UNDERSTANDING FINANCIAL AGENCY: YOUNG WOMEN'S FINANCIAL DECISION-MAKING IN INDIA

Jennifer Baker

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LAIDLAW RESEARCH REPORT

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Exploratory findings from surveys of women in India and the United Kingdom

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Introduction

In September 2021, The Times of India reported allegations made by a 27-year-old chartered accountant in Ahmedabad. In a police complaint, she said that her husband took her entire salary and assaulted or threatened her when she resisted. This is one reported allegation, not evidence of how common such conduct is. Its importance lies elsewhere: it exposes the difference between earning money and controlling it. A woman may be educated, employed and connected to a bank, yet still lack authority over her income (TNN, 2021).

That distinction is central to financial agency. Financial literacy concerns the knowledge and confidence needed to understand and use money; financial inclusion concerns access to services such as accounts, payments, savings and credit. Financial agency goes further. It involves being able to set goals, make choices, control resources and act without coercion. OECD research has long warned that gender gaps in knowledge, confidence and opportunity require financial education designed around women's circumstances rather than a generic transfer of information (Hung et al., 2012). Recent Indian research also links financial inclusion with income, savings, asset creation and control over household income, while showing that access and empowerment are related but distinct outcomes (Showkat et al., 2025).

This issue matters to Sustainable Development Goal (SDG) 5 on gender equality, particularly equal rights to economic resources, property, inheritance and financial services, and to SDG 10 on social and economic inclusion (United Nations, 2015). It also matters to the wider Laidlaw project, which will use the findings to inform a financial and legal literacy toolkit. The present study therefore asks: (1) How do women participating in the surveys understand and experience financial independence? (2) How confident are participants in managing money, using financial services and planning for the future? (3) How do family expectations and social norms influence everyday financial decisions and control over money? (4) What awareness do participants have of financial and legal rights relating to financial decision-making and economic independence?

Literature, legal and policy context

India's financial-inclusion policy has greatly expanded the formal routes through which adults can enter the banking system. The Pradhan Mantri Jan-Dhan Yojana (PMJDY), launched in 2014, offers unbanked people basic savings accounts and links to payments, insurance, credit and pensions (Department of Financial Services, n.d.). The Reserve Bank of India's National Strategy for Financial Inclusion 2019–2024 also treated access, usage, financial literacy, consumer protection and grievance redress as connected priorities (Reserve Bank of India, 2020). These policies are significant, but an account-opening figure cannot show who operates an account, who controls the money in it or who decides how household resources are used.

Evidence from India supports this more cautious interpretation. Using national data, Govindapuram et al. (2023) found that women's access to finance is shaped by household wealth and location as well as individual characteristics and gender norms governing mobility and economic activity. Philip and Jain (2025) found that education, paid work, asset ownership and voice in other household matters were positively associated with women's authority over large purchases. However, Goel and Ravishankar (2022) found no significant improvement in two measures concerning women's control over spending their own or their husband's money, despite broader improvements in selected autonomy measures. Together, these studies suggest that entry into finance can create opportunity without automatically redistributing power inside the household.

Financial education is nevertheless an important part of the response. Sharma and Johri's (2014) work with rural women in India showed the value of context-sensitive, communal and accessible teaching materials. Education can build knowledge and confidence, but it cannot by itself neutralise coercion. UN Women (2019) describes families as places where resources, care and power are negotiated and where women's rights may be supported or violated. Its India roadmap likewise places skills and financial inclusion within a wider environment of employment, care, digital access and enabling institutions (UN Women, 2020).

Indian law provides a formal basis for recognising several dimensions of financial harm. Section 3 of the Protection of Women from Domestic Violence Act 2005 expressly includes economic abuse, including deprivation of financial or economic resources, disposal of assets and restriction of access to resources or facilities. The Dowry Prohibition Act 1961 prohibits giving, taking and demanding dowry as statutorily defined. The Hindu Succession Act 1956, as amended in 2005, gives daughters coparcenary status by birth in Mitakshara joint Hindu family property; this provision must not be presented as a single inheritance rule applying identically to every woman in India. Internationally, the Convention on the Elimination of All Forms of Discrimination against Women addresses equal access to financial credit, legal capacity and property rights in Articles 13, 15 and 16 (United Nations General Assembly, 1979).

Formal protection is not the same as practical access to justice. A woman may not identify control of her salary as abuse, know which protection applies, have independent funds for housing and legal advice, or feel safe enough to seek help. Dowry may also form part of continuing economic demands, but this study cannot establish that dowry causes later salary control. The careful question is whether marriage-related financial expectations and gendered entitlement can create conditions in which demands on women's earnings are normalised.

The wider international picture reinforces the need to examine implementation, not only commitment. The Gender Snapshot 2024 reported that no SDG 5 indicator had yet been fully achieved globally and called for investment, legal reform and stronger gender-responsive institutions (UN Women & United Nations Department of Economic and Social Affairs, 2024). For this study, the report is useful as global context rather than evidence about the survey participants or India specifically. Read alongside Indian policy, it highlights a recurring problem: governments may expand formal opportunity while household norms, unequal assets, weak awareness and practical barriers continue to limit the choices available to individual women.

Methodology

This exploratory study analysed two anonymous Microsoft Forms datasets. Dataset A was an existing survey supplied by Dr Gani and contained 19 responses to 37 questions. Dataset B was the researcher's supplementary survey and contained one response to 38 questions, including an explicit consent item. Dataset A covered demographic characteristics, banking, saving, household decisions, financial confidence, legal awareness and financial abuse. Dataset B addressed similar themes but used different wording and scales and added questions about learning preferences and barriers to empowerment.

Closed responses were summarised using frequencies and percentages. Multiple-choice knowledge items were counted by concept, and short written responses were grouped by recurring meaning. The two datasets were compared thematically but not pooled into a single percentage because their questions and response options were not identical. Dataset B is reported only as an illustrative young-student perspective. No interviews were conducted. Academic literature and official Indian, RBI and United Nations documents were used to interpret the findings, not to determine whether any respondent had experienced a legal offence.

Findings

Participant profile. All 19 participants in Dataset A identified as women. Ten lived in India, seven in the United Kingdom, one elsewhere in Europe and one in Oman. Eighteen were married and one was divorced or separated. The sample was older and unusually highly educated: 12 were aged 46–55, four were 36–45, two were over 55 and one was 26–35; 11 held master's degrees, four doctorates and four bachelor's degrees. Twelve were employed or self-employed. Dataset B's sole respondent lived in the United Kingdom, was aged 18–24, had secondary education and was a student. She was therefore the only participant closely matching the original focus on young women in higher education.

Access, confidence and independence. In Dataset A, 18 of 19 women (94.7%) had a personal bank account accessible only to them and 16 (84.2%) were extremely confident conducting transactions, using ATMs or paying bills online. Fourteen (73.7%) saved or invested independently. Yet only 10 (52.6%) described themselves as fully financially independent; seven were somewhat independent and two were not independent. Among the 10 India-based respondents, three reported full independence, compared with six of the seven UK-based respondents. The numbers are too small and the groups too different to attribute this contrast to country. Dataset B's respondent owned an account, found financial services somewhat easy to access, saved weekly and had future goals. On the survey's numeric scales she selected 3 for independence, 4 for confidence managing finances and 3 for understanding budgeting, saving and investing.

Household authority. Fourteen Dataset A respondents shared responsibility for routine household budgeting, three had limited involvement and two were primary budget decision-makers.

Authority narrowed for major decisions involving investments, loans or property: nine said these decisions were joint, eight said their spouse or partner decided, and only two said they decided themselves. In the India subgroup, six of 10 said their spouse made major decisions and four said decisions were joint; none selected themselves. Nine of 19 respondents had faced challenges asserting financial decisions, six had not and four preferred not to answer. Five of the eight women whose spouse made major decisions reported such challenges. Dataset B's respondent rarely participated in household financial decisions and did not contribute to household expenses, but said family expectations did not affect her decisions. Her written response instead identified women's lack of respect when seeking to earn more than men as a barrier.

Knowledge, advice and rights. In Dataset A, budgeting was the most commonly recognised financial concept (14 respondents), followed by retirement planning (12), inflation and diversification (10 each), and compound interest (nine). Eight usually sought advice from family or friends, five managed matters themselves, two used a financial adviser, two used online resources and two had never sought advice. Thirteen respondents (68.4%) said the Indian education system did not adequately inform women about financial literacy and legal rights; five were unsure and only one said it did. Fourteen had never attended a workshop on women's legal rights. Legal information most often came from social media (seven) or family and friends (five), while only one used an NGO or legal-aid organisation.

Seven Dataset A respondents said that they or someone they knew had experienced financial abuse by family members; four answered 'maybe' and eight answered 'no'. Because the question combined personal experience with knowledge of another person's experience, it cannot support a prevalence claim. Awareness of named protections was also partial: eight selected the Dowry Prohibition Act, six the Protection of Women from Domestic Violence Act and five laws in their country of residence. The item allowed a single selection, so it cannot measure total legal knowledge. Dataset B's respondent could not name a law protecting women's financial rights and believed women receive insufficient information. She requested support with investing, credit and loans, banking, saving and employment rights; supported financial education from mid-secondary school; and preferred in-person workshops or classroom learning.

Discussion

The clearest finding is a gap between formal access and substantive agency. Dataset A shows near-universal personal account ownership and strong transactional confidence, but a much smaller proportion reported full independence. Routine participation in budgeting also coexisted with spouses controlling many major decisions. This distinction supports the wider literature: financial inclusion can strengthen income, saving and control (Showkat et al., 2025), but household authority is also related to education, occupation, assets and established decision-making patterns (Philip & Jain, 2025).

The sample makes this finding striking, although not generalisable. Every Dataset A respondent had a university degree, yet several were unfamiliar with core concepts, relied on informal advice or lacked full decision-making power. Formal education should therefore not be used as a proxy for financial or legal literacy. Employment also appeared relevant: eight of 12 employed women, compared with two of seven non-employed women, reported full independence. This is an exploratory pattern, not proof that employment caused independence, and the Ahmedabad allegation shows why earning alone cannot guarantee control.

Legal literacy is the most immediate bridge between the findings and Dr Gani's emphasis on abuse. More than two-thirds of Dataset A rejected the proposition that the Indian education system provides adequate financial and legal information, and nearly three-quarters had never attended a legal-rights workshop. Reliance on social media and family may leave women without reliable, confidential or jurisdiction-specific guidance. The law recognises economic abuse, dowry-related demands and certain property rights, but these protections are useful only when women can recognise a problem and reach appropriate support. The results do not demonstrate weak enforcement, prove a dowry–salary-control pathway or establish the prevalence of abuse. They do demonstrate an education and information gap that a future toolkit can responsibly address.

Financial abuse also alters what ‘choice’ means. Leaving an abusive marriage may require immediate access to money, safe accommodation, transport, legal advice and income that cannot be intercepted. A woman who earns but must surrender her salary may therefore appear economically active while lacking the resources needed to act independently. The survey did not ask respondents whether financial dependence had prevented them from leaving, so it cannot make that claim about this sample. However, the combination of reported challenges asserting decisions, spouse-led major decisions and direct or indirect knowledge of financial abuse justifies including recognition and referral information in the toolkit. Education should avoid implying that a survivor’s safety depends simply on budgeting better or becoming more confident; coercion requires a survivor-centred response and institutional support.

Several limitations matter. Dataset A was small, mostly married, older and exceptionally educated; only 10 respondents lived in India. Dataset B had one respondent and cannot represent young women or UK residents. Recruitment information was not recorded in the supplied Dataset A file, the questionnaires differed, responses were self-reported, and some items combined concepts or used ambiguous options such as ‘maybe’. The study is therefore exploratory and should inform further research and resource design, not national claims.

Recommendations for the future toolkit

The toolkit should be built around five evidence-led requirements:

1. Teach agency, not access alone. Modules should distinguish owning an account, operating it, retaining income and having authority over major decisions.
2. Integrate financial and legal literacy. Practical content should cover budgeting, saving, compound interest, investment, credit and digital safety alongside economic abuse, dowry-related protection, property rights and routes to reliable advice.
3. Use realistic, non-sensational scenarios. A salary-control scenario can help learners identify the boundary between consensual household sharing and coercion. It should explain that the facts determine which legal and support pathways apply.
4. Provide safe referral information. Education should point to current, confidential legal-aid, domestic-abuse, financial and housing services. Indian law must not be presented as applying automatically to women living in the United Kingdom; jurisdiction should be clearly labelled.
5. Design for different learners and test it. Offer accessible language, visual examples, in-person discussion and self-directed material. Pilot the resource with younger, lower-income, less-educated and unbanked women, and measure changes in knowledge, confidence, help seeking awareness and decision-making, not merely attendance.

Conclusion

This study shows why financial agency cannot be reduced to bank ownership. Most respondents could access and use formal services, yet access did not consistently translate into full independence or authority over major household decisions. The evidence also reveals a substantial demand for trustworthy financial and legal education. A future toolkit can respond by joining practical money skills with rights awareness, recognition of economic abuse and safe routes to support. Its central message should be simple: inclusion opens the door, but agency requires knowledge, control, choice and the practical ability to act.

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