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AN ANALYSIS OF FINANCIAL LITERACY AND FINANCIAL BEHAVIOUR AMONG MANAGEMENT GRADUATE STUDENTS IN HYDERABAD

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ABSTRACT

One of the biggest challenges to developing nations is general education and, more so, financial education or financial literacy. Opportunities in investments are available all over the world, enabling investors to put in diversified financial products worldwide. In recent years, the issue of non-traditional products in finance has increased tremendously by business entities to attract investors, thereby financial products and markets became complex. Drastic changes have taken place in the financial system apart from structural changes in state socio-economic policies. In these circumstances, one needs to understand management graduate students' financial literacy levels since they will be future managers of the business where they have to manage their personal finance and business finance. The study's objective is to understand the literacy levels among management graduate students in Hyderabad and the impact of their knowledge in finance on their financial judgements. Research clearly shows that the average levels of financial literacy of management graduate students in Hyderabad are 33%, higher than the national average of 25% as per S & P Global Financial Literacy Survey, 2014. Male management graduate students' financial literacy levels are higher than female students, and the urban students' literacy levels in financial are more than rural and semi-urban brought-up students

1. Introduction

The biggest challenges to developing nations are general education and particularly financial education or financial literacy. Investment opportunities in financial products have grown both within the country and outside the country, allowing investors to spread investment in a range of financial products. In recent years, the complex nature of non-traditional financial products has increased in the financial markets. To understand these financial products, investors need to be more literate in finance. Based on the structural changes taking place in the socio-economic policies, changes in the financial system have occurred. Business entities coining new and versatile products in finance in the markets to attract investors; hence, need arises to improve financial literacy levels. As per the Standard & Poor Global Financial Literacy Survey, 2014, financial literacy levels among the Indian population is 25%, which is low. Hence, literacy in finance plays a critical part in planning to save and making decisions for future investment.

Financial literacy involves understanding financial concepts and application of those concepts in real life for economic advantage. Integrating these financial concepts and application is a tough job in reality. There are different parameters in the knowledge of literacy in finance, such as management of money, planning for savings, investments, etc.

According to the S and P's survey on Global Financial Literacy (2014), countries in European like Sweden, Denmark, Finland, Germany, and the UK, apart from Australia and Canada, adults' financial literacy rate is more than 65 per cent. Singapore has 59 per cent of financially literate adults among the South Asian countries, and India has 24 per cent literacy in finance.

Low financial literacy has been a setback in the Indian investment market. Traditionally, most Indians invest in gold and land but less in non-traditional investments such as bank deposits, stocks, bonds, options, insurance products, etc. This disparity between traditional and non-traditional investment options maybe because of lack of financial literacy and low understanding of financial products involved, resulting in the loss of investments by many investors, especially in non-traditional financial products, both in India and worldwide

Many Indian investors invest in private or unregistered finance companies (chit fund companies) and invest in non-bank deposits, which lead to loss of money due to default by such chit fund companies and non-financial companies. All these harms a nation and individual wealth due to low investor financial literacy.

The lower financial literacy level of population is critical issues of today's government because of the rise in fraud related to finance. Even in the 21st century, general awareness of management students of financial planning instruments and techniques remains poor. In the Indian cultural context, the head of the family used to take financial decision-making, i.e., the patriarch. Poverty and unemployment are the major social problems in India; hence, need arising to enhance literacy in financial among the public to reduce poverty and unemployment.

Many extreme poverty cases reported by the family members are associated with after the death of the family's earning member (Arora, A. 2016). One can avoid these situations with better financial planning.
Financial literacy centres established by Reserve Bank Of India (RBI) provide financial knowledge to help the masses gain access to banking and non-banking products and their services by making appropriate financial decisions. It is making extraordinary efforts to eradicate financial illiteracy (GKTODAY, 2019).
This research paper would contribute to the existing studies by exploring the financial literacy level of management graduates in Hyderabad. It is a multicultural city having a population of 80 lakhs in the State of Telangana, which is one of the economically developed and culturally diversified towns, having rich investment potential in India.
The study sample would include only management graduate students since they are highly educated and have better exposure to finance-related matters, hence useful in financial decision making.

2. Survey of Literature

Financial Literacy:
Financial literacy means making efficient decisions concerning the utilisation of money. Financially literate investors can make better investment decisions and make a clear decision regarding the spending of cash and its management (Noctor et al., 1992).
Organisation for Economic Cooperation and Development (OECD.), defined financial literacy as "A combination of knowledge, awareness, skill, attitude, and behaviour necessary to make better financial decisions and ultimately achieve individual financial well-being" (OECD INFE3, 2011). Measuring the level of knowledge in finance and attitude and assessing behaviour in finance of respondents requires identifying obvious needs and gaps in specific areas of literacy in finance.
According to Vitt et al., (2000), reading and analytical ability, manage and communicate about personal financial conditions affecting the material well-being of an individual are known as financial literacy. It has gained importance in the emerging markets due to the introduction of many financial products in financial markets.
Financial literacy is measured through financial knowledge, skill, attitude, and financial behaviour is measured through financial planning, decision-making, and financial control.
The RBI set up financial literacy and counselling centres in India in 2007 to enhance financial education and counselling for urban and rural populations across the country (GKTODAY, 2019).
To evaluate the levels of financial literacy of college students, adults, and retired individuals, Mandell (2008), Lusardi et al. (2010), and Atkinson and Messy, (2012) conducted studies by a survey method to examine the audience's financial literacy. They focused only on investment and financial management matters.

Lusardi & Mitchell (2008), through their study, identified that a low level of financial literacy had a high effect on financial decisions, which is true even today as well.

Financial literacy studies have linked financial knowledge to several economic behaviour indicators, such as low literacy in finance can lead to

- less likely planning for retirement (Lusardi and Mitchell, 2011c);
- less likely accumulation of wealth (Van Rooij et al. 2012);
- stock market participation is less likely (Van Rooij et al. 2011);
- more interest and fee payment on debts (Lusardi and Tufano 2009) and
- using borrowing at a high-interest rate (Lusardi and de Bassa Scheresberg 2013).

Several determinants indicate the level of financial literacy that affects how people deal with routine money and financial transactions. These determinants include socio-demographic, economic factors, education, income level, marital status, domicile, gender, family income and behaviour, exposure to the outside world, retirement needs, awareness about financial instruments, etc. Agarwalla et al. (2012) considered many of those factors in their survey to evaluate financial literacy among retired people, employees and students in India.

In his study, Mark Taylor (2011) highlighted significant financial literacy determinants. He used a model of panel data and discovered various key financial literacy determinants such as age, health, size and structure of the household, tenure of housing, and individual and other household members' employment status

General education has a profound effect on financial literacy (Lusardi et al., 2012). Her view is comparable to that of Hubbard et al. (1994) that poorly educated individuals do not save more than highly educated individuals. The financially educated can more carefully select their investment options and earn higher returns than the less educated.

The study by Van Rooij et al. (2011) has shown that a lack of financial sophistication and limited knowledge in finance affect the stock market participation by individual. The financial market usually has some problems, such as access, complexity, and asymmetry of information. Even when they understand its advantages, there are behavioural and cultural variables that deter people from saving or investing. In many countries, knowledge and understanding of investment concepts are meagre (Lewis et al., 2012)

Studies by Jason West (2012) showed that the actions of financially literate people do not necessarily result in better financial behaviour. The research of de Bassa Scheresberg, Carlo (2013), had shown that whoever demonstrate better financial knowledge or better skills in mathematics or understanding of personal finance have achieved better results in finance. Lusardi and Mitchell (2009) have found that levels of literacy in financial literacy have a significant impact on individual behaviour in finance.

Financial Behaviour

Financial behaviour is the skill to capture and comprehend the overall effect of decisions in finance on one's circumstances (i.e. person, family, community, country) and make decisions about proper cash management, precautions, and planning opportunities.

IGI. Global stated that financial behaviour as human actions relevant to the management of cash, credit and savings (IGI Global, 2019). In the past, many studies have undertaken to know the impact of literacy in finance on financial behaviour.

The studies made by Bauer et al. (2000) shown that financial literacy can facilitate the students to participate in saving and investment, relieving from debt and living on a budget by proper money management.

Hibbart et al. (2001), in their study, confirmed the argument that a lack of financial knowledge can make student face financial difficulties. J. P. Knapp (1991) stated that a successful strategy is to improve financial literacy for boosting the quality of life of people. More awareness about money contribute to positive attitudes in life. It results in better decision-making by better use of assets to improve their standard of living.

One can use measures of literacy in finance to forecast financial outcomes, however, many academics, policymakers or educators felt that the public might not act in a manner that is considered desirable (S. J. Huston, 2010).

Therefore, mere more knowledge and skills in finance would lead to improved financial conduct is not correct (Braunstein et al., 2002). Factors such as behavioural biases, family issues, self-control, economic community and impact of institutions can influence the nature of individual decisions (S. J. Huston, 2010).

Robb et al. (2011) noted that the financial well-being of individuals relies on not only on their actions but also on external factors such as political and economic forces.

The significance of understanding the association between personal financial matters and knowledge is increasing; however, the level of experience in finance is an essential factor of the individual behaviour in finance (Robb et al., 2011). The lack of sophistication in finance is a common cause of many errors in finance (Mak et al., 2012).

There is a clear indication that financial literacy impacts financial actions (Lusardi et al. 2007), which in turn increases wealth holdings by controlling many demographic variables and facilitate for wealth accumulation (Rooij et al., 2012). It has implications for debt-related choices too. Less literate customers tend to borrow at high-interest rate and fees. Such people tend to have excessive debt, thereby chances of credit default (Lusardi et al. 2007).

The measure of literacy in finance is through financial knowledge, skill, attitude; and measurement of economic behaviour is through financial planning, decision making, and control in finance.

The previous literature leaves a lot of scope for further investigation in this area, especially in an emerging economy like India, where we are continuously progressing towards a financially literate country. It is crucial to pay attention to management graduates' financial literacy who are future managers to make various decisions for themselves, society, and business for economic growth.

Financial literacy/ knowledge is more widespread among highly educated communities due to their exposure to the outside world.

3. Problem Description:

A well-known fact is that every individual, family, and the state looks for economic stability and comfort. In this direction, individuals develop the habit of savings and investments for the family's future requirements. Towards this, the population's socio-economic conditions and financial literacy levels will add value to enhance the wealth of both individuals and the nation. The existing research studies on literacy in finance and financial knowledge have shown that there is an impact on individuals who are willing to do significant financial planning, including money management, savings, and investments.

General literacy levels are insufficient in India, particularly when it comes to financial knowledge levels; they are very much short (S & P Global Financial Literacy Survey, 2014). There are some studies in India on financial literacy, women empowerment, employee well-being, etc., across different states. Not many studies are there on this topic of research, in the State of Telangana or undivided Andhra Pradesh before 2014.

Hyderabad has seen very high growth in the socio-economic status, employment and income of citizens in the recent past. There is, therefore, a greater need for management graduate students to understand their financial literacy and the impact on their behaviour on savings and money management.

4. Research objectives

1. To analyse the financial literacy levels among select management graduate students in Hyderabad.
2. To study the effect of graduate management students' financial literacy on their behaviour in finance.

5. Limitation of the research

1. This study is limited to the age group between 21 to 27 years.
2. The data was only collected from the management graduate students of Hyderabad city; hence the results cannot be generalised.
3. The study attempts to know the financial literacy levels possessed by management graduate students and their impact on behaviour in finance.

6. Research Methodology

The study's nature carried out here is exploratory, descriptive, and analytical, using primary data, i.e., through questionnaires and secondary sources such as existing published reports. Based on previous studies and reviews, a questionnaire was designed and distributed among management graduate students to ascertain the level of literacy in finance among those students from the city of Hyderabad. Financial knowledge, financial attitude, and financial behaviour are the main questions.

Data collected from 108 management graduate students comprising 46 female and 62 male students from different disciplines in the city of Hyderabad.
The variables studied from the point of view of this paper are general demographic variables such as sex, age, education levels, parents education, levels of income, and qualifications and financial variables namely financial knowledge, attitude, and its behaviour.
Data analytical tools used in the analysis are descriptive statistics such as mean, median, mode, Pearson correlation, and regression.

7. Data Analysis

1. Analysis of Reliability

Table 1 *Reliability of variables (Cronbach Alfa)*

Variable name	Number of questions	Cronbach Alfa
Financial Learning (1)	5	0.919
Financial Learning (2)	5	0.751
Financial numeracy	5	0.605
Financial Knowledge (1)	5	0.930
Financial knowledge (2)	7	0.940
Financial Attitude (1)	5	0.927
Financial Attitude (2)	10	0.909
Financial Behaviour (1)	7	0.853
Financial Behaviour (2)	13	0.913
	62	

Out of the 62 questions, 57 questions based on Likert scale questions, and the rest five questions are multiple-choice questions. The total marks for all the items are 290 out of that. Those who get above 219 are considered literate and below 219 are considered low literate, and below 139 are considered no financial literacy. For six variables, Cronbach alfa is more than 0.9, and for the remaining three variables, is it lying between 0.6 to 0.8. Therefore, overall the reliability is high.

2. Analysis of gender:

Out of the respondents, 46 (42.6%) are female, and the rest 62 (57.4%) are male respondents as per table 2

Table 2. *Analysis of gender*

	Frequency	Per cent	Valid Percent	Cumulative Percent
Female	46	42.6	42.6	42.6
Male	62	57.4	57.4	100.0
Total	108	100.0	100.0	

3. Analysis of undergraduate qualifications

As per table 3 in the management graduate students in Hyderabad, mostly from B.Tec stream is 38% and next is from commerce stream (B.Com) 25.9% and third place are from Business Administration steam (20.4%).

***Table 3**. Educational qualifications at the undergraduate level*

	Frequency	Per cent	Valid Percent	Cumulative Percent
B.Com	28	25.9	25.9	25.9
BA	5	4.6	4.6	30.6
BBA	22	20.4	20.4	50.9
B.Tec	41	38.0	38.0	88.9
BE	3	2.8	2.8	91.7
B.Sc	9	8.3	8.3	100.0
Total	108	100.0	100.0	

4. Analysis of grownup from

Out of these management graduate students, 59.3% are from urban brought up, and 30/5% is from semi-urban and balance 10.2% are from rural as per Table 4

***Table 4:** Grownup from*

	Frequency	Per cent	Valid Percent	Cumulative Percent
Rural	11	10.2	10.2	10.2
Semi Urban	33	30.6	30.6	40.7
Urban(city)	64	59.3	59.3	100.0
Total	108	100.0	100.0	

5. Analysis of numerical skills

***Table 5:** Analysis of numerical skills*

Question	**Yes**		**No**	
	Number of responses	Percentage	Number of responses	Percentage
FN1. Suppose you have deposited Rs. 1,00,000 in a bank account for 2 years at 10% interest rate per annum. How much money will have in your account in 2 years (interest is not earned at the end of each year)	56	51.9%	52	48.1%
FN2. Suppose you have deposited Rs.1,00,000 in a bank account for 5 years at 10% interest rate per. The interest will be earned at the end of each year and will be added to the principle. How much money will you have in your account in 5 years	83	76.9%	25	23.1%
FN3. Suppose you have deposited money in a bank account at an interest rate of 8% whereas the annual inflation	62	57.4%	46	42.6%

rate is 10% in the country, what happened to your deposit				
FN4. Suppose you have seen the same model of the washing machine in two different shops on sales. The list price of it was Rs.10,000. Discount offered by one shop is Rs.1,500 and while the other shop provided a 10% discount on the list price. Which one is better for you?	70	64.8%	38	35.2%
FN5. Suppose you took a loan of Rs.10,000 payable in a year time in 12 equal monthly instalments. If the interest amount is Rs.600 what is the rough estimate of the annual interest rate on your loan	73	67.6%	35	32.4%

The numerical analysis of respondents shows that nearly 77% of respondents answered the 2nd question correctly, and only 52% responded to the 1st question correctly. For the remaining three questions, correctness ranges between 57% and 67%.

6A. Analysis of the level of financial knowledge

A) Preparing budgets /plans	10.2	17.6	26.9	34.3	11.1	3.1852
B) Managing income and expenses	5.6	18.5	24.1	33.3	18.5	3.4074
C) Managing bills on time	5.6	13.9	26.9	33.3	20.4	3.4907
D) Managing Savings and investment	6.5	13.9	27.7	30.6	20.4	3.4444
F) Managing debt/borrowings	9.3	17.6	25	31.5	16.7	3.2870

6B: Analysis of knowledge about financial products

***Table 6B**: Knowledge of financial products*

	No knowledge (1)%	Very Less Knowledge (2) %	Less knowledge (3) %	Average knowledge (4) %	Good knowledge (5) %	Mean Value
A)A pension fund	16.7	15.7	31.5	25.9	10.2	2.9722
B)An investment in stocks	10.2	21.3	28.7	25.9	13.9	3.1204

and shares						
C)A secured /unsecured loan	15.7	18.5	29.6	26.9	9.3	2.9537
D)A mortgage	13.9	15.7	34.3	24.1	12	3.0463
F)A credit card	10.2	8.3	27.8	35.2	18.5	3.4352
G)Savings/ current a/c	4.6	7.4	23.1	30.6	34.3	3.8241
H)Deposit account	3.7	13	25.9	25.9	31.5	3.6852

The financial knowledge is analysed under two tables, 6A and 6B relating to the level of financial knowledge and knowledge about financial products respectively. As per table 6A, highly knowledgeable in preparing budgets /plans is 11%. Only 19% of students are highly knowledgeable in managing their incomes and expenses. 20% of students are highly knowledgeable about payment of bills on time and savings and investment. Roughly 17% of students are highly knowledgeable about managing debt. Majority of students have average knowledge. The reason may be that majority of students in management course is from a technology background.

As per table 6B majority of the students not much aware of a pension fund, investment in stocks and shares secured/unsecured loans, credit card. More than 30% having sound knowledge about savings and deposit accounts.

7A. Analysis of interesting areas in finance

Table 7A: *Interested areas in finance*

	Un-interested (1) %	**Somewhat uninterested (2)%**	**Not sure (3)%**	**Somewhat interested (4) %**	**Interested (5)%**	**Mean value %**
A. Budgeting/ Planning	15.7	10.2	18.5	28.7	26.9	3.40
B. Savings and Investment	9.3	9.3	20.4	27.8	33.3	3.66
C. Loans or debts	10.2	14.8	25.9	31.5	17.6	3.31
D. Insurance	11.1	13.9	25	25.9	24.1	3.38
E. Interest rates	10.2	6.5	28.7	24.1	30.6	3.58

7B: Analysis of trueness of financial items

Table 7B: *Trueness of financial items*

	Not at all true (1) %	Somewhat not true(2)%	Not sure(3)%	Somewhat true (4)%	Very true (5)$	Mean value
A) I am in control of my financial situation	9.3	16.7	20.4	27.8	25.9	3.44
B) I am capable of using my future income to achieve my financial goals	5.6	17.6	25	25.9	25.9	3.49
C) I feel credit cards are safe and risk-free	22.2	19.4	31.5	17.6	9.3	2.72
D) I feel purchasing things are important for my happiness /comfort	13.0	17.6	27.8	27.8	13.9	3.12
E) I am capable of handling my financial future	4.6	13	26.9	29.6	25.9	3.59
F) I feel the cost of using a credit card is very high	9.3	19.4	27.8	28.7	14.8	3.20
G) Regular savings is important for my future	5.6	7.4	18.5	27.8	40.7	3.90
H) Insurance cover is important to protect from risk	5.6	8.3	23.1	25.9	37	3.81
I) I feel understanding credit terms are important before borrowing on loan or on credit card	7.4	9.3	24.1	21.3	38	3.73
J) I feel money management is important issue	4.6	6.5	14.8	25	49.1	4.07

On analysing table 7A and 7B relating to interesting areas in finance and trueness of specific financial items respectively, only 16% of respondents are more interested to know about loans, and more respondents are interested to know about savings and investment. Only 24% are very interested to know about insurance. Overall being management graduate students, they do not show much interest to know about the essential financial products.

As per table 7B, 25% of students states that they have control over their financial situation. 91% of the students feel that credit card not safe and risky;

37% feel the importance of insurance; 40% feel to have regular savings for their future. 38% recognised to understand the terms of loans and credit card before borrowing, and 49% feel the importance of money management.

8A. Analysis of financial behaviour (analysis of the importance of financial accounts)

Table 8A: *Analysis of Financial behaviour – the importance of financial accounts*

	Not important (1) %	**Somewhat unimportant (2)%**	**Not sure (3) %**	**Somewhat important (4)%**	**Important (5)%**	**Mean value**
A) Savings account	3.7	5.6	10.2	25	55.6	4.23
B) Deposit account	2.8	5.6	21.3	37	33.3	3.92
C) Mutual fund account	6.5	10.2	31.5	29.6	22.2	3.50
D) Stocks account	7.4	9.3	31.5	32.4	19.4	3.47
E) Bonds account	10.2	12	40.7	23.1	13.9	3.18
F) Current Account	13	12	22.2	31.5	21.3	3.36
G) Credit card account	13	15.7	28.7	25.9	16.7	3.17

8B. Analysis of financial behaviour – analysis of trueness of certain mattes/items relating to financial behaviour

Table 8B: *Analysis of financial behaviour – trueness of some issues*

	Not at all true (1) %	**Some what not true(2)%**	**Not sure (3)%**	**Some what true (4)%**	**Very True (5)%**	**Mean value**
Financial Planning/Budgeting						
A) I prepare budget and track spending	15.7	12	28.7	26.9	16.7	3.16
B) I compare prices when I am shopping for purchases	2.8	9.3	20.4	27.8	39.8	3.92
C) I read to increase my financial Knowledge	7.4	9.3	32.4	33.3	17.6	3.44
Money Management						
A) I compare purchase bills with my monthly statement	6.5	10.2	38.9	25	19.4	3.40
B) I use my money carefully	4.6	12	20.4	28.7	34.3	3.76
Savings/Investment						
A) I contribute to savings account regularly	7.4	7.4	27.8	28.7	28.7	3.64
B) I regularly make investments	16.7	13	32.4	21.3	16.7	3.08
Credit card						
A) I use a credit card to purchase when I don't have money to pay the bill	28.7	13	25	22.2	11.1	2.74
B) I regularly pay my credit card bills	21.3	9.3	28.7	18.7	22.2	3.11
Debt/Borrowings						
A) I read and understand loan agreements before I sign	7.4	7.4	26.9	23.1	35.2	3.71
Insurance						
A) I have a life insurance policy	19.4	10.2	24.1	18.5	27.8	3.25
Financial Records						
A) I maintain my financial records	11.1	13.9	30.6	24.1	20.4	3.29
Income Taxes						
A) I find legal ways to lower my taxes	13	8.3	31.5	23.1	24.1	3.37

From the tables 8A (importance of financial accounts) and 8B (trueness of particular financial actions, one can understand that majority of students feel the importance of having a savings account, followed by 33% in a deposit account. 86% of students are not at all regarding the importance of having bonds account, 83% do not feel to have the credit card account and 81% not showing any sort of interest to have a stock account.

Table 8B shows that 11% of students agreed to use a credit card when they do not have money to pay bills, 87% of students are not showing interests to take actions to prepare budgets and track spending and regularly compare their purchase bills. 66% do not use money carefully; 80% do not compare purchase bills with the monthly statement. It shows weak money management. Only 29% contribute to a savings account and 17% to investment accounts. 78% of students do not agree to pay credit card bills regularly. 80% of students are not maintaining any sort of financial records and 24% agreed to lower their taxes using legal ways.

9. Analysis of the impact of knowledge in finance on behaviour

Table 9: *Regression Summary –the impact of knowledge in finance on behaviour*

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
Impact of financial knowledge on behaviour	.610[a]	.373	.367	12.54379

a. Predictors: (Constant), FK1+FK2

Based on table 9, we can state that roughly 37% of financial knowledge is having an impact on financial behaviour, and there may be other factors that can influence the behaviour of students.

10. Analysis of the impact of financial attitude on behaviour

Tabel 10: *Regression Summary – the impact of financial attitude on behaviour*

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
Impact of financial attitude on behaviour	.702[a]	.493	.489	11.27040

a. Predictors: (Constant), FA1+FA2

From table 9, we can draw that roughly 44%% of financial attitude is having an impact on financial behaviour, hence the attitude impact more on behaviour rather than knowledge.

11. Analysis of the impact of financial knowledge and attitude on behaviour

Table 11: *Regression summary –the impact of financial knowledge and attitude on behaviour*

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
Impact of financial knowledge and attitude on behaviour	.713[a]	.509	.504	11.09872

a. Predictors: (Constant), FK+FA
a. one cells (16.7%) have expected count less than 5. The minimum expected count is 3.83.

Table 11 shows clearly, majorly (51%) the financial behaviour is influence by the financial knowledge and attitude, and other socio-demographic factors and psychological factors impact 49% of behaviour

12. Analysis of levels of financial literacy:

Table 12: *Literacy levels*

	Frequency	Per cent	Valid Percent	Cumulative Percent
NO literacy	9	8.3	8.3	8.3
Low literacy	63	58.3	58.3	66.7
literacy	36	33.3	33.3	100.0
Total	108	100.0	100.0	

The level of literacy in finance among the management graduate students in Hyderabad is 33.33%, which is higher than the general financial literacy level of the population 25%, as per the Standard and Poor survey in 2014. It may be due to the finance subjects they usually study during their Master of Business Administration program or other reasons such as family or friends influence. The moderate financial literacy level is 58.33%. Therefore, most management graduate students are moderately financial literates, and the low level is only 8.33%.

13. Analysis of financial literacy and gender

Table 13*:Gender and financial literacy levels*

		recoded			Total
		low literacy	moderate literacy	literacy	
Your Sex	Female	2	36	8	46
	Male	7	27	28	62
Total		9	63	36	108

Out of the financial literacy level, male students are 77.77%, and balance is the female. It may be due to general financial literacy being low among the female population.

8. Conclusion

The future of any business broadly depends on the management personnel across different business organisations. It is a well-known fact that the management graduate students of today have to take care of their finance to safeguard their future financial requirements regarding savings and investments. Mainly the future is much more uncertain due to COVID 19 pandemic situations; financial planning and budgeting are more required to secure a better financial future. As management students, once they complete graduation, they have not only to take care of personal financial needs but also to take care of financial interests and requirements once they join the corporate entity as management trainees or management executives. Every business transactions are one way or the other involved with money matters.

Though management graduates are aware of some financial products, they are reluctant to make financial choices because of low confidence and lack financial Literacy. Among the management graduates in India, a few students opted for finance specialisation, and most students opt for other disciplines.

Therefore, these management graduate students need to be more financially literate than other streams of discipline, i.e., technology and sciences, to take care of the business's present and future financial needs. Hence, there should be a positive shift in financial knowledge acquisition in terms of planning, money management, savings and investment insurance and attitude towards those items so that financial behaviour will result in better financial benefits.

Therefore, to strengthen the Indian financial system and the Indian economy, there is a need to increase literacy levels in finance among the Indian population in general and, in particular, to management graduate students.

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