

A Study on Financial Literacy among Farmers in Mosra Village, Nizamabad District Telangana

Mr.K.Sreenivasa Charyulu¹, Dr.P.Selvamani²

Research scholar (Part time-External) of Annamalai University

Assistant Professor, Sreenidhi Institute of science & Technology, Ghatkesar, Hyderabad.

(Deputed Staff from Annamalai University)

Department of Business Administration, Government Arts College (Autonomous), Salem.

Abstract- This research paper presents a comprehensive analysis of the financial literacy levels among farmers in Mosra Village, situated in the Nizamabad District of Telangana, India. The study aims to assess the current state of financial literacy within the farming community and to identify key factors that influence farmers' financial knowledge and decision-making. To achieve these objectives, a mixed-methods approach was employed, including surveys and interviews with a representative sample of farmers in Mosra Village. The study investigates various aspects of financial literacy, such as understanding basic financial concepts, knowledge of financial products and services, and the ability to make informed financial decisions related to agricultural practices and investments. The findings of this study reveal both the strengths and weaknesses in the financial literacy of farmers in Mosra Village. It highlights the importance of tailored financial education and outreach programs to bridge the existing knowledge gaps and empower farmers with the necessary financial skills and knowledge to improve their economic well-being. Additionally, the study sheds light on the role of socioeconomic factors, educational background, and access to financial resources in shaping farmers' financial literacy levels.

Keywords: Financial Literacy, Saving methods, Investment avenues & socio economic factors

1. Introduction To Financial Literacy

Financial literacy refers to the comprehension of fiscal concepts and skills such as budgeting, investing, borrowing, taxation, and financial transactions. The lack of these skills is commonly known as financial illiteracy. According to the Financial Industry Regulatory Authority (FINRA), approximately 66% of the American population is considered financially illiterate. Being financially literate enables individuals to better navigate financial challenges, thereby reducing the likelihood of financial hardship. In today's society, acquiring financial knowledge is crucial as it impacts various aspects of daily life, including student loans, mortgages, creditcards, investments, and health insurance. Key components of financial literacy encompass a range of financial concepts and skills that empower individuals to understand and effectively manage wealth and debt. It is important for individuals to familiarize themselves with the fundamental aspects of financial literacy.

Approximately 78% of Americans are estimated to live paycheck to paycheck, indicating a high level of financial vulnerability. Additionally, more than 189 million Americans own credit cards, with an average of four cards per person. The collective credit card debt in the United States has reached a staggering \$1.04 trillion, while student loan debt stands at \$1.5 trillion for over 44 million borrowers. In total, Americans are burdened with a debt of around \$12.58 trillion. These statistics serve as a clear illustration of the critical need for financial knowledge in today's economic climate. Understanding fiscal concepts and developing financial literacy is

essential for individuals to navigate and overcome the challenges posed by mounting debt and financial instability. By acquiring the necessary financial knowledge, individuals can make informed decisions, manage their debt effectively, and work towards achieving greater financial well-being.

Historical Roots of Financial Literacy:

Financial literacy has evolved over centuries, shaped by historical, social, and economic factors. This section explores the historical roots of financial literacy, beginning with ancient civilizations' basic understanding of trade and commerce. It discusses key milestones such as the establishment of the first banking systems, the rise of consumerism, and the impact of financial crises on public awareness. Additionally, the role of early financial education initiatives and the emergence of modern financial literacy programs are examined.

The Importance of Financial Literacy:

Financial literacy has become increasingly important due to the complexity of today's financial landscape. This section highlights the significance of financial literacy in personal and societal contexts. It discusses how financial literacy contributes to individual empowerment, improved decision-making, and the reduction of financial vulnerabilities. Furthermore, it explores the broader socio-economic benefits of a financially literate population, including enhanced economic stability and reduced wealth inequality.

Factors Influencing Financial Literacy:

Several factors contribute to the development of financial literacy among individuals. This section delves into these factors, examining the role of education, family background, cultural influences, and access to financial resources. It also explores the impact of digital technology and the challenges and opportunities it presents in fostering financial literacy.

Challenges and Gaps in Financial Literacy:

Despite the increasing recognition of financial literacy, significant challenges and gaps persist. This section identifies and discusses some of the key challenges, including disparities in financial education, limited access to resources, behavioral biases, and the influence of predatory financial practices. It also addresses the importance of addressing these challenges to ensure inclusive and comprehensive financial literacy programs.

Promoting Financial Literacy:

This section explores strategies and best practices for promoting financial literacy at individual, institutional, and policy levels. It discusses the role of educational institutions, government initiatives, and private sector engagement in enhancing financial literacy. The importance of integrating financial education into school curricula, fostering public-private partnerships, and leveraging technological advancements is also emphasized.

History Of Financial Literacy

Financial literacy and financial education have climbed to the top of the agendas of schools, community groups, corporations, government agencies, organizations, and policymakers in recent years. A variety of studies on the topic of financial literacy have also been conducted in the history, either from a policy or a realistic viewpoint. In their report to the Woodstock Institute, Jacob, Hudson, and Bush said that financial knowledge has evolved from a convenience to an important survival tool (Jacob, 2006).

1. Being knowledgeable, educated, and informed on the issues of managing plutocrat and means, banking, investments, credit, insurance, and levies
2. Understanding the introductory generalities underpinning plutocrat and asset operation like the time value of plutocrat in investments and threat pooling in insurance and
3. Using that knowledge and understanding to plan, apply, and estimate fiscal opinions (Hogarth J., 2006).



Financial Literacy in Today's World

Financial literacy has gained significant attention in today's world as individuals face increasingly complex financial decisions. This paper examines the growth of financial literacy in contemporary society, focusing on the emerging trends, challenges, and opportunities. It explores the role of technology, the importance of education and awareness campaigns, the impact of cultural and socioeconomic factors, and the need for inclusive and accessible financial education programs. By understanding the dynamics of financial literacy in today's world, policymakers, educators, and stakeholders can develop effective strategies to promote financial well-being and empower individuals.

Technological Advancements and Financial Literacy:

Technology has transformed the way people access and manages their finances, influencing the growth of financial literacy. This section explores the impact of technology on financial literacy, including the rise of digital banking, mobile apps, and online resources. It also discusses the potential benefits and challenges associated with the integration of technology in financial education initiatives.

Education and Awareness Campaigns:

Education plays a crucial role in promoting financial literacy. This section examines the importance of formal and informal financial education programs, both in schools and adult learning settings. It also explores the role of awareness campaigns and public initiatives in raising financial literacy levels and creating a culture of financial responsibility.

Cultural and Socioeconomic Factors:

Cultural and socioeconomic factors significantly influence the growth of financial literacy. This section explores the impact of cultural beliefs, attitudes towards money, and social norms on financial behaviors. It also examines the role of socioeconomic factors such as income inequality, financial inclusion, and access to resources in shaping financial literacy levels within societies.

Emerging Trends and Innovative Approaches:

This section discusses the emerging trends in financial literacy and innovative approaches to promote financial well-being. It explores the gratification of financial education, the use of behavioral economics principles, and the integration of financial literacy into various sectors such as healthcare and workplace settings. Additionally, it examines the role of social media and online communities in fostering financial discussions and sharing knowledge.

Challenges to Financial Literacy:

Despite the growth and increasing awareness of financial literacy, several challenges persist. This section addresses some of the key challenges, including the lack of standardized measurement tools, the proliferation of misleading information, the influence of predatory financial practices, and the need for tailored financial education for vulnerable populations. It also explores the importance of addressing these challenges to ensure the effectiveness of financial literacy initiatives.

Opportunities for Growth and Collaboration:

This section highlights the opportunities for growth and collaboration in the field of financial literacy. It emphasizes the importance of partnerships between government, educational institutions, financial institutions, nonprofits, and community organizations. It also explores the potential of fin-tech innovations, public-private collaborations, and international cooperation in advancing financial literacy globally.

Promoting Inclusive and Accessible Financial Education:

Inclusivity and accessibility are essential considerations in promoting financial literacy. This section discusses the importance of reaching diverse populations, including low-income individuals, immigrants, and underserved communities. It explores strategies for designing inclusive financial education programs, leveraging community resources, and addressing language and cultural barriers.

Challenges of financial literacy in Today's World

In today's world, financial literacy continues to be a significant challenge for many individuals. Here are some key challenges associated with financial literacy:

- 1. Complex Financial Products:** The financial industry has become increasingly complex, with a wide array of investment options, banking products, and insurance policies available. Understanding these products and their associated risks can be overwhelming for individuals without a strong financial background.
- 2. Lack of Education:** Many education systems do not prioritize teaching financial literacy skills, leaving individuals ill-equipped to make informed financial decisions. As a result, individuals may struggle with budgeting, saving, investing, and managing debt.
- 3. Digital Transformation:** The rapid advancement of technology and the digitization of financial services have presented both opportunities and challenges. While digital platforms provide convenient access to financial services, they also require individuals to navigate online banking, mobile payment apps, and digital investment platforms, which may be unfamiliar and intimidating to some.
- 4. Debt Burden:** High levels of consumer debt, including credit card debt, student loans, and mortgages, can create financial stress and hinder individuals' ability to build wealth. Understanding the implications of borrowing, interest rates, and debt management strategies is crucial but often lacking.
- 5. Behavioral Biases:** Human psychology can often lead to irrational financial decision-making. Behavioral biases such as overconfidence, loss aversion, and the herd mentality can impact investment choices, spending habits, and long-term financial planning.
- 6. Economic Inequality:** Financial literacy challenges are exacerbated by economic inequality. Lower-income individuals and marginalized communities often face additional barriers, including limited access to resources, lack of affordable financial services, and predatory financial practices.
- 7. Financial Scams and Fraud:** The rise of technology has also given rise to an increase in financial scams and fraud. Lack of financial literacy can make individuals more susceptible to these scams, putting their financial well-being at risk.

Addressing these challenges requires a multi-faceted approach. Governments, educational institutions, financial institutions, and community organizations can play a role in promoting financial literacy through targeted

education, accessible resources, simplified financial products, and consumer protection measures. Empowering individuals with the knowledge and skills to make sound financial decisions is crucial for their financial well-being and overall economic stability.

2. Review Of Literature:

❖ **A Study of Financial Literacy and its Determinants: Evidence from India by Kapil Choudhary, Samriti Kamboj (2017)¹.** In this study, the financial literacy of individuals in Haryana was assessed using an OECD-developed questionnaire. Data from 500 respondents were collected, utilizing a structured questionnaire from the OECD International Network on Financial Education (INFE) to measure financial literacy levels. The findings revealed that only one-third of the sample demonstrated higher financial literacy, while a majority possessed basic financial knowledge and exhibited positive financial behaviour. Notably, 57 percent of participants lacked a positive financial attitude. Additionally, the study aimed to analyze the relationship between financial literacy and socio-demographic variables. The questionnaire covered three crucial dimensions: financial knowledge, financial behaviour, and financial attitude. These results offer valuable evidence for policymakers to identify gaps and develop suitable financial education programs. By addressing the needs highlighted in the study, policymakers can work towards improving the overall financial literacy of Haryana's population.

❖ **Determinants of financial literacy Empirical evidence from micro and small enterprise is in India by Anshika, Anju Singla, Girijasankar Mallik (2021)².** This paper aims to explore the factors influencing general financial literacy, specific financial literacy, and overall financial literacy among Micro and Small Enterprises (MSEs) entrepreneurs. The study gathered data from 309 respondents in three districts of Punjab, India, using an ordered logit model. The focus was solely on MSE due to their dominance in the state's industries. The findings indicate that micro and small-service enterprises exhibit a significantly higher level of financial literacy compared to their manufacturing counterparts. Notably, the gross profit ratio emerged as the most influential determinant affecting all forms of financial literacy. However, it is important to note that the study's data was collected only from Punjab, limiting generalization to other regions in India. Understanding the determinants of general and specific financial literacy can assist government agencies, educators/trainers, and other stakeholders at the state and national levels in developing and implementing effective policies, programs, and projects to enhance entrepreneurs' financial literacy.

❖ **A Study on Financial Literacy of Women in Hyderabad City (Telangana) by Mr. Mohammad Sirajuddin, Mr. P. Satish Kumar (2017)³.**

This study aims to assess the level of financial literacy among working women employees in Hyderabad and identify the barriers they face in acquiring financial knowledge. Additionally, the study provides suggestions to help women enhance their financial literacy. The research utilized sampling techniques and focused specifically on working women in Hyderabad. A sample of 68 participants was chosen, and primary data was collected through a structured questionnaire. The major findings of the study indicate that nearly half (47%) of the respondents belonged to the middle age group, with 75% of them being married. All respondents were aware of life insurance and had savings bank accounts. The study measured overall awareness by calculating the mean percentage within different age groups. The results showed an increase in financial awareness with age, ranging from 58.40% for those up to 30 years old to 71.60% for those aged 50 and above. The study highlights the importance of systematic and regular financial planning, given the busy schedules of individuals who strive to earn more from their investments. Therefore, raising awareness about financial products becomes crucial.

❖ **Factors that Influence the Financial Literacy among Engineering Students by P. Subhashree, Binoy Thomas (2020)⁴.**

This paper aims to identify and assess the determinant factors of financial literacy among engineering students. The study collected data from 253 students using Convenience sampling methodology. A Descriptive research design was employed. A pilot study was conducted with 25 students, and minor modifications to the questionnaire were made based on their feedback. The findings highlight the need for long-term efforts to improve financial literacy among engineering students, as most of them lack adequate financial knowledge. The

data analysis reveals that financial attitude, parental knowledge, and peer group influence positively impact the financial literacy levels of undergraduate engineering students. This study contributes to the existing literature on financial literacy and entrepreneurship by examining the various factors that influence financial literacy among engineering college students. The findings underscore the importance of understanding these determinant factors to enhance financial literacy among this specific group.

❖ **Financial literacy and financial decision-making at older ages by Joelle H Fong, Benedict S. K. Koh, Olivi S Mitchell, Susann Rohwedder (2021)⁵.**

This paper addresses the gap in research by examining financial literacy among older individuals in the Singapore Life Panel. The study utilizes data from the 2015-2017 SingaporeLife Panel (SLP®), a longitudinal survey conducted by the Centre for Research on the Economics of Aging at the Singapore Management University. The sample consists of Singaporean citizens and permanent residents aged 50-70 and their spouses. The findings align with existing literature on adults in Western countries, demonstrating a positive relationship between financial literacy and timely credit card debt repayment, stock market participation, and age-based investment risk diversification. These findings have implications for policy considerations, suggesting the need for targeted interventions given the concentration of costly credit card debt and widespread lack of investment diversification among older individuals. Sensitivity analyses were conducted to ensure the robustness of the main results by exploring alternative measures of wealth and asset bounds. This paper contributes to understanding the financial behaviors of older individuals and highlights the role of financial literacy in adopting recommended practices to safeguard against financial distress.

❖ **The Impact of financial literacy and financial interest on risk tolerance by Cecilia Hermansson, Sara Jonsson (2021)⁶**

The objective of this paper is to examine financial literacy and compare the effects of financial interest on risk tolerance, considering the entire distribution and not just the means. The study utilizes a unique sample of 12,156 Swedish bank customers, combining bank- register data with survey data. The survey was sent to individual customers included in the register sample. The findings indicate that both financial literacy and financial interest are linked to higher risk tolerance. Moreover, the impact of financial interest is significantly greater than that of financial literacy. Notably, differences across the distribution are observed. While this study uses cross-sectional data, further exploration of the iterative processes of financial knowledge and financial literacy is needed. Additionally, since the items measuring financial interest were self-reported, it is important to consider this limitation. Quantile regressions reveal that financial interest has the strongest association with risk tolerance in the medium-to-high range, whereas financial literacy has the strongest association in the lower range of risk tolerance.

❖ **The Relationship between market orientation, learning orientation, financial literacy on, the knowledge competence, innovation, and performance of small and medium textile industries in Java and Bali by Wahyono, Dr. Benny Hutahayan (2021)⁷**

This study aims to offer practical and theoretical insights into how small and medium enterprises (SMEs) in the textile products manufacturing sector adjust and enhance their business competencies, innovations, and performance. The research focuses on the utilization of market orientation, learning orientation behaviors, and financial literacy. The data for this study was collected from manufacturing SMEs in the textile products industry. The findings demonstrate that strengthening market orientation leads to improved business performance through enhanced knowledge competence and innovation. This research contributes to the understanding of SME manufacturers' strategic behavior and advances marketing management science, particularly in the realm of marketing strategy, by emphasizing the role of market orientation in driving business performance. Based on the results, it is recommended that the Government of Bali prioritizes the enhancement of knowledge competition, as it plays a crucial role in fostering innovation and improving business performance. By promoting healthy knowledge competition, companies, especially SMEs, can achieve better business outcomes.

❖ **Retirement planning and financial literacy, at the cross roads A bibliometric analysis by Rocio**

Gallego-Losada, Antonio Montero-Navarro, Jos'e-Luis, Rodríguez-S'anchez, Thais Gonz'alez- Torres (2022)⁸

This paper employs bibliometric analysis to examine the research on financial literacy in different stages of retirement financial planning, unraveling its intellectual and conceptual structure and identifying recent trends. Bibliometric methods, including performance analysis and science mapping, are utilized to evaluate the development of this research field. The findings indicate that financial literacy in retirement planning has garnered significant attention from the academic community over the past 23 years (1997-2019). The number of publications in this area has steadily increased, demonstrating sustained interest despite the typical fluctuations observed in emerging research domains. This study utilizes bibliometrics to analyze the current status and emerging trends in retirement planning and financial literacy research, encompassing a sample of 242 articles. The results hold particular relevance for the financial community, highlighting the growing focus of institutions and society on utilizing financial literacy to empower individuals in designing their own retirement strategies.

❖ **The Role of Numeracy and Financial Literacy skills in the relationship between information and communication technology use and travel behaviour by Jinhyun Hong, Piyushimita (Vonu), Thakuriahb, Phil Masonc, Catherine Lidoc (2020)⁹**

The primary objective of this paper is to explore the potential connections between math- related literacies, ICT use, and travel behavior, which may contribute to forms of social exclusion. The iMCD household survey was conducted in 2015 within the Glasgow and Clyde Valley Planning area, collecting a wide range of information from residents. This survey is part of a larger data infrastructure. The findings indicate that individuals with higher levels of math-related literacies and frequent internet use tend to travel greater distances compared to those with lower levels. The research highlights a significant relationship between math-related literacies, internet use, and travel behavior. Consequently, the results suggest that policies aimed at enhancing math-related literacy could play a role in mitigating the effects of the digital age and addressing social exclusion.

❖ **What Motivates a Learner Manager of a Logistic Company to Achieve Financial Literacy? by Ishgaley Ishmuhametov, Irina Kuzmina-Merlino (2017)¹⁰**

This paper addresses the widely discussed topic of financial literacy, which holds significance at national and international levels for governments, organizations, and academia. The data collection and analysis were conducted using the Achievement Motivation Inventory (AMI) (Schuler et al., 2004) and Raven's Progressive Matrices (SPM- C). The findings of this study demonstrate the impact of undergraduate students on the personal qualities associated with the efficient acquisition of financial subjects. The analysis of the collected data emphasizes the importance of learners' level of comprehension of study materials, particularly for managers in the logistics and transportation industry pursuing higher education. The results highlight that striving for achievement serves as a key motivational factor for enhancing financial literacy and developing financial management skills.

❖ **Culture and financial literacy Evidence from a within-country language border by Martin Brown, Caroline Henchoz, Thomas Spycher (2018)¹¹**. This paper examines the impact of culture on financial literacy by comparing secondary-school students along the German-French language border in Switzerland. The study reveals that students in the French-speaking region exhibit lower levels of financial literacy compared to their counterparts in the German-speaking region. The analysis is based on a survey conducted among secondary school students located in a specific geographic area within the canton of Fribourg. These findings have significant implications for the design of more effective programs in countries with culturally diverse populations, such as those with large immigrant populations or historical language and religious borders. The study aims to explore the extent and mechanisms through which culture influences financial literacy among young individuals. The results suggest that financial socialization plays a vital role in explaining the cultural disparities in financial literacy. Consequently, policymakers in such contexts should assess the existing knowledge levels of their target population before implementing financial education initiatives.

3. Research Methodology

Need For The Study

Agriculture sector is playing supporting role for growth of the economy, farmers are playing key role for the agricultural growth, this is majorly based on availability of finance, there is a need of knowing about that how much the rural farmers aware about the financial products and services. Financial literacy differs from person to person but it is very important to know the basics about the financial products and services for everyone. Financial literacy helps individual to avoid making poor financial decisions and helps them become self-sufficient and achieve financial stability. Financial literacy helps us to learn how to create a budget, track of spending and payoff debts.

Objective's Of The Study

1. To study and analyze the financial literacy among farmers.
2. To study the socio demographical factors affecting financial literacy of Farmers
3. To measure their awareness of various investment avenues.

Scope Of The Study

The study is limited to farmers in Mosra village, Nizamabad district. The present study excludes Employees, Students, Households and Entrepreneurs.

Hypothesis For The Study

Null Hypothesis (H_0): There is no significant difference between financial literacy and farmers socio demographic characteristics.

Alternate Hypothesis (H_1): There is a significant difference between financial literacy and farmers socio demographic characteristics.

Research Design

To explore Financial Literacy among the farmers the Gathering of data and presenting the statements of the facts through Questionnaire method and interacting with farmers., an exploratory research design has been utilized for this study.

Sample and Sampling Technique

A Sample of 101 farmers has been chosen within the farmers in Mosra village, Nizamabad district using Convenient Sampling Technique.

Data Collection

This research data uses both Primary data is a data collected for the first time exclusively for the purpose of achieving the objectives of the project work through structured questionnaire to the respondents who are residing in Mosra village, Nizamabad district as the target population for conducting this research work by considering factors mentioned above.

Statistical Tools

- ❖ Analyzing the gathered data using Chi – square using IBM SPSS 25.

Limitations Of The Study

- ❖ The research is entirely based on primary data.
- ❖ The study is limited to Mosra village, Nizamabad district.
- ❖ The study is primarily concerned with farmers.

Data Analysis And Interpretation

Data Analysis

1. To study the socio demographical factors affecting financial literacy of Farmers

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
A bank account	16.179 ^a	8	.040
A payment debit/credit card	14.339 ^a	8	.073
A mobile app to access your account	12.754 ^a	8	.121
A pension fund	2.730 ^a	4	.604
A mortgage	3.770 ^a	4	.438
A credit card	6.383 ^a	4	.172
A savings account	9.641 ^a	4	.047
Insurance	2.241 ^a	4	.692
N of Valid Cases	101		

Table 4.1: Chi-square results for socio demographical factors affecting financial literacy of Farmers

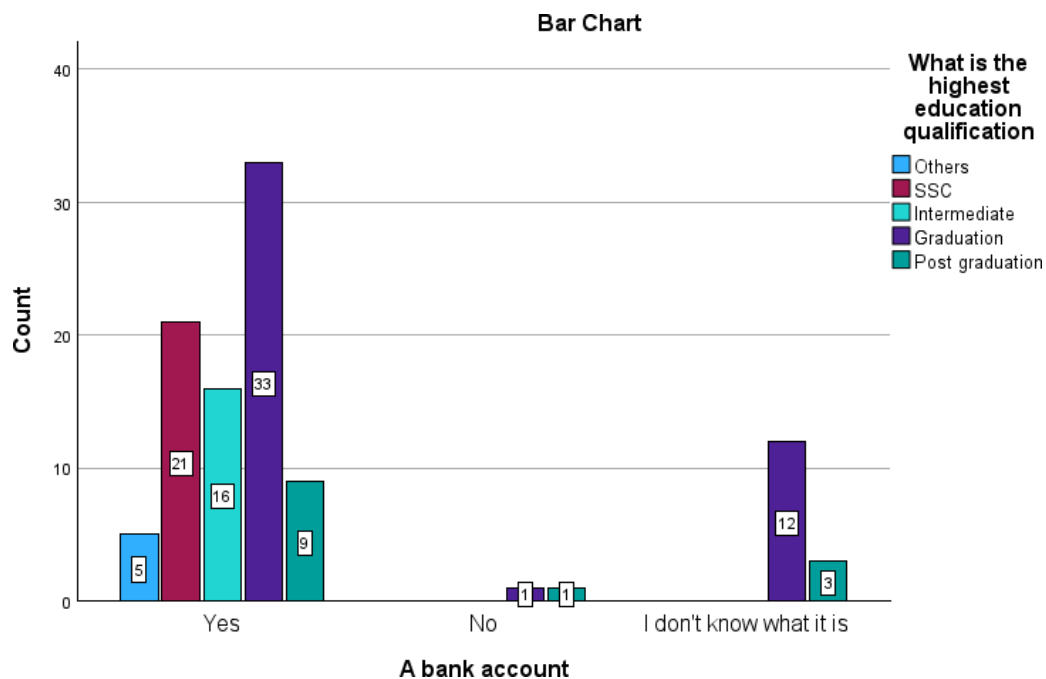
Interpretation: The chi-square tests conducted on the socio-demographical factors affecting the financial literacy of farmers indicate that certain variables have a statistically significant association with financial literacy. Specifically, the possession of a bank account, a savings account, and a payment debit/credit card showed significant associations with financial literacy among farmers, as indicated by the p-values of .040, .047, and .073, respectively.

This suggests that farmers who have a bank account, savings account, or payment debit/credit card are more likely to exhibit higher levels of financial literacy compared to those who do not possess these financial tools. It emphasizes the importance of access to formal financial services and the use of modern payment methods in improving farmers' financial literacy. However, other variables such as a mobile app to access accounts, a pension fund, a mortgage, a credit card, and insurance did not show significant associations with financial literacy. This suggests that these factors may have less influence on the financial literacy levels of farmers in the studied population. Overall, these findings indicate that promoting the usage of bank accounts, savings accounts, and payment debit/credit cards among farmers can contribute to enhancing their financial literacy levels. It highlights the need for targeted interventions and educational programs that focus on providing farmers with access to and knowledge about these financial tools.

		What is the highest education qualification					
		Others	SSC	Intermediate	Graduation	Post graduation	Total
A bank account	Yes	5	21	16	33	9	84
	No	0	0	0	1	1	2
	I don't know what it is	0	0	0	12	3	15
Total		5	21	16	46	13	101

Table 4.2: Table for influence of education qualification on a bank account

Interpretation: Out of the total 101 respondents, 84 individuals have a bank account. Among these individuals, the distribution of highest education qualifications is as follows: 5 have completed SSC (Secondary School Certificate), 21 have completed Intermediate, 16 have completed Graduation, and 33 have completed Post Graduation. There are 2 respondents who do not have a bank account, and their highest education qualifications are not provided. Additionally, there are 15 respondents who are unsure about what the highest education qualification is, out of which 12 have completed Graduation and 3 have completed Post Graduation. Overall, the data suggests that most individuals with a bank account have completed Post Graduation, followed by Graduation, Intermediate, and SSC. However, it's important to note that the highest education qualification of individuals without a bank account is not specified in the given data.



Graph 4.1 representing the influence of education qualification on a bank account

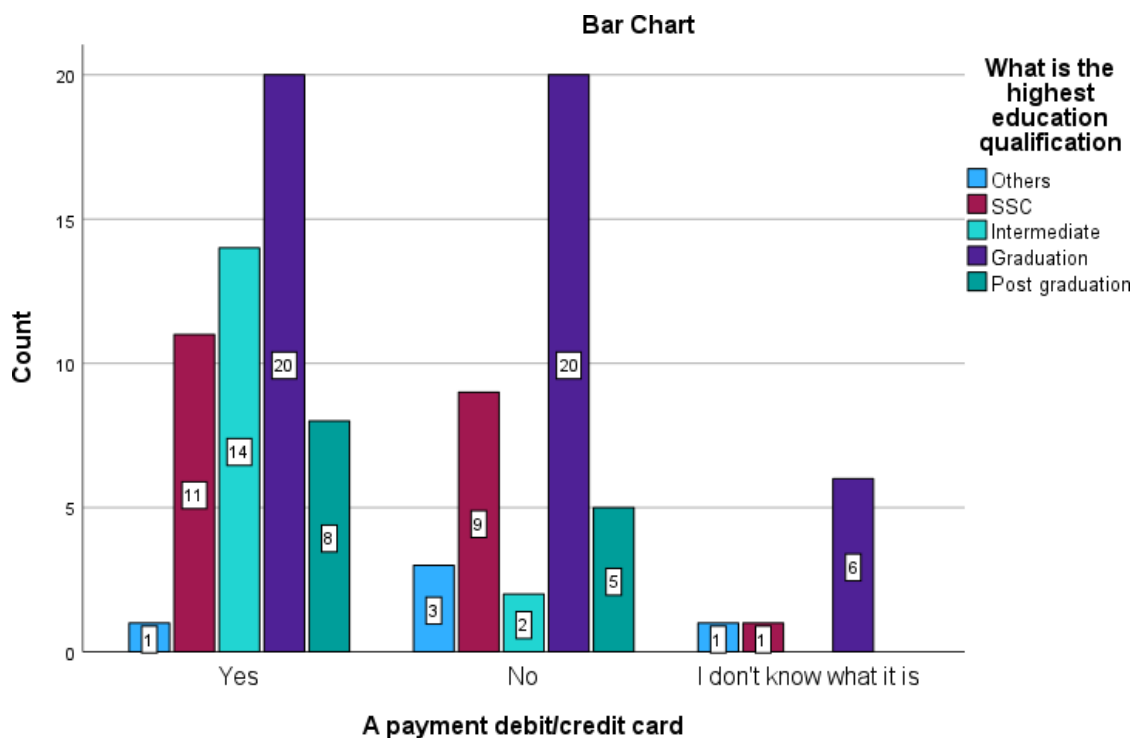
		What is the highest education qualification					
		Others	SSC	Intermediate	Graduation	Post graduation	Total
A payment debit/credit card	Yes	1	11	14	20	8	54
	No	3	9	2	20	5	39
	don't know what it is	1	1	0	6	0	8
Total		5	21	16	46	13	101

Table 4.3: Table for influence of education qualification on a payment debit/credit card

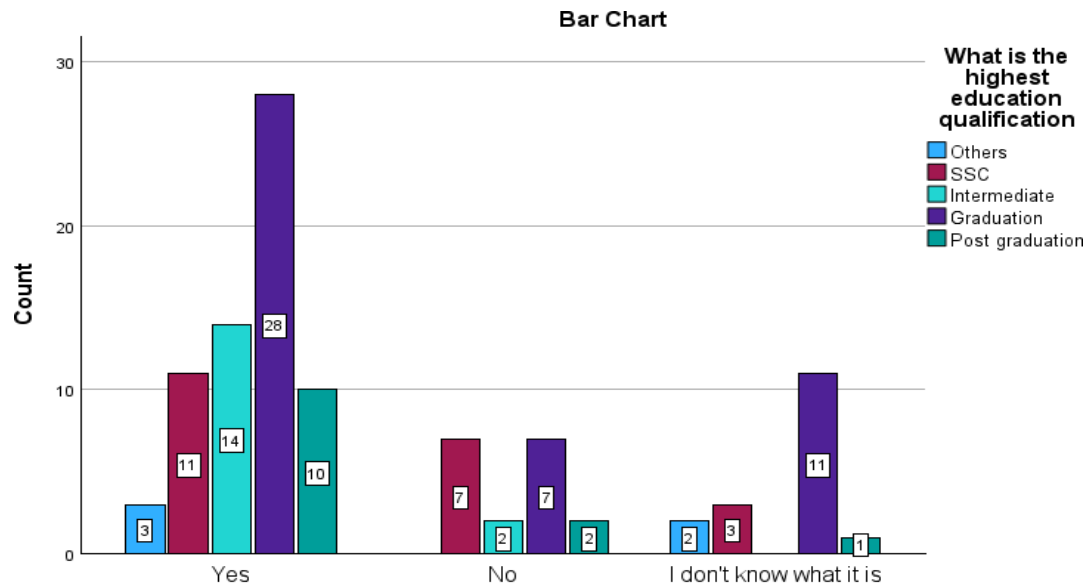
Interpretation: Out of the total 101 respondents, 54 individuals possess a payment debit/credit card. Among these individuals, the distribution of highest education qualifications is as follows:

1 respondent has completed SSC (Secondary School Certificate), 11 have completed Intermediate, 14 have completed Graduation, and 20 have completed Post Graduation. On the other hand, there are 39 respondents who do not own a payment debit/credit card. The distribution of their highest education qualifications includes 3 with an unspecified qualification, 9 with SSC, 2 with Intermediate, 20 with Graduation, and 5 with Post Graduation.

Additionally, there are 8 respondents who are uncertain about what a payment debit/credit card is. Among them, 1 has an unspecified qualification, 1 has completed SSC, 6 have completed Graduation, and none have completed Post Graduation. The data suggests that individuals with a payment debit/credit card have a relatively higher percentage of Graduation and Post Graduation qualifications compared to those without a card. However, the highest education qualification of individuals without a card varies across different qualification levels, indicating a more diverse distribution



Graph 4.2 representing the influence of education qualification on a payment debit/credit card



		What is the highest education qualification					
		Others	SSC	Intermediate	Graduation	Post graduation	Total
A mobile app to access your account	Yes	3	11	14	28	10	66
	No	0	7	2	7	2	18
	I don't know what it is	2	3	0	11	1	17
Total		5	21	16	46	13	101

Table 4.4: Table for influence of education qualification on a mobile app to access account

Interpretation: Out of the total 101 respondents, 66 individuals utilize a mobile app for accessing their account. Among these individuals, the distribution of highest education

qualifications is as follows: 3 have completed SSC (Secondary School Certificate), 11 have completed Intermediate, 14 have completed Graduation, and 28 have completed Post Graduation. On the other hand, there are 18 respondents who do not use a mobile app to access their account. Among them, 7 have completed SSC, 2 have completed Intermediate, 7 have completed Graduation, and 2 have completed Post Graduation.

Additionally, there are 17 respondents who are unsure about what a mobile app to access their account is. Among them, 2 have an unspecified qualification, 3 have completed SSC, 11 have completed Graduation, and 1 has completed Post Graduation. The data suggests that individuals who use a mobile app to access their account have a higher percentage of Graduation and Post- Graduation qualifications compared to those who do not use the app. However, the highest education qualification of individuals who do not use the app varies across different qualification levels, indicating a more diverse distribution.

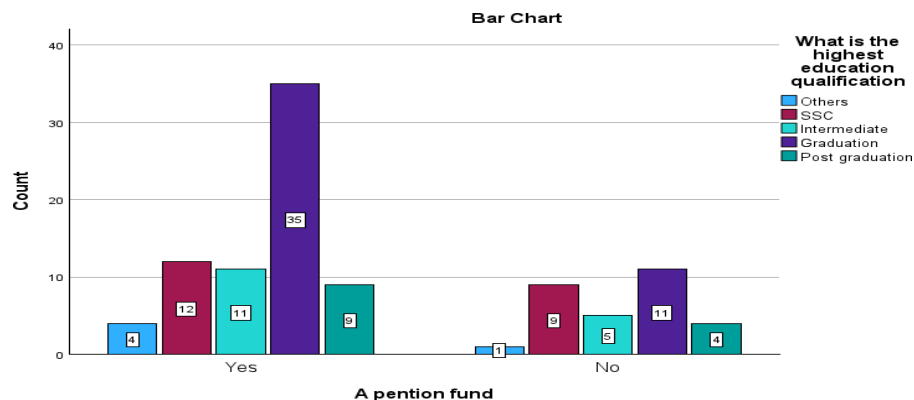
Graph 4.3 representing the influence of education qualification on a mobile app to access account

		What is the highest education qualification					
		Others	SSC	Intermediate	Graduation	Post graduation	Total
Pensionfund	Yes	4	12	11	35	9	71
	No	1	9	5	11	4	30
Total		5	21	16	46	13	101

Table 4.5: Table for influence of education qualification on a pension fund

Interpretation: Out of the total 101 respondents, 71 individuals are affiliated with a pension fund. Among these individuals, the distribution of highest education qualifications is as follows: 4 have completed SSC (Secondary School Certificate), 12 have completed Intermediate, 11 have completed Graduation, and 35 have completed Post Graduation.

On the other hand, there are 30 respondents who are not associated with a pension fund. Among them, 1 has an unspecified qualification, 9 have completed SSC, 5 have completed Intermediate, 11 have completed Graduation, and 4 have completed Post Graduation. The data suggests that individuals associated with a pension fund have a higher percentage of Post Graduation qualifications compared to those who are not associated with one. However, the highest education qualification of individuals not affiliated with a pension fund varies across different qualification levels, indicating a more diverse distribution.



Graph 4.4 representing the influence of education qualification on a pension fund

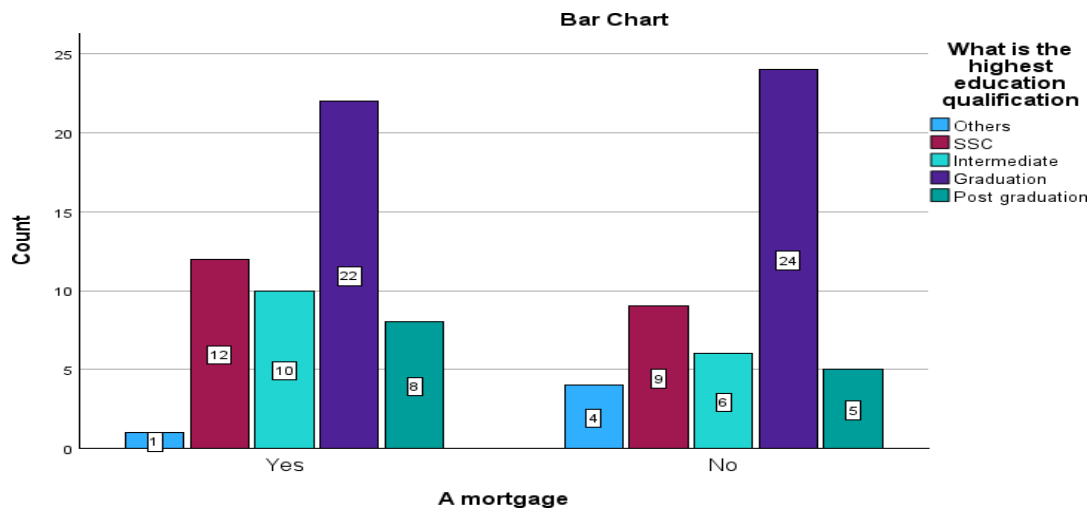
		What is the highest education qualification					Total
		Others	SSC	Intermediate	Graduation	Post graduation	
A mortgage	Yes	1	12	10	22	8	53

	No	4	9	6	24	5	48
Total		5	21	16	46	13	101

Table 4.6: Table for influence of education qualification on a mortgage

Interpretation: Out of the total 101 respondents, 53 individuals have a mortgage. Among these individuals, the distribution of highest education qualifications is as follows: 1 has completed SSC (Secondary School Certificate), 12 have completed Intermediate, 10 have completed Graduation, and 22 have completed Post Graduation.

On the other hand, there are 48 respondents who do not have a mortgage. Among them, 4 have an unspecified qualification, 9 have completed SSC, 6 have completed Intermediate, 24 have completed Graduation, and 5 have completed Post Graduation. The data suggests that individuals with a mortgage have a higher percentage of Post Graduation qualifications compared to those without a mortgage. However, the highest education qualification of individuals without a mortgage varies across different qualification levels, indicating a more diverse distribution.



Graph 4.5 representing the influence of education qualification on a mortgage

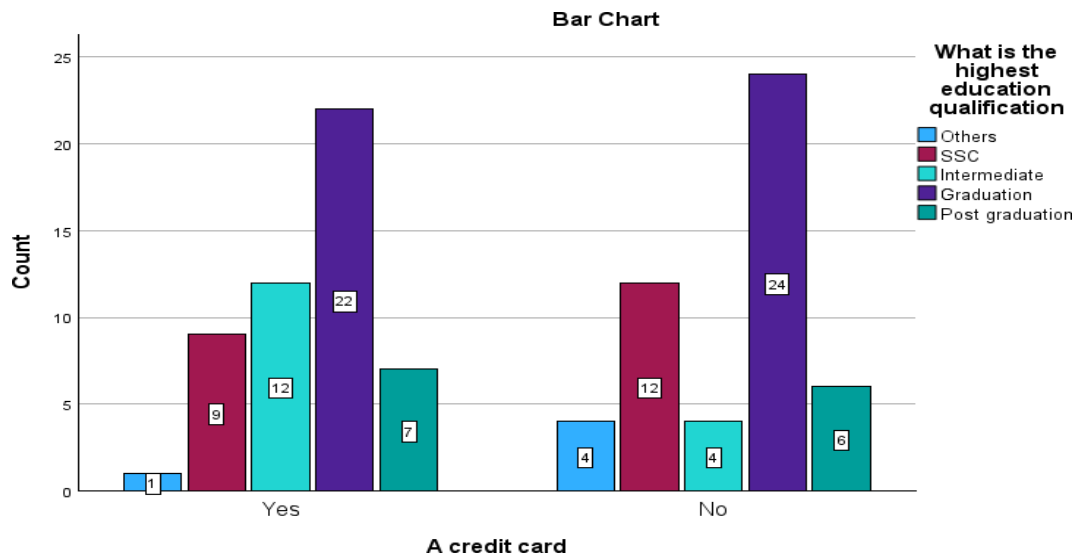
		What is the highest education qualification					Total
		Others	SSC	Intermediate	Graduation	Post graduation	
A credit card	Yes	1	9	12	22	7	51
	No	4	12	4	24	6	50
Total		5	21	16	46	13	101

Table 4.7: Table for influence of education qualification on a credit card

Interpretation: Out of the total 101 respondents, 51 individuals possess a credit card. Among these individuals, the distribution of highest education qualifications is as follows: 1 has completed SSC (Secondary School

Certificate), 9 have completed Intermediate, 12 have completed Graduation, and 22 have completed Post Graduation.

On the other hand, there are 50 respondents who do not own a credit card. Among them, 4 have an unspecified qualification, 12 have completed SSC, 4 have completed Intermediate, 24 have completed Graduation, and 6 have completed Post Graduation. The data suggests that individuals with a credit card have a higher percentage of Graduation and Post Graduation qualifications compared to those without a credit card. However, the highest education qualification of individuals without a credit card varies across different qualification levels, indicating a more diverse distribution.



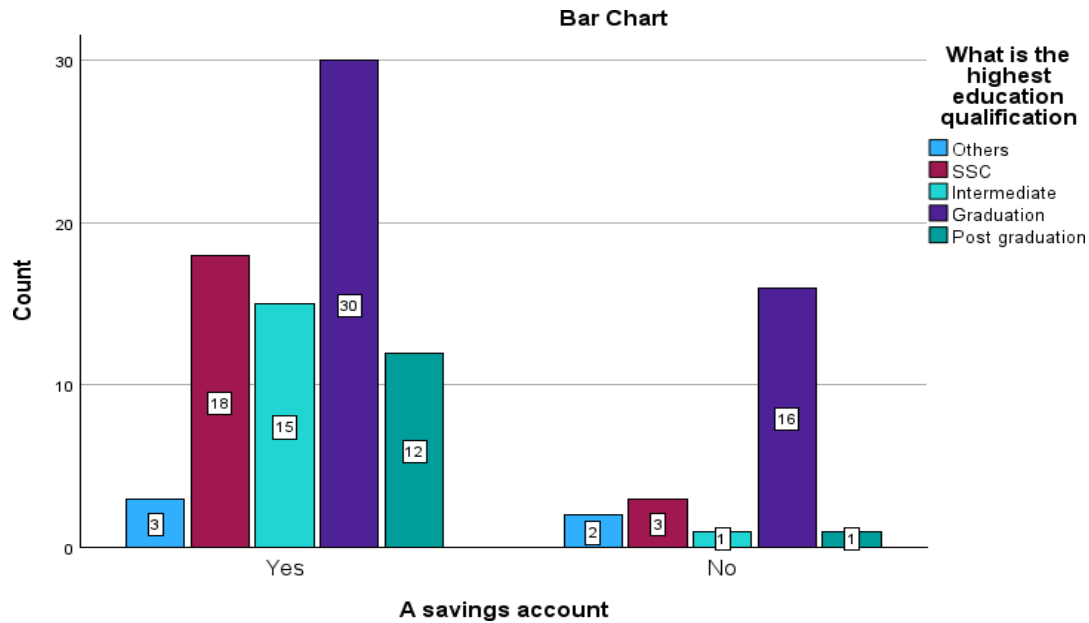
Graph 4.6 representing the influence of education qualification on a credit card

		What is the highest education qualification					
		Others	SSC	Intermediate	Graduation	Post graduation	Total
savingsaccount	Yes	3	18	15	30	12	78
	No	2	3	1	16	1	23
Total		5	21	16	46	13	101

Table 4.8: Table for influence of education qualification on a savings account

Interpretation: Out of the total 101 respondents, 78 individuals have a savings account. Among these individuals, the distribution of highest education qualifications is as follows: 3 have completed SSC (Secondary School Certificate), 18 have completed Intermediate, 15 have completed Graduation, and 30 have completed Post Graduation.

On the other hand, there are 23 respondents who do not have a savings account. Among them, 2 have an unspecified qualification, 3 have completed SSC, 1 has completed Intermediate, 16 have completed Graduation, and 1 has completed Post Graduation. The data suggests that individuals with a savings account have a higher percentage of Graduation and Post Graduation qualifications compared to those without a savings account. However, the highest education qualification of individuals without a savings account varies across different qualification levels, indicating a more diverse distribution.



Graph 4.7 representing the influence of education qualification on a savings account

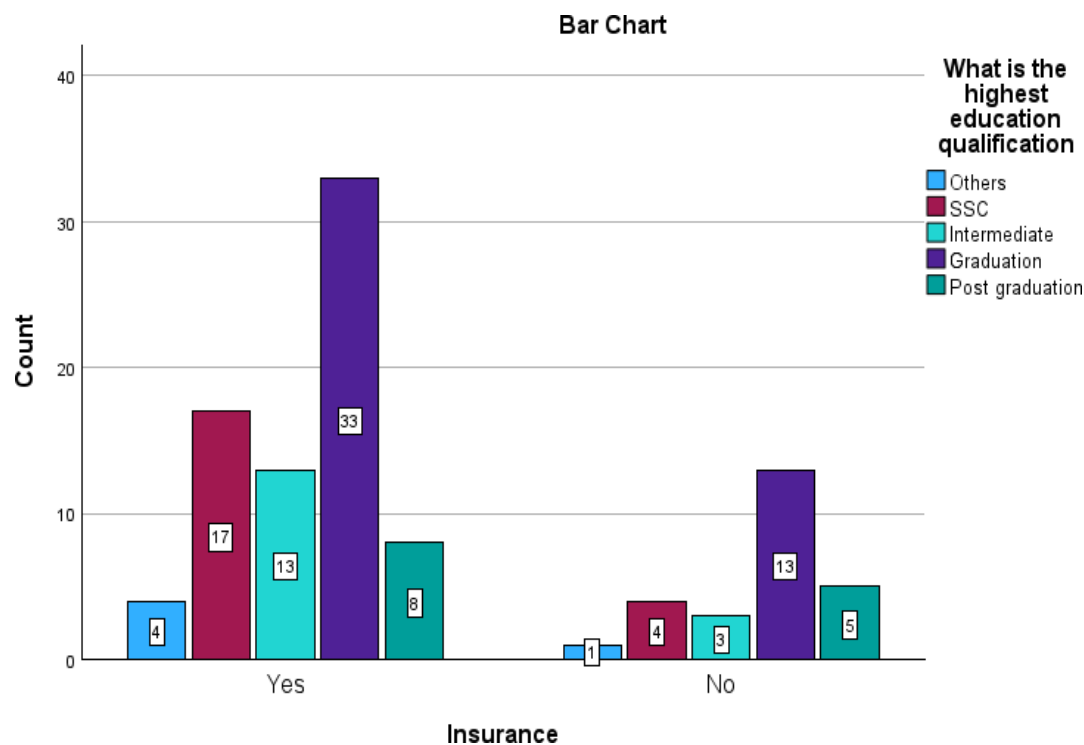
		What is the highest education qualification					
		Others	SSC	Intermediate	Graduation	Post-graduation	Total
Insurance	Yes	4	17	13	33	8	75
	No	1	4	3	13	5	26
Total		5	21	16	46	13	101

Table 4.9: Table for influence of education qualification on a Insurance

Interpretation: Out of the total 101 respondents, 75 individuals have insurance. Among them, 4 have completed SSC (Secondary School Certificate), 17 have completed Intermediate, 13 have completed Graduation, and 33 have completed Post Graduation.

On the other hand, 26 respondents do not have insurance. Among them, 1 has an unspecified qualification, 4 have completed SSC, 3 have completed Intermediate, 13 have completed Graduation, and 5 have completed Post Graduation. In summary, individuals with insurance tend to have a higher percentage of Graduation and Post-Graduation qualifications compared to those without insurance. However, the highest education qualification of individuals without insurance varies across different qualification levels, indicating a more

diverse distribution among them.



Graph 4.8 representing the influence of education qualification on a Insurance

- To study and analyze the financial literacy among farmers.

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Making a money transfer	24.483 ^a	12	.017
Filling in forms at the bank	26.110 ^a	12	.010
Understanding bank statements	25.901 ^a	12	.011
Keeping track of my account balance	29.185 ^a	12	.004
N of Valid Cases	101		

Table 4.10: Chi-square results for the analyzing of financial literacy among farmers

Interpretation: The chi-square tests conducted to study and analyze the financial literacy among farmers reveal statistically significant associations between certain financial literacy aspects and farmers' knowledge and skills. Specifically, the variables of making a money transfer, filling in forms at the bank, understanding bank statements, and keeping track of account balance all exhibit significant associations with financial literacy, as indicated by the low p-values of .017,

.010, .011, and .004, respectively. These findings suggest that farmers who possess the ability to make money transfers, fill in forms at the bank, understand bank statements, and keep track of their account balances are more likely to have higher levels of financial literacy compared to those who struggle with these tasks. It highlights the importance of these specific skills in determining the financial literacy levels of farmers.

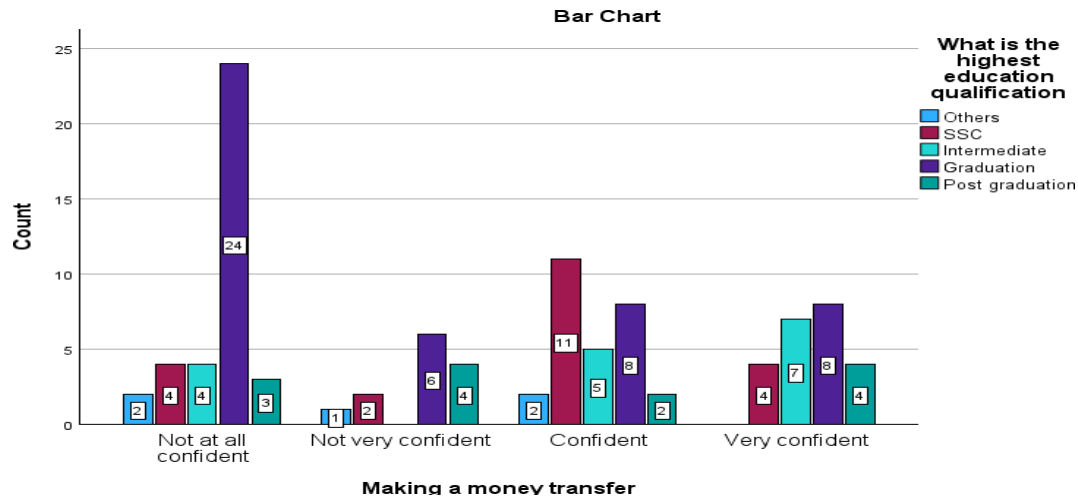
Based on these results, efforts should be focused on providing targeted financial literacy training and resources that address the areas where farmers may be lacking, such as money transfer techniques, form-filling procedures, interpreting bank statements, and effectively monitoring account balances. By enhancing farmers' proficiency in these areas, their overall financial literacy can be improved, leading to more informed financial decision-making and improved financial well-being.

		What is the highest education qualification					
		Others	SSC	Intermediate	Graduation	Post Graduation	Total
Making money transfer	Not at all confident	2	4	4	24	3	37
	Not very	1	2	0	6	4	13

	confident						
	Confident	2	11	5	8	2	28
	Very confident	0	4	7	8	4	23
Total		5	21	16	46	13	101

Table 4.11: Table for influence of education qualification on making a money transfer

Interpretation: Out of the total 101 respondents, 37 individuals have stated that they are "Not at all confident" in making a money transfer. Among them, the distribution of highest education qualifications is as follows: 2 have completed SSC (Secondary School Certificate), 4 have completed Intermediate, 4 have completed Graduation, 24 have completed Post Graduation, and 3 have an unspecified qualification. Furthermore, there are 13 respondents who are "Not very confident" in making a money transfer. Among them, 1 has an unspecified qualification, 2 have completed SSC, 6 have completed Intermediate, and 4 have completed Graduation.



Graph 4.9 representing the influence of education qualification on making a money transfer

		What is the highest education qualification					
		Others	SSC	Intermediate	Graduation	Post graduation	Total
	Not at all confident	1	2	4	6	4	17

Filling in forms at the bank	Not very confident	2	8	4	27	4	45
	Confident	2	11	4	10	1	28
	Very confident	0	0	4	3	4	11
Total		5	21	16	46	13	101

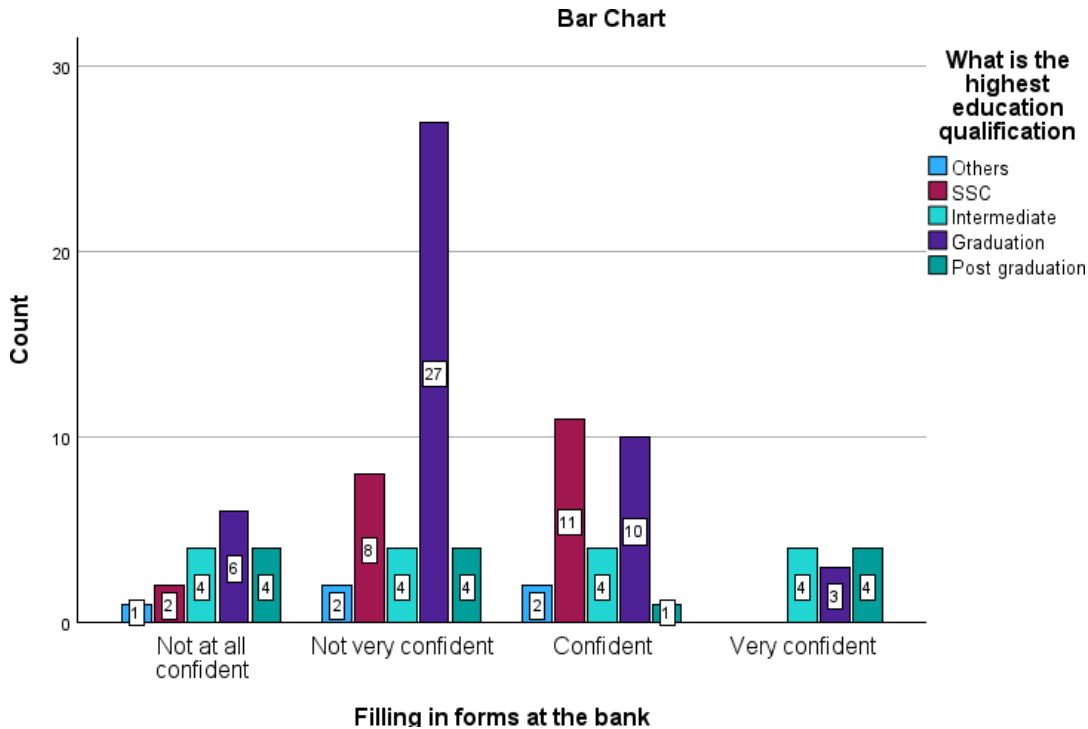
Table 4.12: Table for influence of education qualification on filling forms in bank

Interpretation: Out of the total 101 respondents, 17 individuals stated that they are "Not at all confident" in filling in forms at the bank. Among them, the distribution of highest education qualifications is as follows: 1 has an unspecified qualification, 2 have completed SSC (Secondary School Certificate), 4 have completed Intermediate, 6 have completed Graduation, and 4 have completed Post Graduation. There are 45 respondents who are "Not very confident" in filling in forms at the bank. Among them, 2 have an unspecified qualification, 8 have completed SSC, 4 have completed Intermediate, 27 have completed Graduation, and 4 have completed Post Graduation.

The 28 respondents consider themselves "Confident" in filling in forms at the bank. Among them, 2 have an unspecified qualification, 11 have completed SSC, 4 have completed Intermediate, 10 have completed Graduation, and 1 has completed Post Graduation. There are 11 respondents who are "Very confident" in filling

in forms at the bank. Among them, none have an unspecified qualification, none have completed SSC, 4 have completed Intermediate, 3 have completed Graduation, and 4 have completed Post Graduation.

The data suggests that individuals with higher confidence levels in filling in forms at the bank tend to have higher education qualifications, particularly in the Graduation and Post Graduation levels. However, there is a variation in education qualifications across different confidence levels, indicating a diverse range of educational backgrounds among respondents.



Graph 4.10 representing the influence of education qualification on filling forms at the bank

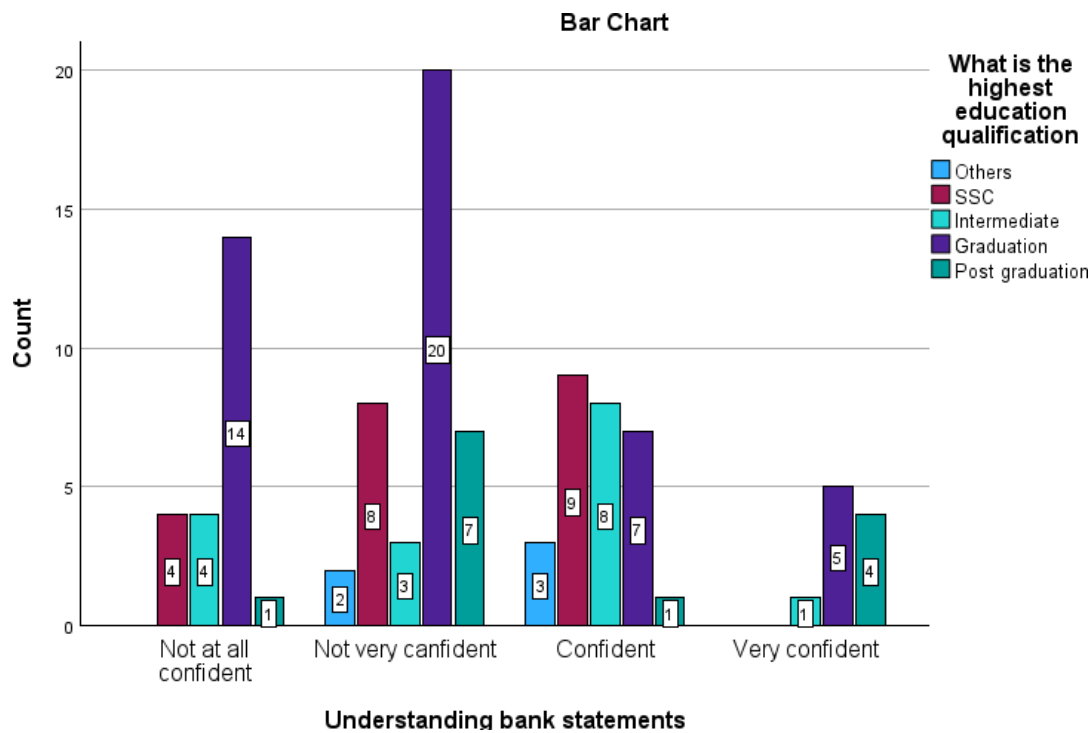
		What is the highest education qualification					
		Others	SSC	Intermediate	Graduation	Post graduation	Total
Understanding bank statements	Not at all confident	0	4	4	14	1	23
	Not very confident	2	8	3	20	7	40
	Confident	3	9	8	7	1	28
	Very confident	0	0	1	5	4	10
Total		5	21	16	46	13	101

Table 4.13: Table for influence of education qualification on understanding bank statements

Interpretation: Out of the total 101 respondents, 23 individuals mentioned that they feel "Not at all confident" in understanding bank statements. Among them, 4 completed SSC, 4 completed Intermediate, 14 completed

Graduation, and 1 completed Post Graduation. There are 40 respondents who feel "Not very confident" in understanding bank statements. Among them, 2 have an unspecified qualification, 8 completed SSC, 3 completed Intermediate, 20 completed Graduation, and 7 completed Post Graduation. 28 respondents feel "Confident" in understanding bank statements. Among them, 3 have an unspecified qualification, 9 completed SSC, 8 completed Intermediate, 7 completed Graduation, and 1 completed Post Graduation.

There are 10 respondents who feel "Very confident" in understanding bank statements. Among them, none have an unspecified qualification, none completed SSC, 1 completed Intermediate, 5 completed Graduation, and 4 completed Post Graduation. To sum up, the data suggests that individuals who feel more confident about understanding bank statements tend to have higher education qualifications, especially in Graduation and Post-Graduation. However, the education qualifications vary across different levels of confidence, indicating a diverse mix of educational backgrounds among the respondents.



Graph 4.11 representing the influence of education qualification on Understanding bank statements

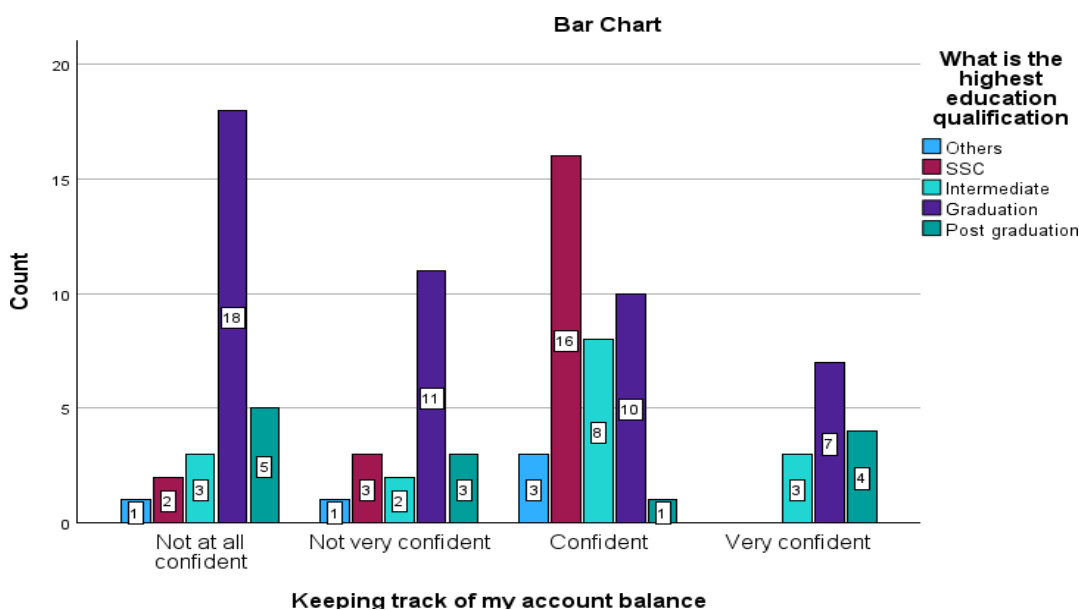
	What is the highest education qualification					
	Others	SSC	Intermediate	Graduation	Post graduation	Total

Keeping track of my account balance	Not at all confident	1	2	3	18	5	29
	Not very confident	1	3	2	11	3	20
	Confident	3	16	8	10	1	38
	Very confident	0	0	3	7	4	14
Total		5	21	16	46	13	101

Table 4.14: Table for influence of education qualification on keeping track of account balance

Interpretation: There are total 101 respondents, 29 individuals mentioned that they feel "Not at all confident" in keeping track of their account balance. Among them, 1 completed SSC (Secondary School Certificate), 2 completed Intermediate, 3 completed Graduation, and 18 completed Post Graduation. There are 20 respondents who feel "Not very confident" in keeping track of their account balance. Among them, 1 has an unspecified qualification, 3 completed SSC, 2 completed Intermediate, 11 completed Graduation, and 3 completed Post Graduation.

The 38 respondents feel "Confident" in keeping track of their account balance. Among them, 3 have an unspecified qualification, 16 completed SSC, 8 completed Intermediate, 10 completed Graduation, and 1 completed Post Graduation. The 14 respondents feel "Very confident" in keeping track of their account balance. Among them, none have an unspecified qualification, none completed SSC, 3 completed Intermediate, 7 completed Graduation, and 4 completed Post Graduation. The data suggests that individuals who feel more confident about keeping track of their account balance tend to have higher education qualifications, especially in Graduation and Post-Graduation. However, the education qualifications vary across different levels of confidence, indicating a diverse mix of educational backgrounds among the respondents.



Graph 4.12 representing the influence of education qualification on keeping track of account balance

3. To measure their awareness of various investment avenues.

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Which sources of information do you feel most influenced your decision about on investments?	65.462 ^a	40	.007
If yes, which financial product have you invested in and how much was the amount?	220.986 ^a	136	<.001
N of Valid Cases	101		

Table 4.15: Chi-square results to measure the awareness of various investment avenues

Interpretation: To measure the awareness of various investment avenues among farmers indicate significant associations between their sources of information and their investment decisions. The variable related to the sources of information that most influenced their investment decisions showed a highly significant association, as indicated by the very low p- value of .007. This suggests that the choice of information sources significantly influences the investment decisions made by farmers.

Additionally, the variable related to financial products invested in and the corresponding investment amounts exhibited an even stronger association, with an extremely low p-value of

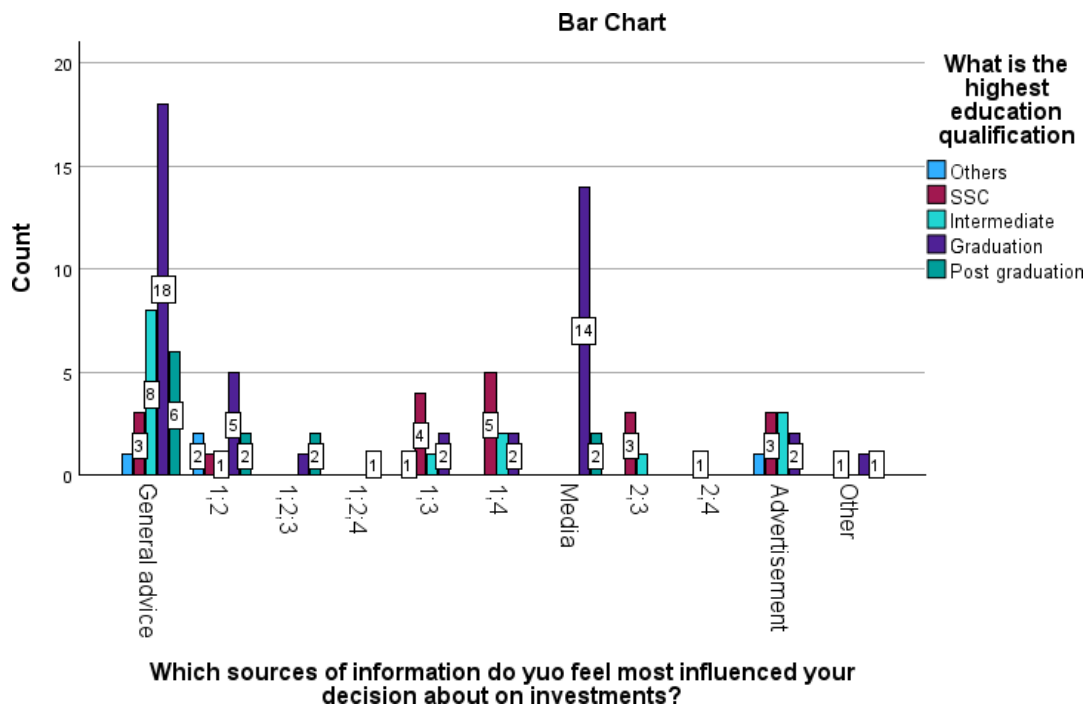
<.001. This indicates that the financial products chosen for investment and the corresponding investment amounts are significantly influenced by various factors.

These findings highlight the need for targeted educational programs and resources that focus on providing farmers with accurate and reliable information about different investment avenues. By enhancing farmers' awareness of investment options and equipping them with the knowledge to evaluate investment opportunities, they can make more informed investment decisions aligned with their financial goals. Efforts should be made to identify and promote trustworthy sources of information that farmers can rely on when making investment decisions. This can include collaborations with financial institutions, agricultural extension services, and industry experts to provide farmers with reliable and up-to-date information on investment avenues.

		What is the highest education qualification					
		Others	SSC	Intermediate	Graduation	Post graduation	Total
Which sources of information	General advice	1	3	8	6	6	36
	1;2	2	1	1	2	2	11
	1;2;3	0	0	0	2	2	3

do you feel most influenced your decision about on investments ?	1;2;4	0	0	0	0	0	1
	1;3	1	4	1	0	0	8
	1;4	0	5	2	0	0	9
	Media	0	0	0	2	2	16
	2;3	0	3	1	0	0	4
	2;4	0	1	0	0	0	1
	Advertisement	1	3	3	0	0	9
	Other	0	1	0	1	1	3
Total		5	21	16	46	13	101

4.16: Table for influence of education qualification on investment decisions



Graph 4.13 representing the influence of education qualification on investment decisions

4. Findings

- ❖ Low levels of financial literacy: The study revealed that a significant portion of farmers lack basic financial literacy skills. They struggle with concepts such as budgeting, saving, investment, and understanding financial products and services.
- ❖ Limited knowledge of financial management: Farmers generally have limited understanding of financial management practices. They lack knowledge about effective strategies for managing farm finances, including cash flow management, debt management, and risk mitigation.
- ❖ Dependency on informal sources: The research found that farmers heavily rely on informal sources of finance, such as moneylenders and local traders, due to their limited access to formal financial institutions. This dependency exposes them to higher interest rates and exploitative practices.
- ❖ Inadequate record-keeping: Many farmers demonstrated poor record-keeping practices, making it difficult for them to track expenses, income, and profits accurately. This hampers their ability to make informed financial decisions and assess the profitability of their operations.
- ❖ Lack of awareness about financial products: Farmers showed limited knowledge about financial products and services specifically tailored for agriculture, such as crop insurance, farm loans, and commodity trading options. This lack of awareness restricts their ability to leverage these resources for improved financial stability.

6. Suggestions

- ❖ Organize workshops, training programs, and seminars specifically tailored to address the financial literacy needs of farmers. These programs should cover topics such as budgeting, saving, investment, debt management, risk mitigation, and accessing formal financial services.
- ❖ Develop and distribute educational materials, including brochures, guides, and online resources, that explain financial concepts in simple and practical terms. Make these resources easily accessible to farmers through agricultural extension services, cooperatives, and farmer organizations.
- ❖ Collaborate with banks, credit unions, and microfinance institutions to provide financial literacy programs and resources to farmers. Encourage financial institutions to offer tailored financial products and services for farmers, such as agricultural loans, crop insurance, and savings accounts.
- ❖ Educate farmers about the benefits of savings and investment for long-term financial stability. Provide guidance on setting financial goals, creating savings plans, and exploring investment opportunities suitable for farmers. Empower farmers to make informed decisions about allocating their income and profits.

7. Conclusion

The study on financial literacy among farmers reveals a concerning lack of knowledge and understanding of financial concepts within the agricultural community. The findings highlight the need for urgent attention to address the financial literacy gap among farmers to ensure their long-term financial stability and success. The research demonstrates that many farmers struggle with basic financial skills, such as budgeting, saving, and investment. This deficiency in financial knowledge hampers their ability to effectively manage their finances, make informed decisions, and navigate the complexities of the agricultural industry. There is a clear need for farmers to have better access to formal financial institutions and products that are specifically tailored to their unique needs. Record-keeping practices among farmers were found to be inadequate, hindering their ability to assess profitability and plan for the future. Additionally, the lack of awareness about financial products and services designed for agriculture limits farmers' opportunities to maximize their financial potential. The research highlights the importance of financial education and training programs for farmers. By providing accessible and targeted financial literacy initiatives, policymakers and stakeholders can empower farmers with the knowledge and skills necessary to navigate the financial aspects of their farming operations effectively. The positive role

that technology can play in improving financial literacy among farmers. Farmers with higher financial literacy are more likely to adopt digital tools and platforms, leading to better financial outcomes and reduced vulnerability.

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