

WOMEN AND FINANCIAL EDUCATION IN BIDAR CITY (KARNATAKA): A STUDY**Sangashetty Shetkar¹,**

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Abstract:

Financial education is the base for all most all financial services, such as banking, insurance and shares and mutual funds .Socio economic empowerment of women is possible only when the women are strong enough to take financial decisions. In India where women constitute 46% of total population it shows nearly equally competent to men so financially educating women is the need of the hour and it will lead to small saving and well running of her family and gain well status in the society. Women's specific financial Growth, development and financial inclusion, Financial literacy as a tool for women empowerment, Gender inequality and lack of access to financial services, Certain issues and aspects related with financial inclusion and women empowerment. Financial literacy by studying the relationship between women empowerment and financial inclusion. In this study, 68 women are respondents from different corner of the Bidar city of Karnataka State is selected and structured questionnaire method is used to collect the data about the financial awerenes,financial attitude and financial behaviour and result drawn on the basis of collected data suggestions are followed.

Keywords: Financial Education; Financial Services; Financial Literacy; Growth and Development; Women Empowerment;

Introduction:

Financial Literacy aids financial inclusion in many ways as it provides knowledge and awareness in the following aspects- Why save, Why save with banks, Why borrow for income generating purposes, Why to repay loans in time, What is interest and how moneylenders charge it, What is the need of insurance. It is only when women control decisions regarding credit and savings, they will well manage their own and household's welfare leading to financial growth and empowerment. Financial education enables women for- Economic decision making, Enhancing purchasing capacity, Control over loans and Control over income and savings, borrow for investment and insure against risk. Financial literacy is an important aspect to help the women to accept and use the products to which they increasingly have access. It helps to develop skills to compare and select the best products for their needs and empower them to exercise their rights and responsibilities. It enables women to act "Smart Financially" by providing them knowledge and skills to understand financial planning, savings, investment, basics of banking, understanding need of household budgeting.

FSDC (Financial Stability and Development Council), The National Strategy for Financial Education (NSFE) for India has been prepared. The action plan of creating awareness and educating consumers on access to financial services and calls for active involvement of individuals, financial sector regulators, NGO's, central and state Government. One of the basic objectives of NSFE is to standardize the financial education of various stakeholders.

Poor financial literacy have prompted a serious review of existing financial education programs and launch of new programs. The need for continual updating of financial literacy across all age groups because of the dynamic nature of financial products and services as well as the changing needs of individuals with time .It is observed that exposing women to financial education. Financial literacy is of particular relevance to emerging economies. As these research from around the world reports inadequate financial literacy which raises serious concerns about the ability of individuals to secure their financial well-being. Financial literacy is associated with higher educational attainment and income. As soon as the education levels of individuals increases their understanding about the financial terms and clarity about their financial needs and requirement in order to protect their money they increase the effort towards the accessing the financial information ,which ultimately enhances their knowledge of present financial services and products.

Financial literacy provides knowledge and awareness in the following aspects-

- Why we need to save money.
- Why we should save with banks.

- Why we borrow for income generating purpose.
- Why to re-repay loans in time.
- What is the need and use of insurance etc?

Though government has initiated many plans and different steps are taken there is a required strategic action to increase financial inclusion of women. An effort has been made through this paper to analyse financial literacy and financial inclusion as a tool for women empowerment.

Factors influencing financial literacy:

An individual is said to be financially literate if he/she is able to perform the following:

1. Financial literacy is influenced by so many factors such as age, region or country in which the individual resides, the financial environment, income level, socio demographic factors like his family, number of dependents, mother's education, financial advice etc.
2. Financial knowledge and understanding: The individual should be known of the products which are available in market. Should possess enough knowledge about the basics of the products, the related concepts, Choosing appropriate products: Should be able to compare similar products and choose the correct product.
3. Financial Planning: The intensity to save and plan for their retirement life should be clear. Investing in proper way or saving through various investment plans show their attitude and behaviour towards financial matters.
4. Money management: Financial literacy helps an individual to have control over his financial matters. It enables an individual to frame correct budgets which in turn helps them to track his finances and meet the ends.
5. Financial literacy is a universal issue. The level of financial literacy required depends upon the financial needs of the individual.

Financial education system in India

Ministry of Finance (GOI) established several institutes purely based on finance in order to meet the demand of global finance market. INDIAN INSTITUTE OF FINANCE (IIF) founded in 1987 as a non-profit autonomous educational institution, to promote education and research in Finance. INDIAN INSTITUTE OF BANKING AND FINANCE (IIBF) (formerly The Indian Institute of Bankers) was established in 1928. With more than 650 Institutional Members and over 2.5 lakh individual members, it is the largest Institute of its kind in the world and is working with a mission "to develop professionally qualified and competent bankers and finance professionals. The institutes offer education, training, examination consultancy/counselling and continuing

professional development programs". It is our strong belief that, if an increased understanding of banking and finance, people can enjoy their other financial services.

Financial Literacy in India Various surveys show that the level of financial literacy of Indians is low. India stands in the 23rd position out of 27 countries in the recent survey conducted by Visa.

Government steps to enhance the financial literacy

The following are some of the initiatives taken:

1. Included financial literacy in school and college curriculum. National Strategy for Education was prepared and released by RBI in 2012 which is related to the need for financial education in schools.
2. Many programs and competitions are conducted among the kids to develop the awareness of financial literacy Increased variety of products and the instability of the global economy in twenty first century caused increasing complexity of financial decisions and also caused consumers faced with the challenge in economic and financial activities.
3. Financial literacy centres are operating all over India to spread financial literacy(658 centres).
4. SEBI initiated nationwide campaign to spread financial education to various target segments such as students in schools and universities, working executives, home makers, retired personnel, self-help groups, etc.
5. Seminars on various aspects like savings, investment, financial planning, banking, insurance, retirement planning, etc..
6. Essentials of Investing': A set of 11 booklets realised for public awareness about investments.

Review of literature

A study, conducted by Visa, found that 34% of Indian women and 29% of Indian men claimed to have no savings. Similarly, it revealed that 43% of Indian women do not discuss matters of money management with their children, due in large part to their own lack of understanding. It is no surprise that in a society where women are not engage in paid work, and are therefore not expected to undertake decisions relating to the family budget and financial matters. Mark Taylor (2010). Identify the key determinants of Financial Literacy. Using panel data models, He find the key factors to financial literacy are age, health, household size and structure, the employment status of the individual and other household members. Older men

and women in full-time work with an employed spouse have the most financial capability but results suggest that age, and employment status has the largest impacts. Tullio Jappelli(2009), has done a comprehensive assessment of literacy across the world based on a survey of executives in 55 countries, in 1995-2008. The survey respondents are a selected group of managers and country experts, and regression analysis shows that its level depends on educational achievement, social interactions, financial literacy and financial development, financial knowledge depends on cognitive ability. Worthington: 2006, however there is no evidence to suggest that these low-income families are financially illiterate. Financial stress could be related to many social issues such as unemployment, large families and poor economic conditions of the family.

Atkinson & Kempson: 2004. Numerical skills are important in assisting the understanding of financial skills. There is support in many countries such as Australia and the UK to have financial skills taught at middle school levels across the curriculum. According to the annual MasterCard's index for financial literacy in terms of overall financial literacy, India is at the bottom among 16 countries in the Asia-pacific region India is above with 59 index points from Japan, the index is based on a survey conducted between April 2013 and May 2013 with 7,756 respondents aged 18-64years. The survey polled respondents on three aspects — basic money management (50% weight), financial planning (30% weight) and investment (20% weight) — to arrive at the overall financial literacy index.

Ansong and Gyensare (2012) conducted a study among 250 UG and PG University students of Cape Coast reveals that the age and work experience are positively related to financial literacy. Report by Australian Government(2011) Factors influencing financial literacy of marginalised women are knowledge about financial products, proper formal education, basic money management skills, financial numeracy, persuasion knowledge and self efficacy and basic banking activities.

Need of the study:

As earlier researcher stated that, financial literacy plays a vital role in providing social and economic security in urban and rural area special for working women, further it felt important to know what is the level of financial knowledge of working women .To fulfil this aim, it is necessary that the women who are living in the urban and rural area should have to enhance the knowledge of finance and also get awareness of countries financial position. We need to know the level of financial literacy of various groups. This study focuses on measuring the level of financial literacy among working women employees in Bidar City.

Objectives of the Study:

The basic objectives of the study are as follows;

- 1.To identify the financial literacy of working women.
- 2.To identify the factors influencing financial literacy of women.
- 3.To know the barriers to acquire financial knowledge for women.
- 4.To give suggestions to women to gain financial literacy.

Research Methodology:

Sampling design : Basic study is based on sampling techniques. The study was conducted in Bidar city, Bidar district in Karnataka State during March 2016. A sample of 68 working women were chosen for the study. Only working women are considered because those who earn money they have the right to invest as they wish. Most care has been taken for representing entire population. The sampling method hence chosen was random sampling based on convenience to certain extent.

Profile of Bidar : Bidar is a developing district of Karnataka state having 71% of literacy and 56% of the population is BPL (Below Poverty Line) and it is famous for BIDRI HANDICRAFTS. The major industries are Sugar Factories, Food Processing, Textiles and Garments. Total 83 factories are there in district. This indeed is providing better employment opportunities for the locals. It has 7 KIADB industrial area and an elementary flying school which is the oldest flying school of India. The district headquarter connected roads and train lines. It is declared as 22nd cleanest city in India.

Tools for data collection and Interpretations: The present study is based on survey method. It involves the collection of primary data from working women. The secondary data was collected from various books and articles published in various journals and magazines. Working women representing all walks of society were selected for the study. The primary data was collected with the help of a structured questionnaire. The data, so collected was processed and analyzed with the help of statistical tools like percentage analysis and cross factor analysis were applied.

Table 1 Profile of the Respondents

S.no	Variables and Categories	Frequency(No.)	Percentage(%)	
1	Age	Young age(18 to 30 years)	24	35
		Middle age(31 to 50 years)	32	47
		Old age above 51 years	12	18
		Total	68	100
2	Marital Status	Married	50	73
		Un-married	18	27
		Total	68	100
3	Family Type	Joint Family	29	43
		Nuclear Family	39	57
		Total	68	100
4	Purpose of Savings	Tax Saving	08	12
		Not for tax Savings	60	88
		Total	68	100
5	Got lottery Rs 10,000	Gold	23	34
		Bank FD	38	56
		Equities and Mutual Fund	03	4
		Others	04	5
		Total	68	100

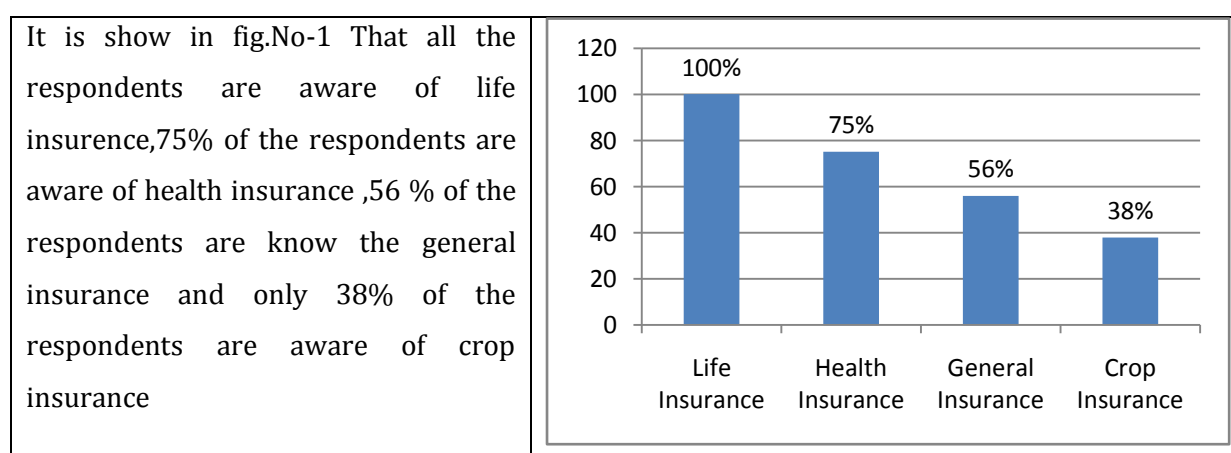
Analysis and Results:

The data collected was encoded and tabulated . It was further exposed to statistical tools like percentage analysis. The profile of the respondents is given in Table-1. It is clear from the Table-1 that of the total 68 respondents, almost one-third belonged to the age group of 18-30 years, while 47 % lay within the age group of 31-50 years and 18 % of the respondents were in age brackets of above 51 years. And above table1 also states that 73% of the respondents are married and 27% of the respondents are unmarried. It is further observed that 57% of the respondents are leaving in nuclear family were as only 43 % of the respondents are in joint family. Further it is noticed in above table only 12% of the respondents are saving money for tax saving purpose were as 88 % of the respondents are not saving money for only tax saving purpose.

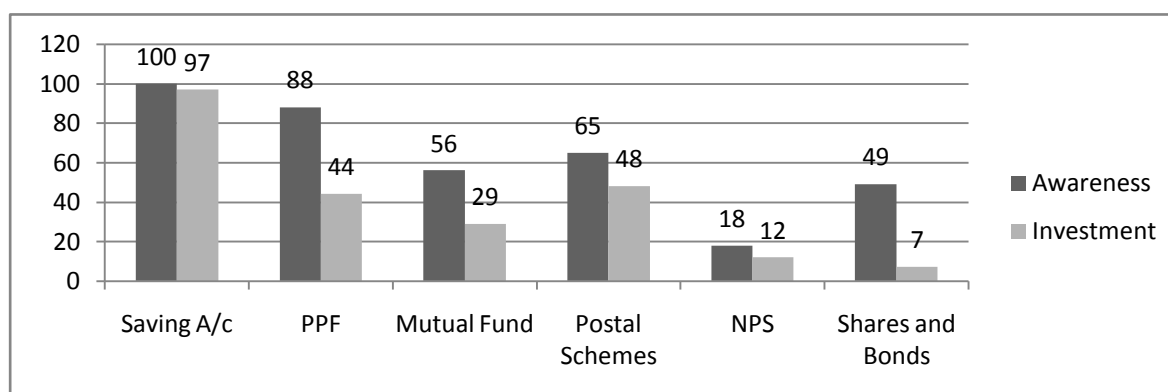
Table-2 Investment of Lottery Amount Rs 10,0000

Particulars	Frequency	%
Gold	23	34
Bank FD	38	55
Equities and Mutual Fund	03	4
Others	04	5
Total	68	100

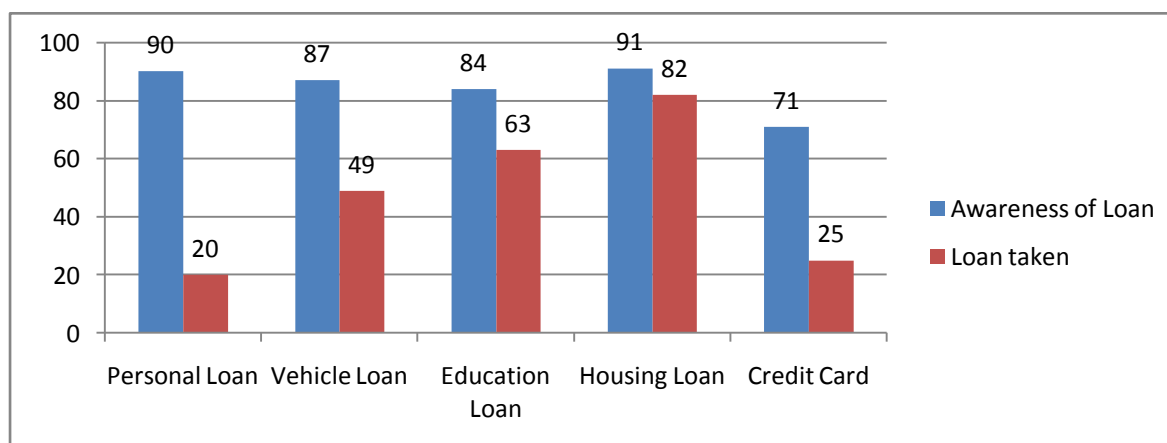
It is clear from the bedside table,34% of the respondents invest amt in gold if they got lottery of Rs 10,000 and 56% of the respondents invest in bank FD,4% of the respondents invest in equities and mutual funds and only 5% of the respondents said they will invest in others.

Fig. No-1 Awareness of different insurance**Table-3 Awareness and Investment in Different Financial Services**

S.no	Particulars	N.Resp	% P	
1	Awareness of Different Financial Services	Saving A/c	68	100
		PPF	60	88
		Mutual Fund	38	56
		Postal Schemes	44	65
		NPS	12	18
		Shares and Bonds	33	49
2	Investment in Different Financial Services	Saving A/c	66	97
		PPF	30	44
		Mutual Fund	20	29
		Postal Schemes	33	48
		NPS	08	12
		Shares and Bonds	05	07

Fig.No.2 Awareness and Investment in Different Financial Services

It is shown in **Fig.No2** that all respondents are aware of SB a/c and 97 % of the respondents are invested amount in SB A/c,88 % of the respondents are know the PPF but only 44 % of them opened PPF A/c,56 % of the respondents are aware of Mutual Fund and 29 % of them purchased mutual funds,65% of the respondents are know the various Postal Schemes but 48 % of them taken benefit of those schemes, only 18 % of the respondents are hard about NPS and 12 % of them invested in it. And 49 % of the respondents aware of the Shares and Bonds, but only 7 % of them purchased the Shares and Bonds

Fig.No.3 Awareness and loan taken by the respondents

It is shown in **Fig.No.3** that 90 % of the respondents are aware of Personal loan and 20 % of them taken personal loan, 87 % of the respondents are aware vehicle loan and 49 % of them taken vehicle loan ,84 % of the respondents are know the Education loan,63 % of them taken Education loan, 91 % of the respondents are aware of Housing loan and 82 % of them taken Housing loan, 71% of the respondents are know the Credit card and only 25 % of them used the Credit card.

Table-4 Financial Knowledge of the respondents

S.no	Particulars	YES	%	NO	%	Total Frequency	Total %
1	Awareness of Net banking and Mobile Banking	60	88	08	12	68	100
2	Use of Net banking and Mobile Banking	30	44	38	56	68	100
3	Awareness of Time Value of Money	23	34	45	66	68	100
4	Awareness of Simple Interest Calculations	56	82	12	18	68	100
5	Awareness of Cost Benefit Relations	13	19	55	81	68	100

It is shown in **Table-4**. 88 % of the respondents are aware of Net Banking and Mobile Banking and only 12 % of the respondents are not aware Net Banking and Mobile Banking and 44 % of them used Net Banking and Mobile Banking services. 34 % of the respondents are hard the time value of money and 66 % of the respondents not hard the time value of money. It is further noticed that 82% of the respondents are know the calculation of simple interest and only 18 % of the respondents are not know the calculation of simple interest. And 19 % of the respondents are aware of the Cost Benefit Relations, 81 % of the respondents not aware of Cost Benefit Relations.

Cross Analysis:

After the overall analysis, an attempt was made to identify the influence of the age of the respondents on their level of awareness of financial products. The below **Table.5** provides a summary of awareness of the respondents within each of the age group.

Of the total 20 respondents belonging to the age group up to 30 years, a majority were aware of SB A/c, loaning schemes, as well as life and health insurance schemes. But they were less aware of Postal schemes, NPS, General and crop insurance. It is further noticed that maximum respondents are falling under this age group 32 (Age group 30-50 years) here only lack of awareness was found in case of NPS only. While in the age group of above 50 years lack of awareness is observed i.e. Shares ,Bonds, Credit Cards and NPS.

The overall awareness was measured by computing mean percentage within the age group. It can be clearly observed that the extent of aware women increased with age from 58.40% for up to 30 years to 71.60% for 50-above years

Table-5.Age Level Awareness

Particulars		Up to 30yrs(%)	30-50 yrs (%)	50-Above yrs
Investment	SB A/c	100	99	100
	PPF	39	78	94
	Mutual Fund	48	59	63
	Postal Schemes	24	61	64
	Shares & Bonds	28	51	37
Loan	NPS	09	17	22
	Personal Loan	84	91	86
	Vehicle Loan	75	88	85
	Education Loan	92	89	78
	Housing Loan	71	92	94
Insurance	Credit card	65	69	48
	Life	100	100	100
	Health	69	83	65
	General Insurance	35	62	68
	Crop Insurance	37	59	63
	Mean (%)	58.40	73.20	71.60

Major findings of the study:

The major interpretations from the study were reported as under:

- ✓ Near to half (47%) of respondents belonged to middle age group where three-fourth of the respondents (i.e.73%) were married.
- ✓ More than half (57%) of respondents belonged to nuclear family.
- ✓ Majority (88%) of the respondents are saving money for other than tax saving purpose.
- ✓ More than half (56%) of the respondents feel Bank FD is the safest investment.
- ✓ All of the respondents aware of life insurance.
- ✓ All of the respondents have SB A/c.
- ✓ Most of the working women do not have the health insurance.
- ✓ Minority (38%) of the respondents know the Crop insurance.
- ✓ Minority (7%) of the respondents Purchase Share and Bonds
- ✓ Majority (91%) of the respondents know the Housing loan and 82 % of them taken housing loan.
- ✓ Majority (88%) of the respondents know the Net Banking, Mobile Banking and 44 % of them access the Net Banking and Mobile Banking.

- ✓ More than half of the respondents (66%) are not aware of time value of money, even they do not know diversification of investment and cost benefit relation. It is clear guide that need of provide financial education.
- ✓ Most of the respondents are aware of risk free financial services compared to risky financial services.
- ✓ Majority of the working women are invested in risk free financial services like SB A/c, Bank FD etc.
- ✓ Majority(82%) of the respondents know the simple interest calculations.
- ✓ With cross analysis we can say age is increasing the understanding of financial product also increased.

Suggestions

Based on the present study the following suggestions have been made

1. Special training programme should be organized for working women regarding the diversification of investment ,cost benefit relation and time value of money.
2. Risk in investment leads to less investment by the working women they will be properly explained each and every investment have risk.
3. Insurance service providers should introduce such a insurance policy it will suite to working women.
4. Award and reward should be given to those working women who made diversified investment and gained.
5. The working women need to acquire more technological knowledge to proper use of e-banking and mobile banking.
6. Special workshop on financial literacy is conducted for only working women main aim is to orient them in financial skills like planning, decision making and so forth
7. The study was conducted in only Bidar city of Bidar district in Karnataka state with reference to financial education and women, it is necessary to have studies in other areas also in order to generalize the findings.

Conclusions:

Systematic and regular finance is the need of the hour because of busy schedule of life everyone wants more earning on investments. So, awareness of the financial product is very most important. Male dominated society today also restricting women to gain financial knowledge but higher the education level leads to higher the working opportunity among women. It will defiantly solve the financial problems. Now 46 % of our population constitute

women population. It is clear that they are equal in No with male so they will have equal opportunity to gain financial independence.

Today financial decision is not in the hands of only male so it is better to promote women in financial decision taking. The banks and all other financial institutions need to promote financial education among the working women through modern social media such as Face book, Twitter, Whatsapp and Internet.

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