

FINANCIAL LITERACY LEVELS OF COMMERCE STUDENTS- A SELECT STUDY

G. Saritha¹ & Dr. K. Srinivas²

¹Research Scholar and Assistant Professor, Department of Commerce, University College for Women Koti, Hyderabad, Telanagana, India

²Assistant Professor, Department of Commerce, Osmania University, Hyderabad, Telanagana, India

Received: 17 May 2019

Accepted: 21 May 2019

Published: 31 May 2019

ABSTRACT

The financial sector of India is diversified. It is undergoing a rapid expansion in terms of both financial services and products and also the firms offering them have increased. Financial literacy has become the need of the hour due to growing financial markets which are flooded with a great variety of innovative financial services and products. Financial literacy in simple terms is the knowledge, skill and ability of an individual which allows in making informed financial decisions. It is an art as well as a science which helps in better money management by teaching the skills of budgeting as well as principles of sound financial planning thereby ensuring financial well being of the individuals. Hence, an attempt is made in this paper to measure the financial literacy levels of Commerce students of Osmania University College for Women, Koti, Hyderabad by taking a sample of 100 respondents. Chi-square test is used to analyse the relationship between demographic, socio-economic factors and financial literacy level. Age and education of the respondents are the crucial factors influencing their level of financial literacy. Measures are also suggested to improve their levels of financial literacy. A fundamental course comprising of various financial concepts should be made as a part of their curriculum making it a mandatory course for all disciplines to impart financial literacy.

KEYWORDS: Financial Literacy, Commerce, National Financial Educators Council (NFEC) Know Your Customer (KYC), Low Financial Literacy (LFL), High Financial literacy (HFL)