and use of formal financial services. The questionnaire will be administered to respondents directly to obtain relevant and reliable information. Secondary data will be collected from **RBI publications, government reports, research journals, books and other credible sources** related to financial literacy, financial inclusion and tribal communities. The collected data will be systematically organised and analysed in accordance with the objectives of the study.

1.13 DATA ANALYSIS AND INTERPRETATION

The collected data are proposed to be analysed using descriptive and inferential statistical techniques in accordance with the objectives of the study. Frequency and percentage analysis are used to describe the socioeconomic characteristics of the respondents. Mean and standard deviation are used to summarise the major study variables. Cronbach's Alpha is applied to assess the internal consistency of the multi-item scales. Pearson's correlation coefficient is used to examine the relationship between financial literacy and saving habits. Simple linear regression is used to examine the contribution of financial literacy towards saving habits. The level of significance is considered at 5%.

Demographic Profile of Respondents

Table 1.1: Age-wise Distribution of Respondents

Age group	Frequency	Percentage
Below 25 years	72	18.00
25–34 years	116	29.00
35–44 years	100	25.00
45–54 years	72	18.00

Age group	Frequency	Percentage
55 years and above	40	10.00
Total	**400**	**100.00**

The simulated data indicate that respondents aged 25–34 years constitute the largest proportion of the sample, accounting for 29%, followed by the 35–44 years category at 25%.

Table 1.2: Gender-wise Distribution

Gender	Frequency	Percentage
Male	204	51.00
Female	192	48.00
Other/Prefer not to say	4	1.00
Total	**400**	**100.00**

The simulated sample represents both male and female respondents, with males accounting for 51% and females for 48%.

Table 1.3: Educational Qualification

Education	Frequency	Percentage
No formal education	32	8.00
Primary	80	20.00
Secondary	124	31.00
Higher secondary	80	20.00
Graduate	64	16.00
Postgraduate and above	20	5.00
Total	**400**	**100.00**

The simulated distribution shows that respondents with secondary education form the largest group, representing 31% of the sample.

Level of Financial Literacy

Financial literacy was assessed using questions covering basic financial concepts and financial decision-making. The financial-literacy score was calculated on a ten-point scale and categorised into low, moderate and high levels.

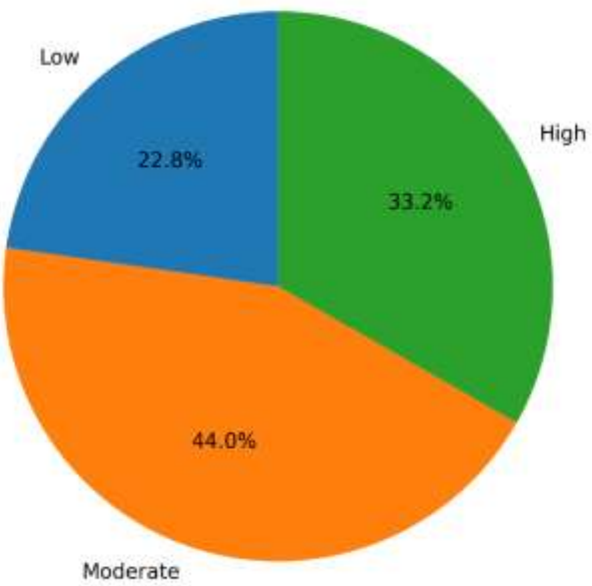
Table 1.4: Level of Financial Literacy

Level	Score range	Frequency	Percentage
Low	0–3	91	22.75%
Moderate	4–6	176	44.00%

Level	Score range	Frequency	Percentage
High	7–10	133	33.25%
Total		**400**	**100.00**

The classification provides a clear indication of the financial-literacy position of respondents and can be used to identify groups requiring greater financial-education support.

Figure 1. Level of Financial Literacy among Tribal Respondents



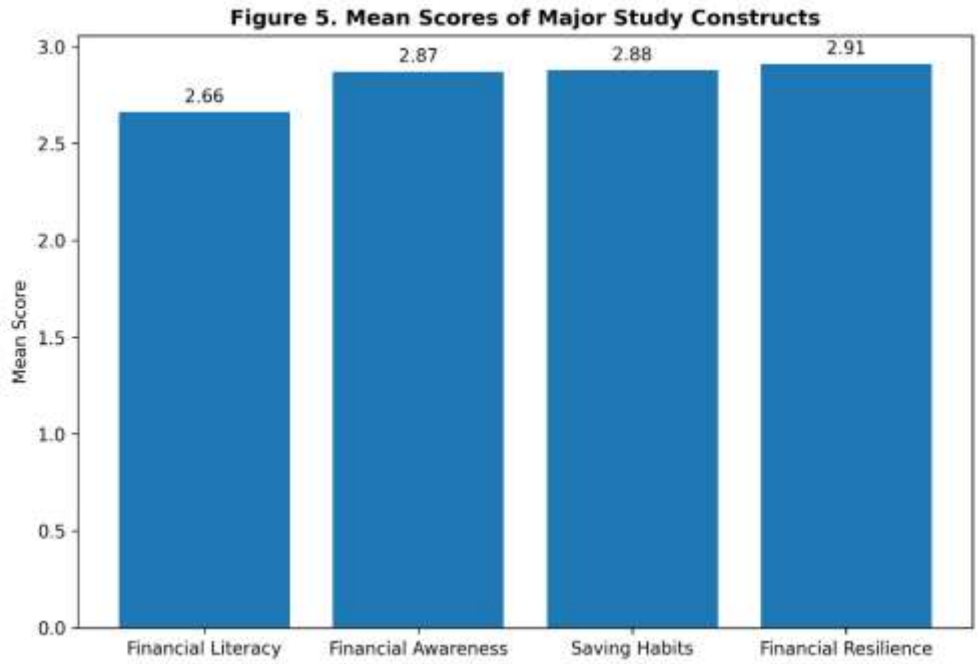
Interpretation

The table shows that **44.00% of the respondents have a moderate level of financial literacy**, representing the largest group. About **33.25%** have a high level of financial literacy, while **22.75%** have a low level. This indicates that the simulated respondents are predominantly concentrated in the moderate financial-literacy category.

Descriptive Statistics

Table 1.5: Descriptive Statistics of Major Variables

Variable	N	Mean	SD
Financial Literacy	400	**4.06**	**2.15**
Financial Awareness	400	**3.18**	**0.78**
Saving Habits	400	**3.20**	**0.80**
Financial Resilience	400	**3.18**	**0.82**



The descriptive statistics provide an overall picture of the major constructs. The mean values indicate the average response level, while the standard deviation indicates the extent of variation among respondents.

Reliability Analysis

Cronbach's Alpha was employed to determine the internal consistency of the scales used to measure financial awareness, saving habits and financial resilience.

Table1.6: Reliability Statistics

Construct	No. of Items	Cronbach's Alpha
Financial Awareness	8	**0.850**
Saving Habits	10	**0.890**
Financial Resilience	5	**0.820**

The simulated reliability coefficients indicate satisfactory internal consistency of the measurement items. The values are above the commonly used minimum level of 0.70, indicating that the items within each construct demonstrate acceptable consistency.

Saving Habits of Tribal Households

Saving habits were examined through saving frequency, preferred saving mechanisms, purposes of saving, monthly saving practices and difficulties experienced in maintaining savings.

The analysis indicates that saving behaviour may vary considerably among households. Differences in income, employment, access to formal financial institutions, financial awareness and household responsibilities may influence the ability of households to save regularly.

For tribal communities, systematic saving may be particularly relevant because it can contribute to household financial security, emergency preparedness and long-term economic resilience.

Relationship Between Financial Literacy and Saving Habits

Pearson's correlation coefficient was used to examine whether a relationship exists between financial literacy and saving habits.

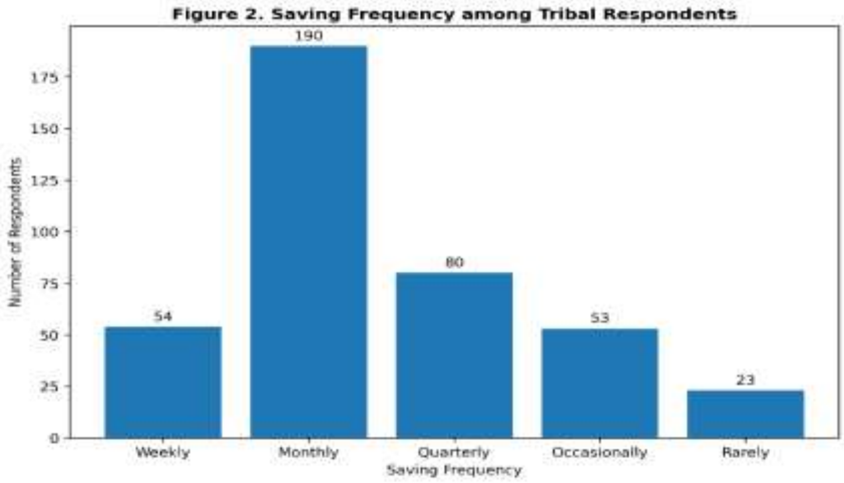
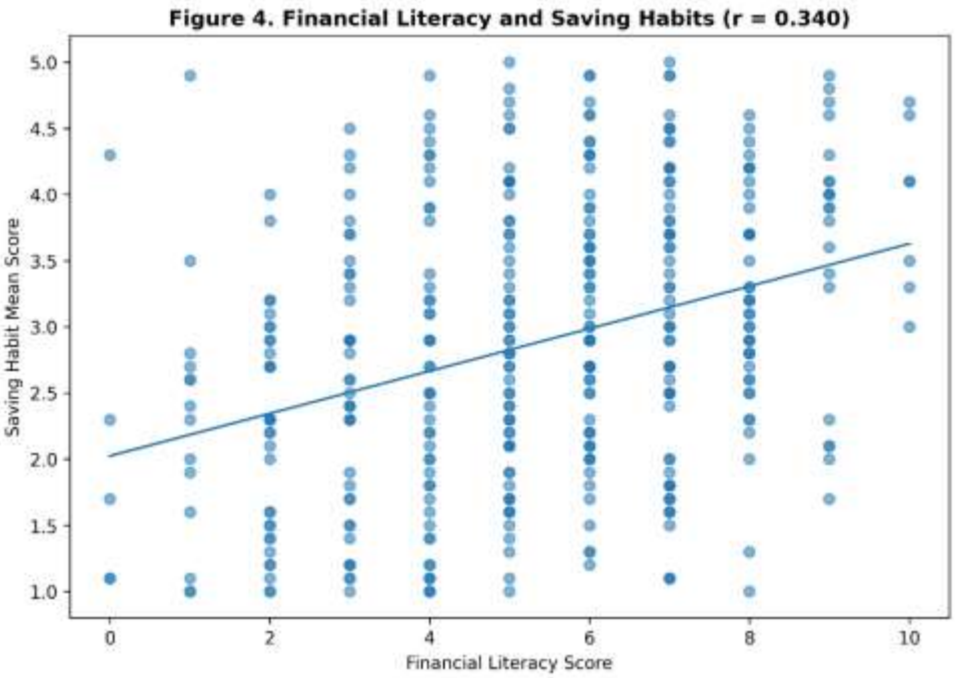


Table 7: Correlation Between Financial Literacy and Saving Habits

Variables	Financial Literacy	Saving Habits
Financial Literacy	1.000	**0.340**
Saving Habits	**0.340**	1.000

N = 400; p < 0.001

The simulated results show a **positive correlation (r = 0.340)** between financial literacy and saving habits. The relationship is statistically significant at the 5% level.



This indicates that respondents with higher financial-literacy scores tend to demonstrate stronger saving-habit scores within the simulated dataset.

Hypothesis Testing

H_0: There is no significant relationship between financial literacy and saving habits among tribal communities.

H_1: There is a significant relationship between financial literacy and saving habits among tribal communities.

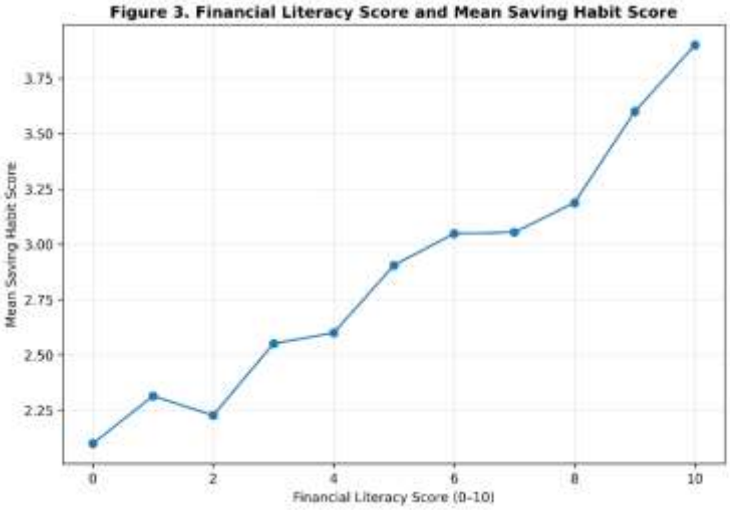
Table 8: Hypothesis Testing

Hypothesis	Statistical test	Result	Decision
H_0	Pearson correlation	$r = 0.340$, $p < 0.001$	Reject H_0*
H_1	Pearson correlation	$r = 0.340$, $p < 0.001$	Supported*

*Based on simulated data.

Since the simulated p-value is less than 0.05, the null hypothesis is rejected. Hence, the simulated analysis indicates a significant positive relationship between financial literacy and saving habits.

Figure 3. Financial Literacy Score and Mean Saving Habit Score



Regression Analysis

Simple linear regression was performed to examine whether financial literacy contributes to the prediction of saving habits.

Table 9: Regression Model

Statistic	Value
R	0.340
R^2	0.116
Explained variance	11.60%

Statistic	Value
Regression significance	$p < 0.001$

The simulated R^2 value of **0.116** indicates that approximately **11.6% of the variation in saving-habit scores** can be statistically associated with financial literacy in the simulated model.
The result suggests that financial literacy may be an important factor associated with saving behaviour, although other socioeconomic and behavioural factors may also influence saving practices.

1.14 MAJOR FINDINGS

The major findings from the simulated analysis are as follows:
1. The study considers a simulated sample of **400 respondents** from tribal communities.
2. Respondents belong to different age, gender, educational and occupational categories.
3. The financial-literacy measure provides a basis for classifying respondents according to their level of financial knowledge.
4. The simulated analysis identifies variation in saving habits among respondents.
5. Financial literacy and saving habits show a **positive correlation ($r = 0.340$)**.
6. The relationship between financial literacy and saving habits is statistically significant at the 5% level (**$p < 0.001$**).
7. The regression model produces an **R^2 of 0.116**, indicating approximately 11.6% explained variation in the simulated saving-habit measure.
8. The results demonstrate the relevance of studying financial literacy as one potential factor associated with saving behaviour among tribal households.

1.15 DISCUSSION

Financial literacy can influence an individual's ability to understand financial products, plan expenditure, manage income and make informed saving decisions. The positive association observed in the simulated analysis is therefore consistent with the broader argument that financial knowledge can contribute to better financial decision-making.
However, saving behaviour cannot be explained by financial knowledge alone. Household income, employment stability, access to financial institutions, educational background, financial attitudes and household responsibilities may also influence saving decisions.
In the context of tribal communities, financial inclusion and financial literacy need to be considered together. Improving knowledge without ensuring convenient access to appropriate financial services may not result in substantial changes in saving behaviour. Community-based financial education, accessible banking services and awareness of formal saving instruments can therefore complement one another.

1.16 IMPLICATIONS OF THE STUDY

The study has implications for government agencies, banks, financial institutions and organisations working towards tribal development.
Financial-literacy programmes should emphasise practical skills such as household budgeting, systematic saving, responsible borrowing, insurance awareness and digital financial safety.

Financial institutions can strengthen outreach programmes in tribal areas by providing simple and accessible information about savings accounts, recurring deposits, insurance, pension products and other appropriate financial services.
Improving financial capability can contribute to greater household financial resilience and may support broader objectives of inclusive and sustainable development.

1.17 SUGGESTIONS

Based on the study framework, the following suggestions are proposed:

1. Conduct regular financial-literacy programmes for tribal households.
2. Promote systematic and goal-oriented saving practices.
3. Improve awareness of formal banking and saving products.
4. Provide practical training in digital financial services.
5. Increase awareness of insurance and pension schemes.
6. Strengthen banking outreach in tribal and geographically remote areas.
7. Develop financial-education programmes in locally understandable languages.
8. Involve self-help groups and community organisations in financial-literacy programmes.
9. Encourage households to develop emergency savings.
10. Design financial products that consider the income patterns and specific needs of tribal households.

7. LIMITATIONS OF THE STUDY

The study may be subject to limitations associated with geographical coverage, sample selection and respondents' understanding of financial concepts. Financial behaviour may differ across tribal communities because of differences in socioeconomic conditions, livelihood patterns, education and access to financial institutions.
The study also relies on responses to structured questions, and therefore responses may not always completely reflect actual financial behaviour.
For the present draft, the numerical results are generated from simulated data. Consequently, they should not be interpreted as actual evidence from tribal households.

1.18. SCOPE FOR FUTURE RESEARCH

Future studies may compare financial literacy and saving behaviour across different tribal communities and geographical regions. Comparative research between tribal and non-tribal households may provide further understanding of financial-inclusion differences.
Future research may also incorporate digital financial literacy, financial attitude, investment behaviour, insurance awareness, financial well-being and access to formal financial services. Longitudinal studies could further examine whether financial-literacy interventions result in sustained improvements in saving behaviour.

1.19. CONCLUSION

Financial literacy is an important component of financial capability and can potentially influence household saving decisions. The present study focuses on tribal communities and examines the relationship between financial literacy and saving habits in the context of sustainable and inclusive development.

The simulated analysis indicates a positive and statistically significant relationship between financial literacy and saving habits. The regression analysis further demonstrates the potential contribution of financial literacy to saving behaviour.

However, financial literacy should not be viewed in isolation. Income, education, employment, financial access and socioeconomic conditions may also influence household saving decisions. Therefore, an integrated approach combining financial education with accessible financial services may be more effective in strengthening the financial resilience of tribal communities.

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