

A STUDY ON AWARENESS ABOUT FINANCIAL LITERACY AMONG WORKING WOMEN IN THOOTHUKUDI

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Abstract

Financial literacy is becoming significant in achievement of financial inclusion in the economy. Financial Knowledge is important not only for an investor but also for the common man in the country. Awareness about various investment products is needed in various stages of life. This study is based on awareness level of the respondents i.e. working women in the Thoothukudi district. The main objective of the study is to determine awareness level of working women regarding investment patterns and to identify the awareness level of women on regulatory bodies. The study was conducted on working women across the Thoothukudi district.

Keywords: Financial literacy, awareness, knowledge, income tax, regulatory bodies

I. INTRODUCTION OF THE STUDY

Women empowerment is achieved only when women are educated and financially literate and independent (Noctor et al., 1992). Financial literacy is the combination of awareness, knowledge, skill, attitude and behaviour necessary to make sound financial decisions and ultimately achieve individual financial well-being. A basic knowledge of financial concepts and the ability to apply numeracy skills in a financial decision. Women's role towards their economic empowerment and prosperity of the world will become more crucial in the near future. Hence, there is a greater need of economic empowerment through financial literacy, positive financial attitude and enhanced financial wellbeing of women. Financial knowledge is an important component of financial literacy, necessary for undertaking activities such as comparing financial products and services and making appropriate, well-informed financial decision. Many women control the majority of all consumer decisions. But now, it is important for women to focus on financial more than ever. Financial independence is achieving only by putting your money that is worth for you. This can be achieved with the greater knowledge of various financial alternatives and awareness about them.

1.1 Statement of the problem

In olden days, women were not given any right to take any important decision. Now, everything has changed. Women are educated; they are allowed to work and to take financial decisions. Though women are allowed to take financial decisions, they don't have enough knowledge about various financial alternatives. Women do not have financial knowledge and awareness about various income tax and regulatory bodies. Awareness level of working women is analysed in this study in order to know the literacy level of working women.

1.2 Review of Literature

Priya Vasagadekar (2014), From ancient times, women have been managing homes and their activities. Hence they are called 'Home makers.' This situation has been changing. These days, in all sorts of fields, women are working efficiently and enthusiastically along with men or if it is said that women work more efficiently than their male colleagues, it wouldn't be an exaggeration. In the metro cities, the percentage of working women is more and Pune is getting transformed into metros. The present research has been done to know the investment awareness among Indian working women with reference to Pune region. Now- a- days, women want to be financially independent & secure their future with enough funds. This research is based on the study of investment behavior & patterns followed by working women in various sectors in Pune region. As most of the women are low in financial

literacy, it becomes hardly possible for them to manage their portfolios on their own. Also the risk bearing capacity of working women in India is low. This is due to lack of sound financial knowledge.

Akshita Arora (2016), The lower level of financial literacy is one of the greatest concerns for Indian women since independence. To assess the financial literacy level of women, we conducted a survey for which, a questionnaire is prepared and distributed among the working women in the state of Rajasthan. The results of the survey show that the general awareness about financial planning tools and techniques among women remains poor even today, in 21st century. The findings suggest that women have performed comparatively better in terms of financial attitude and behaviour as compared to financial knowledge score. Also, the single women outperform married women in terms of their financial literacy score.

Abhishek Janvier Frederick et al.,(2017), Tax planning is important for every assessee to reduce their tax liability and compliance with the income tax rule. To enjoy the benefits of tax planning the assessee must know different provisions of tax savings schemes available in the law. This paper studies the awareness of working women, towards tax benefits schemes and the investment pattern towards tax benefits schemes in Allahabad. The matters of investment, future financial planning and investment for tax benefits are generally taken care by the male members of the family. But in the present scenario there is a need for understanding the complexities of finance by female study, therefore to target this need the present study is being conducted to measure the awareness of working women in related to Tax saving schemes. The study is all about understanding the customer's awareness to the tax benefit schemes. And also, to understand the investment pattern of customers towards these tax benefits schemes.

1.3 Objectives of the study

1. To study the socio – economic profile of working women investors in Thoothukudi
2. To find out awareness level of working women regarding investment pattern
3. To identify the awareness level of women on regulatory bodies
4. To gather suggestions from working women for increasing the awareness about financial literacy

II. RESEARCH METHODOLOGY

II.1 Hypothesis of the study

1. **Ho:** Awareness Level of the respondents regarding Income Tax is not related with demographic factors like age, gender, education, occupation, monthly income, type of family and household size.
2. **Ho:** Awareness level of the respondents regarding regulatory bodies is not related with demographic factors like age, gender, education, occupation, monthly income, type of family and household size.
3. **Ho:** Suggestions offered by the working women are not related with education and occupation of the respondents.

II.2 Significance of the study

The following are the significance of the study

1. This study analyses the level of awareness among working women regarding various investment pattern.
2. This study identifies the awareness level of working women on regulatory bodies.

II.3 Scope of the study

The present study covers the Thoothukudi district. It deals with awareness level of working women regarding various regulatory bodies and income tax. The period of the study is about six months.

II.4 Methodology

The present study adopts an analytical and descriptive research design. The present study deals with awareness of working women regarding investment pattern. By adopting simple random methods, respondents were selected from Thoothukudi District. The sample size of the study is 600. Questionnaires collected from the respondents were of great source of information. The present study is based on both primary data and secondary data. The tools used for analysis is Chi-square.

III. ANALYSIS AND INTERPRETATION

Table 1: Level of awareness about investment pattern

Type of Investment	Not aware		Partly aware		Fully aware	
	Frequency	%	Frequency	%	Frequency	%
Shares	350	58.3	195	32.5	55	9.2
Debentures	337	56.2	186	31.0	77	12.8
Insurance policy	89	14.8	285	47.5	226	37.7
Bank deposits	64	10.7	221	36.8	315	52.5
Mutual funds	281	46.8	231	38.5	88	14.7
Post office savings	80	13.3	232	38.7	288	48.0
Real estate	327	54.5	171	28.5	102	17.0
Gold & silver	111	18.5	245	40.8	244	40.7
Govt securities	252	42.0	218	36.3	130	21.7

Source: Primary Data

The above table demonstrates that awareness level of the respondents about the different investment patterns. Majority of the respondents are not aware about shares, debentures, mutual funds, real estate, government securities. Major part of the respondents is partially aware about insurance policy, gold and silver, government securities. Most of the respondents are fully aware about bank deposits and post office savings.

Table 2: Relationship between the demographic profile of the respondents and their awareness level of Income tax

Demographic factors	Options		Response		Total
			Yes	No	
Age	Below 25 years	Frequency	30	24	54
		Percentage	55.6%	44.4%	100.0%
	26 years – 35 years	Frequency	90	70	160
		Percentage	56.3%	43.8%	100.0%
	36 years – 45 years	Frequency	137	47	184
		Percentage	74.5%	25.5%	100.0%
	46 years – 55 years	Frequency	125	51	176
		Percentage	71.0%	29.0%	100.0%
	Above 55 years	Frequency	19	7	26
		Percentage	73.1%	26.9%	100.0%
Marital Status	Married	Frequency	350	156	506
		Percentage	69.2%	30.8%	100.0%
	Unmarried	Frequency	51	43	94
		Percentage	54.3%	45.7%	100.0%
Education	Upto HSC	Frequency	47	31	78
		Percentage	60.3%	39.7%	100.0%
	Degree	Frequency	78	59	137
		Percentage	56.9%	43.1%	100.0%
	Post Graduate	Frequency	199	79	278
		Percentage	71.6%	28.4%	100.0%
	Professional	Frequency	77	30	107
		Percentage	72.0%	28.0%	100.0%
Occupation	Government Employee	Frequency	288	96	384
		Percentage	75.0%	25.0%	100.0%
	Private Employee	Frequency	82	77	159
		Percentage	51.6%	48.4%	100.0%
	Professional	Frequency	13	14	27
		Percentage	48.1%	51.9%	100.0%
	Any others	Frequency	18	12	30
		Percentage	60.0%	40.0%	100.0%
Annual Income	Less than Rs 1 Lakh	Frequency	80	91	171
		Percentage	46.8%	53.2%	100.0%

	Rs 1 – 2 Lakhs	Frequency	59	35	94
		Percentage	62.8%	37.2%	100.0%
	Rs 2 – 3 Lakhs	Frequency	52	20	72
		Percentage	72.2%	27.8%	100.0%
	Rs 3 – 4 Lakhs	Frequency	34	20	54
		Percentage	63.0%	37.0%	100.0%
Rs 4 – 5 Lakhs	Frequency	54	8	62	
	Percentage	87.1%	12.9%	100.0%	
More than Rs 5 Lakhs	Frequency	122	25	147	
	Percentage	83.0%	17.0%	100.0%	
Type of family	Nuclear	Frequency	225	129	384
		Percentage	66.4%	33.6%	100.0%
	Joint	Frequency	146	70	216
		Percentage	67.6%	32.4%	100.0%
Size of family	Below 3 members	Frequency	32	38	70
		Percentage	45.7%	54.3%	100.0%
	3 – 5 members	Frequency	306	119	425
		Percentage	72.0%	28.0%	100.0%
	Above 5 members	Frequency	63	42	105
		Percentage	60.0%	40.0%	100.0%

Source: Primary Data

This table shows the relationship between demographic profile of the respondents and their awareness level of income tax. In age factor, 66.8 percent of the respondents are aware of Income tax. In that, 74.5 percent of the respondents are at the age group of 36 years to 45 years. In marital status factor, 66.8 percent of the respondents are aware of income tax. In that, 69.2 percent of the respondents are married. In education factor, 66.8 percent are aware of income tax. In that 71.2 percent of the respondents have finished their post graduate. In occupation factor, 66.8 percent of the respondents are aware about income tax. In that, 75.0 percent of the respondents are government employee. While considering annual income of the respondents, 66.8 percent of the respondents are aware of income tax. In that, 87.1 percent of the respondents are earning Rs 4,00,000 to Rs 5,00,000. In type of family, 66.8 percent of the respondents are aware of income tax. In that, 67.6 percent of the respondents are living in joint family. In six of family factor, 66.8 percent of the respondents are aware of income tax. In that, 72.0 percent of the respondents' household size is 3 to 5 members.

Null Hypothesis:

Awareness Level of the respondents regarding Income Tax is not related with demographic factors like age, gender, education, occupation, monthly income, type of family and household size.

Table 3: Chi-square test on demographic profile of the respondents and their awareness level of Income tax

S.No	Demographic factors	Chi-square value	df	Significant value
1	Age	17.858	4	0.001
2	Marital status	7.955	1	0.005
3	Education	11.677	3	0.009
4	Occupation	33.144	3	0.000
5	Annual income	61.824	5	0.000
6	Type of family	0.088	1	0.767
7	Size of Family	21.415	2	0.000

*Significant value @ 5%

The above table shows the relationship between demographic profile of the respondents and their awareness level of income tax. As per rejection of null hypothesis (value < 0.05), awareness about income tax is related with age, marital status, education, occupation, annual income and size of family of the respondents. As per acceptance of null hypothesis (value > 0.05), awareness about income tax is not related with type of family. It concludes age, marital status, education, occupation, annual income and size of family influence awareness about income tax. It also concludes that type of family does not influence awareness about income tax.

Table 4: Relationship between the demographic profile of the respondents and their awareness level about regulatory bodies

Demographic factors	Options		Response		Total
			Yes	No	
Age	Below 25 years	Frequency	23	31	54
		Percentage	42.6%	57.4%	100.0%
	26 years – 35 years	Frequency	60	100	160
		Percentage	37.5%	62.5%	100.0%
	36 years – 45 years	Frequency	63	121	184
		Percentage	34.2%	65.8%	100.0%
	46 years – 55 years	Frequency	66	110	176
		Percentage	37.5%	62.5%	100.0%
	Above 55 years	Frequency	12	14	26
		Percentage	46.2%	53.8%	100.0%
Marital Status	Married	Frequency	184	322	506
		Percentage	36.4%	63.6%	100.0%
	Unmarried	Frequency	40	54	94
		Percentage	42.6%	57.4%	100.0%
Education	Upto HSC	Frequency	19	59	78
		Percentage	24.4%	75.6%	100.0%
	Degree	Frequency	54	83	137
		Percentage	39.4%	60.6%	100.0%
	Post Graduate	Frequency	113	165	278
		Percentage	40.6%	59.4%	100.0%
	Professional	Frequency	38	69	107
		Percentage	35.5%	64.5%	100.0%
Occupation	Government Employee	Frequency	136	248	384
		Percentage	35.4%	64.6%	100.0%
	Private Employee	Frequency	56	103	159
		Percentage	35.2%	64.8%	100.0%
	Professional	Frequency	9	18	27
		Percentage	33.3%	66.7%	100.0%
	Any others	Frequency	23	7	30
		Percentage	76.7%	23.3%	100.0%
Annual Income	Less than Rs 1 Lakh	Frequency	54	117	171
		Percentage	31.6%	68.4%	100.0%
	Rs 1 – 2 Lakhs	Frequency	36	58	94
		Percentage	38.3%	61.7%	100.0%
	Rs 2 – 3 Lakhs	Frequency	28	44	72
		Percentage	38.9%	61.1%	100.0%
	Rs 3 – 4 Lakhs	Frequency	22	32	54
		Percentage	40.7%	59.3%	100.0%
	Rs 4 – 5 Lakhs	Frequency	22	40	62
		Percentage	35.5%	64.5%	100.0%
More than Rs 5 Lakhs	Frequency	62	85	147	
	Percentage	42.2%	57.8%	100.0%	
Type of family	Nuclear	Frequency	128	256	384
		Percentage	33.3%	66.7%	100.0%
	Joint	Frequency	96	120	216
		Percentage	44.4%	55.6%	100.0%
Size of family	Below 3 members	Frequency	24	46	70
		Percentage	34.3%	65.7%	100.0%
	3 – 5 members	Frequency	162	263	425
		Percentage	38.1%	61.9%	100.0%
	Above 5 members	Frequency	38	67	105
		Percentage	36.2%	63.8%	100.0%

		Percentage	36.2%	63.8%	100.0%
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Source: Primary Data

The above table describes the relationship between the demographic profile of the respondents and their awareness level about regulatory bodies. In age factor, 62.7 percent of the respondents are not aware of regulatory bodies. In that, 65.8 percent of the respondents are at the age of group 36 years to 45 years. In marital status, 62.7 percent of the respondents are not aware of regulatory bodies. In that, 63.6 percent of the respondents are married. In education factor, 62.7 percent of the respondents are not aware of regulatory bodies. In that, 75.6 percent of the respondents studied upto HSC. In occupation, 62.7 percent of the respondents are not aware of regulatory bodies. In that, 66.7 percent of the respondents are professionals. In annual income, 62.7 percent of the respondents are not aware of regulatory bodies. In that, 68.4 percent of the respondents are earning less than Rs 1,00,000. In type of family, 62.7 percent of the respondents are not aware of regulatory bodies. In that, 66.7 percent of the respondents are living in a nuclear family. In size of family factor, 62.7 percent of the respondents are not aware of regulatory bodies. In that, 65.7 percent of the respondents household size is below 3 members.

Null Hypothesis:

Awareness level of the respondents regarding regulatory bodies is not related with demographic factors like age, gender, education, occupation, monthly income, type of family and household size.

Table 5: Chi-square test on demographic profile of the respondents and their awareness level about regulatory bodies

S.No	Demographic factors	Chi-square value	df	Significant value
1	Age	2.260	4	0.688
2	Marital status	1.298	1	0.255
3	Education	7.323	3	0.062
4	Occupation	20.930	3	0.000
5	Annual income	4.365	5	0.498
6	Type of family	7.295	1	0.007
7	Size of Family	0.448	2	0.799

*Significant value @ 5%

The above table shows the relationship between demographic profile of the respondents and their awareness level of regulatory bodies. As per rejection of null hypothesis (value < 0.05), awareness about regulatory bodies is related with occupation and type of family of the respondents. As per acceptance of null hypothesis (value > 0.005), awareness about regulatory bodies is not related with age, marital status, education, annual income and type of family. It concludes occupation, and type of family influence awareness about income tax. It also concludes that age, marital status, education, annual income and type of family do not influence awareness about regulatory bodies.

Table 6: Relationship between suggestions offered by working women with education & occupation

Demographic factors	Options		Suggestions					Total
			Special schemes for working women	Offering additional bonus	Additional Tax Incentives	Offering specific schemes for children's/ marriage etc	Attractive pension schemes	
Education	Upto HSC	Frequency	33	8	2	25	10	78
		Percentage	42.3%	10.3%	2.6%	32.1%	12.8%	100.0%
	Degree	Frequency	74	10	9	19	25	137
		Percentage	54.0%	7.3%	6.6%	13.9%	18.2%	100.0%
	Post Graduate	Frequency	116	14	18	73	57	278
		Percentage	41.7%	5.0%	6.5%	26.3%	20.5%	100.0%
Professional	Frequency	48	14	6	29	10	107	
	Percentage	44.9%	13.1%	5.6%	27.1%	9.3%	100.0%	
Occupation	Government Employee	Frequency	162	20	26	107	69	384
		Percentage	42.2%	5.2%	6.8%	27.9%	18.0%	100.0%
	Private Employee	Frequency	81	19	4	24	31	159
		Percentage	50.9%	11.9%	2.5%	15.1%	19.5%	100.0%
	Professional	Frequency	16	3	3	3	2	27
		Percentage	59.3%	11.1%	11.1%	11.1%	7.4%	100.0%

Any others	Frequency	12	4	2	12	0	30
	Percentage	40.0%	13.3%	6.7%	40.0%	0.0%	100.0%

Source: Primary Data

The above table discloses the information that relationship between suggestion offered by working women with education and occupation. In education factor, 45.2 percent of the respondents suggest to announce special schemes for working women. In that, 54.0 percent of the respondents are degree holder. In occupation factor, 45.2 percent of the respondents suggest to announce special schemes for working women. In that, 59.3 percent of the respondents are professional.

Null Hypothesis:

Suggestions offered by the working women are not related to education and occupation of the respondents.

Table 7: Chi-square test on suggestions offered by working women with education and occupation of the respondents

S.No	Demographic factors	Chi-square value	Df	Significant value
1	Education	27.778	12	0.006
2	Occupation	36.571	12	0.000

*Significant value @ 5%

This table signifies the relationship between suggestions offered by the working women with education and occupation of the respondents. As per rejection of null hypothesis (value < 0.05), suggestions offered by the working women are related with education and occupation of the respondents. It concluded that education and occupation of working women play an important role in suggestion offered by them.

III.1 Findings

1. Majority of the respondents are not aware about shares, debentures, mutual funds, real estate, government securities. Major part of the respondents is partially aware of insurance policy, gold and silver, government securities. Most of the respondents are fully aware of bank deposits and post office savings.
2. Age, marital status, education, occupation, annual income and size of family influence awareness about income tax. It also concludes that type of family does not influence awareness about income tax.
3. Occupation and type of family influence awareness about income tax. It also concludes that age, marital status, education, annual income and type of family do not influence awareness about regulatory bodies.
4. Education and occupation of working women play an important role in suggestion offered by them.

III.2 Suggestions

1. Government should take some efforts to increase the financial awareness and investment awareness among the working women through organizing campaigns.
2. Working women can gather information from various sources like newspaper, TV Channels, magazines. They can take financial decision with the help of financial experts.
3. Companies can organise investment and financial awareness programmes by experts in their office premises especially for their women employees.

III.3 Conclusion

Financial literacy being the keyword for manageable and prosperous future working women is gradually becoming aware of it. As a further significant improvement they are also becoming aware of the various patterns in depositing and saving for future. Even after such improved education and awareness terms like shares, debentures and such like are new to them and hence create a little bit of uneasiness in using them.

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