

FINANCIAL LITERACY AWARENESS AMONGST EMPLOYEES AND ITS IMPACT ON INVESTMENT DECISIONS – A study with special reference to Jagtial District.

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Abstract

The outburst of the worldwide COVID-19 pandemic has caused economic repercussions across the World. Efforts were started to control the spread of coronavirus which resulted in layoffs, resulting in the loss of jobs in a variety of industries, including restaurants, bars and entertainment venues, airlines, hotels, automakers and manufacturing. Suddenly, there are more jobless people across the world. There have been some attempts to alleviate the immediate problem, apex banks along with other government agencies, has called on the financial services industry to meet the financial needs of people affected by COVID-19. Another attempt is to improve their financial literacy. Financial literacy is defined as that knowledge and skills related to financial processes, financial markets, financial products which will facilitate effective money management. Financial literacy will boost the economic growth of the country. In the face of these developments, it is important to assess if the employees who are bread earners can be the future investors, movers and transformers of the economy, have the necessary knowledge of financial concepts. This study examines the impact of financial literacy on investing decisions among employees in Jagtial District, Telangana State. This study used convenient sampling method. A total of 76 employees from various parts of Jagtial district were taken in this study. The present study employed a few determinants to assesses financial literacy as employees' financial attitude, financial behaviour financial knowledge, financial markets, regulatory norms, financial processes, financial products and investment decision making. The findings revealed that the respondents are moderately aware of above said determinants of financial literacy.

Key words: financial literacy, sectors, financial products, financial awareness, money management,

Introduction

Financial literacy mainly focusses on knowledge of finance. The need for financial education has felt more in recent years due to the outburst of covid-19 pandemic. Many developments have taken place in financial markets as they are offering more new products continuously such as a variety of credit and savings instruments, retirement benefit schemes etc. The factors like increase in life expectancy, credit schemes, savings schemes etc. have increased the thoughts of consumers towards better and efficient saving management. Financial literacy helps in making effective judgements and in taking important decisions with regard to the management and usage of money. It facilitates a person to understand finance, financial products, financial processes, money management, knowledge, abilities, behaviour and attitude so as to make a good financial decision. A person understands a financial product as an instrument in making a financial investment (for example, a share); borrow money (for example, credit cards, loans or bonds); or. save money (for example, term deposits). A person understands financial processes as the methods and procedures which are completed by the Finance department. Financial attitude is thus developed. He develops a state of mind, opinion, and judgment about finances.

Concept of financial literacy:

Financial literacy is the knowledge gained to make decisions related to personal financial matters. This concept of financial literacy has gained much more importance due to economic and market growth. It is of utmost important to employees or consumers to know where to invest and how to increase and safeguard their savings for which they should learn financial management or in other words they should be financial literate. He knows much better to put his hard earn money to gain maximum returns. He knows the dimensions such as financial knowledge, financial behaviour and financial attitude. The concept of financial literacy is very complicated, and it is important to understand its fully. Financial choices will get effected due to illiteracy. Less awareness about financial products and

services and their risk return framework is one common factor of financial illiteracy that is widely observed.

Objectives of the study:

1. To assess the financial literacy among employees in Jagtial district.
2. To assess the understanding of people regarding management of personal finances, financial attitude, financial behaviour, financial processes, financial markets, regulatory bodies, short term and long term investment decisions.
3. To check the perception of peoples towards financial matters.
4. To draw conclusions and offer suggestions.

Review of Literature

Karan Gupta and Prof. Sunil Kumar Gupta in their paper titled Financial Literacy and its Impact on Investment Decisions-A study of Rural Areas of Himachal Pradesh stated that “there is significant impact of financial literacy on investment decision about financial products namely, saving account in post office, insurance policy, mutual funds and shares of rural people in Himachal Pradesh and they also stated that there is significant impact of demographic factors like age, education, income, occupation on financial literacy of respondent”.

Nawaz Ali¹ and Dr. Parvez Ahmad Shah in their paper titled Financial literacy among peoples in un-organized sectors: Evidence from the state of J&K stated that “people have an understanding of basic financial information to a satisfactory level and are always ready to receive information on financial matters through various means of communication”. They also suggested that “there should be periodic financial awareness programs held for people to enhance their financial awareness, to promote financial management, financial readiness and to make the optimum use of the resources that people possess. It is also suggested that in addition to the government the academic experts of finance should come forward to help the common people to meet their financial problems”.

Dr. Neelima P. Warke and Dr. Prashant S. Warke in their research paper titled A study on financial literacy and its impact on decisions making capacity of salaried women to Jalgaon district stated that “the decision-making capacity of women in financial matter is highly needed in today global environment specially in case of earning women and also found that the maximum women are even not possess clear vision about the savings and investment”.

Shanti.S A.V.N. Murty in her paper titled The Impact of Financial Literacy on women in Several Districts of Andhra Pradesh stated that “A women must be literate to be economically strong. Women's education is essential for improving their status in the society and also to make them empower”.

K Koti in his research paper titled financial literacy and its impact on the investment decisions of working women stated that “30 percent of working women were comfortable and found that the gray area was mutual fund investment and return of it. The significant investment avenues which were important and not concentrated were bank deposits and gold markets. They are careful during investments; they know very well about the risk involved in markets and the volatility. They keep financial goals, targets and achieve them successfully. The investment is spread across various portfolios to lower the risk by them”.

Research Methodology

Problem Recognition: Financial literacy is a must so as to avoid future losses. An investor will fail if he doesn't have proper financial management at individual level itself. It has been observed from various research that the financial literacy level is very poor in India as compare to other countries. The employees are very conservative when it comes to savings and investments. They keep some reserved fund in different terms like cash, FDR. Gold etc. The rise of Covid -19 pandemic affected more as the fear of treatment made them to save and invest very cautiously. The financial literacy amongst employees in Jagtial district is nothing but the only character presentation of status of financial literacy amongst them.

Selection of Sample and Sampling

The study was conducted in Jagtial district of Telangana state. As per the censuses of India the total population of Jagtial district is 985417. The working population are 82,551 who depends on multi skills out of which 46,703 are men and 35,848 are women. The total 11,214 Cultivators are depended on agriculture farming out of 6,821 are cultivated by men and 4,393 are women. 12,252 people works in agricultural land as a labour in Jagtial, men are 6,957 and 5,295 are women. Therefore, by considering the working population the decided sample size for research was 100 respondents but only 76 respondents have given responses to all questions in the questionnaire supplied th them through Google form. The convenience sampling method has been used for selection of sample.

Source: <https://www.indiagrowing.com/Telangana/Karimnagar/Jagtial>

Data collection tools and techniques

Primary data has been collected from employees of Jagtial district with the help of questionnaire however secondary data is made available through books, journals & relevant websites like Academia.edu etc. The data analyses have been done with the help of SPSS software. The likert scale is analysed by transforming and computing to a variable and the transforming to recoding to different variables to find three categories of respondents as poorly aware, moderately aware and highly aware. Mutiple responses are also analysed.

Limitation of Study

- 01) The Data Collected is collected from employees of few selected sectors as a part of study.
- 02) The reliability of the data depends on authentically of information provided by the respondents.
- 03) The sample size became small as most of the respondents did not answer all the questions of the questionnaire.
- 04) The responses may be subjective.

Data Analysis and Interpretation

Demographic Analysis

		Education			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Graduation	26	34.2	34.2	34.2
	Post-Graduation	35	46.1	46.1	80.3
	Doctorate	9	11.8	11.8	92.1
	Vocational	6	7.9	7.9	100.0
	Total	76	100.0	100.0	

Source: Questionnaire

It is observed from the above data that most of the employees in Jagtial are post graduates i.e. 46.1 percent followed by graduates i.e. 26 percent, doctorates i.e. 9 percent and lastly 6 percent of them possessing vocational certificates.

		Working			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	IT Sector	12	15.8	15.8	15.8
	Education Sector	24	31.6	31.6	47.4
	Health Care	14	18.4	18.4	65.8
	Banking sector	22	28.9	28.9	94.7
	other	4	5.3	5.3	100.0
	Total	76	100.0	100.0	

Source: Questionnaire

It can be concluded from the above table that most of the employees in Jagtial district are working in Education sector like schools and colleges i.e. 31.6 per cent followed by banking sector i.e. 28.9 percent, health care i.e. 18.4 percent, IT sector i.e. 15.8 percent and lastly other sector i.e. 5.3 percent.

Marital Status

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Single	15	19.7	19.7	19.7
	Married	38	50.0	50.0	69.7
	Divorcee	12	15.8	15.8	85.5
	Prefer Not to Say	11	14.5	14.5	100.0
	Total	76	100.0	100.0	

Source: Questionnaire

It is inferred from the above table that most of the employees in Jagtial district are married i.e. 50 percent followed by single i.e. 19.7 percent, divorcees i.e. 15.8 percent and some preferred not to reveal their marital status i.e. 14.5 percent.

Stream

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Science	22	28.9	28.9	28.9
	Commerce & Management	30	39.5	39.5	68.4
	Law & Arts	8	10.5	10.5	78.9
	Engineering	16	21.1	21.1	100.0
	Total	76	100.0	100.0	

Source: Questionnaire

It is observed from the above table that most of the employees in Jagtial district belong to commerce and management stream i.e. 39.5 percent followed by science i.e.28.9 percent, engineering i.e. 21.1 percent and law and arts i.e. 10.5 percent.

Experience

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Below 5 years	16	21.1	21.1	21.1
	5-10 years	38	50.0	50.0	71.1
	11-15 years	13	17.1	17.1	88.2
	Above 15 years	9	11.8	11.8	100.0
	Total	76	100.0	100.0	

Source: Questionnaire

It is observed from the above table that most of the employees in Jagtial district have an experience of 5-10 years i.e.50 percent followed by below 5 years i.e.21.1 percent, 11-15 years i.e. 17.1 percent and above 15 years i.e. 11.8 percent.

Annual Income

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Rs.1,50,000 to 5 lakh	18	23.7	23.7	23.7
	Rs. 5,00,001 to 10 lakh	37	48.7	48.7	72.4
	Rs. 10,00,001 to 25lakh	10	13.2	13.2	85.5
	Above Rs 25 lakh	11	14.5	14.5	100.0
	Total	76	100.0	100.0	

Source: Questionnaire

It is observed from the above table that most of the employees in Jagtial district earn Rs. 5,00,001 to 10 lakh i.e.48.7 percent followed by Rs.1,50,000 to 5 lakh i.e.23.7 percent, Above Rs 25 lakh i.e. 14.5 percent and Rs. 10,00,001 to 25lakh i.e. 13.2 percent.

Work position

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Entry level	28	36.8	36.8	36.8
	Middle	26	34.2	34.2	71.1
	Higher	22	28.9	28.9	100.0
	Total	76	100.0	100.0	

Source: Questionnaire

It is inferred from the above table that most of the employees in Jagtial district work at entry level i.e.36.8 percent followed by middle level i.e.34.2 percent and higher level i.e. 28.9 percent.

Native place

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Rural	28	36.8	36.8	36.8
	Semi-Urban	25	32.9	32.9	69.7
	Urban	23	30.3	30.3	100.0
	Total	76	100.0	100.0	

Source: Questionnaire

It is inferred from the above table that most of the employees in Jagtial district are natives of rural areas i.e.36.8 percent followed by semi-urban areas i.e.32.9 percent and urban areas i.e. 30.3 percent.

Financial Skills

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Self	28	36.8	36.8	36.8
	Parents / Spouse	26	34.2	34.2	71.1
	Family Lineage	22	28.9	28.9	100.0
	Total	76	100.0	100.0	

Source: Questionnaire

It is inferred from the above table that most of the employees in Jagtial district financial skills are developed by parents/spouse i.e.34.2 percent followed by self i.e.36.8 percent and through family lineage i.e. 28.9 percent.

Savings

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 10%	18	23.7	23.7	23.7
	11 % to 20%	30	39.5	39.5	63.2
	21 % to 25 %	17	22.4	22.4	85.5
	Above 25%	11	14.5	14.5	100.0
	Total	76	100.0	100.0	

Source: Questionnaire

It is inferred from the above table that most of the employees in Jagtial district present monthly savings from their personal salary are 11% to 20% i.e.39.5 percent followed by less than 10% i.e.23.7 percent, 21% to 25% i.e. 22.4 percent and above 25% i.e. 14.5 percent.

Risk Taker

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	High Risk taker	15	19.7	19.7	19.7
	Opportunistic Risk taker	33	43.4	43.4	63.2
	Moderate Risk taker	17	22.4	22.4	85.5
	Low Risk taker	11	14.5	14.5	100.0

Total	76	100.0	100.0	
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Source: Questionnaire

It is inferred from the above table that most of the employees in Jagtial district feel that they consider themselves as opportunistic type of risk taker i.e. 43.4 percent followed by moderate risk takers i.e.22.4 percent, high risk takers i.e. 19.7 percent and low risk takers i.e. 14.5 percent.

Investor

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Short Term Investor	27	35.5	35.5	35.5
	Long term Investor	32	42.1	42.1	77.6
	Both	17	22.4	22.4	100.0
	Total	76	100.0	100.0	

Source: Questionnaire

It is observed from the above table that most of the employees in Jagtial district feel that they consider themselves as long term investors i.e. 42.1 percent followed short term investors i.e.35.5 percent and both long term and short term investors i.e. 22.4 percent.

Financial Attitude

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Poor financial attitude	2	2.6	2.6	2.6
	Moderate financial attitude	48	63.2	63.2	65.8
	High financial attitude	26	34.2	34.2	100.0
	Total	76	100.0	100.0	

Source: Questionnaire

It is observed from the above table that most of the employees in Jagtial district feel that they consider themselves as having moderate financial attitude i.e. 63.2 percent followed by high financial attitude i.e. 34.2 percent and poor financial attitude i.e. 2.6 percent. Financial attitude is assessed to know their state of mind, opinion, and judgment about finances. They have moderate financial attitude as they felt that Budgeting and monitoring of expenses is moderately important, Paying loans on time is moderately important, Financial planning and saving for future is moderately important, Understanding various borrowing and investment alternatives is moderately important, Having financial knowledge(Markets, products, processes) is moderately important.

Financial Behaviour

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Poor financial behaviour	3	3.9	3.9	3.9
	Moderate financial behaviour	56	73.7	73.7	77.6
	High financial behaviour	17	22.4	22.4	100.0
	Total	76	100.0	100.0	

Source: Questionnaire

It is observed from the above table that most of the employees in Jagtial district feel that they consider themselves as having moderate financial behaviour i.e. 73.7 percent followed by high financial behaviour i.e. 22.4 percent and poor financial behaviour i.e. 3.9 percent. They moderately chalk out a budget and monitor expenses, moderately pay their loan installments and credit card bills on time if any, moderately try to understand the various borrowing and investment alternatives, moderately undertake financial planning for long term goals, moderately try to gain knowledge of various financial products, markets and processes and moderately undertake tax planning.

Awareness of Financial Concepts

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Poorly aware of financial concepts	3	3.9	3.9	3.9

Moderately aware of financial concepts	59	77.6	77.6	81.6
Highly aware of financial concepts	14	18.4	18.4	100.0
Total	76	100.0	100.0	

Source: Questionnaire

It is observed from the above table that most of the employees in Jagtial district feel that they consider themselves as having moderate awareness of financial concepts i.e. 77.6 percent followed by high awareness of financial concepts i.e. 18.4 percent and poor awareness of financial concepts i.e. 3.9 percent. They are moderately aware of financial concepts. They moderately aware of Basic Financial Concepts: (Time Value of Money, Disposable Income, Compound Interest), moderately aware of Basic Investment Concepts: (Impact of Inflation, Effect of Diversification, Relationship between interest rates and asset prices, Rule of 72) moderately aware of Borrowing (Understanding of terms of bank loans and other borrowing alternatives), moderately aware of Market Fundamentals: (NAV, Intrinsic Value, Yield to Maturity, Insider Trading), moderately aware of Banking Fundamentals: (CRR, SLR, Repo Rate), moderately aware of Fundamental Tax Awareness: (80C Standard Deduction, HRA Tax Exemption Range) and moderately aware of Digital Financial Literacy: (Mobile wallets, UPI).

Awareness of Financial Products

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Poorly aware of financial products	2	2.6	2.6	2.6
Moderately aware of financial products	60	78.9	78.9	81.6
Highly aware of financial products	14	18.4	18.4	100.0
Total	76	100.0	100.0	

Source: Questionnaire

It is observed from the above table that most of the employees in Jagtial district feel that they consider themselves as having moderate awareness of financial products i.e. 78.9 percent followed by high awareness of financial products i.e. 18.4 percent and poor awareness of financial products i.e. 3.9 percent. They are moderately aware of financial products. They are moderately aware of Less Risky Financial Products: (Bank Fixed Deposit, National Savings Certificate, Post Office Savings Schemes, Public Provident Fund, Senior Citizens Savings Scheme, Bonds), moderately aware of Professionally Managed Financial Products:(Mutual Funds, Systematic Investment Plan, Unit Linked Insurance Plan), moderately aware of Risky financial products:(Stocks and shares, Futures & Options), moderately aware of New Asset Classes: (Crypto Currency, ESG Funds, Green Bonds), moderately aware of Metal related products: (Sovereign Gold Bonds, Precious Metals, moderately aware of Chits and moderately aware of National Pension System.

Awareness of Financial Markets

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Poorly aware of financial markets	7	9.2	9.2	9.2
Moderately aware of financial markets	54	71.1	71.1	80.3
Highly aware of financial markets	15	19.7	19.7	100.0
Total	76	100.0	100.0	

Source: Questionnaire

It is observed from the above table that most of the employees in Jagtial district feel that they consider themselves as having moderate awareness of financial markets i.e. 71.1 percent followed by high awareness of financial markets i.e. 19.7 percent and poor awareness of financial markets i.e. 9.2 percent. They are moderately aware of financial markets. They are moderately aware of Stock Market, Money Market : (FD, Bank savings, etc.), Debt Markets, Bullion Market, Derivatives Market, Initial Public Offer (IPO) and Chit Fund Market.

Aware of Regulatory Bodies

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Poorly aware of regulatory bodies	17	22.4	22.4	22.4
	Moderately aware of regulatory bodies	44	57.9	57.9	80.3
	Highly aware of regulatory bodies	15	19.7	19.7	100.0
	Total	76	100.0	100.0	

Source: Questionnaire

It is observed from the above table that most of the employees in Jagtial district feel that they consider themselves as having moderate awareness of Regulatory bodies i.e. 57.9 percent followed by high awareness of Regulatory bodies i.e. 22.4 percent and poor awareness of Regulatory bodies i.e. 19.7 percent. They are moderately aware of Regulatory bodies like Regulators:(SEBI, IRDAI, RBI, AMFI, PFRDA), Acts: (RERA, Foreign Exchange Management Act(FEMA), Chit Fund Act, Banking Regulations), Customer rights and Grievances:(Banking ombudsman, insurance Ombudsman, Customer Rights) and KYC.

Awareness of Financial Processes

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Poorly aware of financial processes	14	18.4	18.4	18.4
	Moderately aware of financial processes	52	68.4	68.4	86.8
	Highly aware of financial processes	10	13.2	13.2	100.0
	Total	76	100.0	100.0	

Source: Questionnaire

It is observed from the above table that most of the employees in Jagtial district feel that they consider themselves as having moderate aware of financial processes i.e. 68.4 percent followed by high aware of financial processes i.e. 18.4 percent and poor aware financial processes i.e. 13.2 percent. They are moderately aware of financial processes. They are moderately aware of Loan processing, Buying and selling of shares, ULIP & Mutual Fund Process, Processes of Debt market, Norms of Derivatives market and Processes in chit Fund Market.

Short term

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Return	18	23.7	23.7	23.7
	Less Risk	23	30.3	30.3	53.9
	Convenience	15	19.7	19.7	73.7
	Marketability	11	14.5	14.5	88.2
	Liquidity	9	11.8	11.8	100.0
	Total	76	100.0	100.0	

Source: Questionnaire

It is observed from the above table that most of the employees in Jagtial district look for less risk in short term investments i.e. 30.3 percent followed by return i.e. 23.7 percent, convenience i.e. 19.7 percent, marketability i.e. 14.5 percent and liquidity i.e. 11.8 percent.

Investment Avenues to invest

Investment Avenues to invest ^a	Responses		Percent of Cases
	N	Percent	
Bank Fixed Deposit	18	23.7%	23.7%
Mutual Fund/ESG Funds	21	27.6%	27.6%
Stocks and Shares	12	15.8%	15.8%
Chits	3	3.9%	3.9%
Precious Metals	5	6.6%	6.6%
Real Estate	8	10.5%	10.5%
Derivatives	5	6.6%	6.6%
Crypto Currency	4	5.3%	5.3%
Total	76	100.0%	100.0%

a. Dichotomy group tabulated at value 1.

Source: Questionnaire

It is observed from the above table that most of the employees in Jagtial district would like to invest for short term (below 1 year) in investment avenues like Mutual Fund/ESG Funds, Bank Fixed Deposit, Stocks and Shares, Real Estate, Precious metals & Derivatives, cryptocurrency and chits respectively.

Short Term Investment factors

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Poorly influenced decision for short term investments.	2	2.6	2.6	2.6
Moderately influenced decision for short term investments.	57	75.0	75.0	77.6
Highly influenced decision for short term investments.	17	22.4	22.4	100.0
Total	76	100.0	100.0	

Source: Questionnaire

It is observed from the above table that most of the employees in Jagtial district feel that they consider themselves are moderately influenced decision for short term investments i.e. 75 percent followed by highly influenced decision for short term investments i.e. 22.4 percent and poorly influenced decision for short term investments i.e. 2.6 percent. They are moderately influenced for short term investments decision making for the factors like Information from Company: (Company’s website, Study of Annual reports), Technical Analysis/Market Trends, Media: Company’s Tele Marketers, Publication in the newspapers & Electronic media, Influencers via Social Media), Professional Agents:(Conversation with Distributors/agents of financial product, Financial advisors/Broker and analyst’s recommendation) and Family & Friends: (Family Members, Friends and Relatives, Conversation/Exchanges of views with professional colleagues).

LONGTERM

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Return	13	17.1	17.1	17.1
Less Risk	16	21.1	21.1	38.2
Convenience	12	15.8	15.8	53.9
Marketability	14	18.4	18.4	72.4
Liquidity	13	17.1	17.1	89.5

Tax Shelter	8	10.5	10.5	100.0
Total	76	100.0	100.0	

Source: Questionnaire

It is observed from the above table that most of the employees in Jagtial district would like to invest for long term (above 1 year) for factors like less risk i.e. 21.1 percent, marketability i.e 18.4 percent, return & liquidity i.e. 17.1 percent, convenience i.e. 15.8 percent and tax shelter i.e 10.5 percent respectively.

Long term investment avenues

	Responses		Percent of Cases
	N	Percent	
long term investment avenues ^a	Less risky Investments	20	26.3%
	Precious Metals	23	30.3%
	Chits	33	43.4%
Total		76	100.0%

a. Dichotomy group tabulated at value 1.

Source: Questionnaire

It is observed from the above table that most of the employees in Jagtial district would like to invest for long term (above 1 year) in investment avenues like chits i.e. 43.4 percent, followed by Precious metals i.e. 30.3 percent and less risky investments i.e. 26.3 percent respectively.

Long Term Factors

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Poorly influenced decision for long term investments.	17	22.4	22.4	22.4
Moderately influenced decision for long term investments.	30	39.5	39.5	61.8
Highly influenced decision for long term investments.	29	38.2	38.2	100.0
Total	76	100.0	100.0	

Source: Questionnaire

It is observed from the above table that most of the employees in Jagtial district feel that they consider themselves are moderately influenced decision for long term investments i.e. 39.5 percent followed by highly influenced decision for long term investments i.e. 38.2 percent and poorly influenced decision for long term investments i.e. 22.4 percent. They are moderately influenced for long term investments decision making for the factors like Information from Company: (Company’s website, Study of Annual reports), Technical Analysis/Market Trends, Media: Company’s Tele Marketers, Publication in the newspapers & Electronic media, Influencers via Social Media), Professional Agents:(Conversation with Distributors/agents of financial product, Financial advisors/Broker and analyst’s recommendation) and Family & Friends: (Family Members, Friends and Relatives, Conversation/Exchanges of views with professional colleagues).

Findings

1. Out of all the respondents, post graduate employees are more, working more in education sector, 39.5 percent of them are of commerce and management background.
2. Most of them have the experience of 5 to 10 years and drawing the salary of 5K to 10 K annually.
3. Most of them are at entry level and belong to rural areas.
4. Most of them developed their financial skills by themselves.
5. 11% to 20% is their savings.
6. They are opportunistic risk takers. They are adventurous, bold and have a casual attitude towards risk. They love getting the chance to prove themselves.
7. Most of them are long term investors.

8. They are moderately aware of financial attitude, behaviour and knowledge.
9. They are moderately aware of financial products, financial markets, financial processes and regulatory norms.
10. They look for less risk in short term & long term investments.
11. Most of the employees in Jagtial district would like to invest for short term (below 1 year) in investment avenues like Mutual Fund/ESG Funds, Bank Fixed Deposit, Stocks and Shares, Real Estate, Precious metals & Derivatives, cryptocurrency and chits respectively.
12. They are moderately influenced for short term investments decision and long term investment decisions.
13. Most of the employees in Jagtial district would like to invest for long term (above 1 year) in investment avenues like chits i.e. 43.4 percent, followed by Precious metals i.e. 30.3 percent and less risky investments i.e. 26.3 percent respectively.

Conclusion and suggestions:

Finance is considered as the lifeline of every individual, but managing these financial resources is becoming more difficult these days. If people are unaware of their financial resources, they suffer a lot. The government as and when required put their efforts to resolve the problem by providing the various financial products and subsidies. It may not be sufficient. They need to educate about basic financial products and their benefits to all sections of the people especially socially and economically backward people. This may help them to increase their savings. Thus, the need of the hour for the policymakers is to keep a close vigil on the financial literacy of people in all sectors.

The respondent's response in this study showed that people treat themselves knowledgeable enough to make financial decisions. The entry level in occupation and annual income of 5K to 10 K enable the people to manage their money very judiciously. People irrespective of their area, marital status, age, education, occupation etc. are all hesitant before making any financial decisions. They feel that they are needed to get financial education which will help them in their decision making in term of their financial planning and investments.

Based on the findings some suggestions are provided which will be beneficial to increase and boost the financial literacy among people are - First there should be regular financial awareness programs in all areas - rural areas, semi urban and urban areas according to the needs of employees in those areas. Second, the state government and the academic authorities should include in school curriculum the basics of financial management so as to cultivate Thrift habits from the school level. Third, it is suggested that financial institution should come up with financial products as per the needs of common people. Fourth, awareness materials should be frequently be published in the local newspapers and related materials be supplied to people. Fifth, Financial literacy programs be telecasted in local languages.

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