

**FINANCIAL LITERACY OF EMPLOYEES IN ILAM
MUNICIPALITY**

A dissertation submitted to the Office of the Dean, Faculty of Management
in partial fulfilment
of the requirements for the Master's Degree

by

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Certification of Authorship

I certify that the work in this thesis has not previously been submitted for a degree nor has it been submitted as part of requirements for a degree except as fully acknowledged within the text.

I also certify that the thesis has been written by me. Any help that I have received in my research work and the preparation of the thesis itself has been acknowledged. In addition, I certify that all information sources and literature used are indicated in the reference section of the thesis.

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Manoj Chapagain

July, 2021

Report of Research Committee

Mr. Manoj Chapagain has defended research proposal entitled "**Financial Literacy of Employees in Ilam Municipality**" successfully. The research committee has registered the dissertation for further progress. It is recommended to carry out the work as per suggestions and guidance of supervisor Asst. Prof. Dr. Bal Ram Duwal and submit the thesis for evaluation and viva voce examination.

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Approval Sheet

We, the undersigned, have examined the thesis entitled "**Financial Literacy of Employees in Ilam Municipality**" presented by **Manoj Chapagain**, a candidate for the degree of **Master of Business Studies (MBS)** and conducted the viva voce examination of the candidate. We here by certify that the thesis is worthy of acceptance.

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Abbreviation

ANOVA	Analysis of Variance
DF	Degree of Freedom
IPO	Initial Public Offering
MS	Microsoft
NGO	Non-government Organization
NPR	Nepalese Rupees
NRB	Nepal Rastra Bank
SD	Standard Deviation
SE	Standard Error
SPSS	Statistical Package for Social Science Research

Abstract

The purpose of the study is to examine employee's financial literacy; the impact of demographic, educational and personality characteristics on financial literacy. This study surveys 230 employees in Ilam municipality. Mean, Standard deviation, ANOVA and logistic regression are used in carrying out analysis. Results show that most of the employees have basic level of financial knowledge but they lack in understanding of share market, tax and insurance. The study further identified age, service sector, education level, education stream, financial behaviour and financial attitude as determinants of financial knowledge. And financial knowledge is unaffected by gender, marital status and income. It is concluded that employees have basic level of financial knowledge. However, overall financial knowledge of the employees is affected by some of their demographic, educational and personality characteristics

Key words: *Financial Literacy, Financial Behaviour, Financial Attitude, Financial Knowledge.*