

Research Article

Analytical Study of Financial Literacy Awareness Programs on Local Train Vendors in Navi Mumbai

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Abstract: The analytical study of financial literacy awareness programs for local train vendors in Navi Mumbai holds significant importance in fostering economic empowerment and enhancing the financial well-being of this unique segment of the workforce. Local train vendors often operate in a high-paced environment, relying on daily transactions to sustain their livelihoods. However, many may lack a comprehensive understanding of financial principles, such as budgeting, saving, and investment. By assessing the effectiveness of financial literacy programs, stakeholders can identify gaps in knowledge and skills among these vendors, tailoring educational initiatives that directly address their needs. Such targeted programs can equip vendors with essential financial skills, ultimately promoting better money management practices, increased savings, and informed investment decisions. Furthermore, improving financial literacy among local train vendors can lead to broader community benefits, contributing to the overall economic development of Navi Mumbai. When vendors are financially literate, they are more likely to contribute to the local economy through responsible spending, saving, and investment. Enhanced financial awareness can also foster a sense of financial security, reducing reliance on informal credit sources, which often charge exorbitant interest rates. As vendors gain confidence in managing their finances, they may also develop entrepreneurial skills, potentially leading to business expansion or diversification. Overall, an analytical study of financial literacy awareness programs can provide valuable insights into improving the financial stability of local train vendors, fostering a more resilient and prosperous community.

Keywords: Financial Literacy, Awareness, local train, vendors.

INTRODUCTION

Financial Literacy

Financial literacy refers to the ability to understand and effectively manage one's financial resources, encompassing knowledge and skills related to budgeting, saving, investing, and making informed financial decisions. It involves a comprehension of various financial concepts, such as interest rates, credit, debt management, and financial products, enabling individuals to navigate the complexities of personal finance. Financial literacy empowers individuals to set financial goals, create and stick to budgets, and develop strategies for saving and investing. This foundational knowledge is crucial for individuals to make sound decisions that align with their financial objectives, leading to improved financial well-being and security.

The significance of financial literacy extends beyond individual benefits; it plays a vital role in the overall economic health of communities and nations. A financially literate population is more likely to participate in the formal economy, make informed consumer choices, and invest in their futures, which can drive economic growth. Conversely, a lack of financial literacy can lead to poor financial decisions, such as accumulating debt or falling victim to financial scams, ultimately resulting in economic instability. As such, initiatives aimed at enhancing financial literacy are essential, particularly in underserved

populations, to promote equitable access to financial resources and ensure that all individuals can effectively manage their finances for long-term success.

Financial Literacy Awareness Programs on local train vendors in Navi Mumbai

Financial literacy awareness programs tailored for local train vendors in Navi Mumbai are crucial in addressing the unique financial challenges faced by this group. Local train vendors often operate in a fast-paced environment with fluctuating incomes, making it essential for them to possess effective financial management skills. These programs can provide vendors with the tools necessary to understand budgeting, saving, and responsible spending, thereby empowering them to make informed decisions that directly impact their financial stability. By focusing on practical applications relevant to their daily operations, such initiatives can help vendors navigate financial complexities and enhance their overall economic well-being.

Moreover, these programs can play a significant role in reducing financial vulnerabilities among local train vendors. Many vendors rely on informal credit sources that often come with high-interest rates, leading to a cycle of debt that can be difficult to escape. Through financial literacy training, vendors can learn about alternative financial services, such as bank accounts, savings options, and affordable credit solutions. This knowledge can

encourage them to develop healthier financial habits, including saving for emergencies and investing in their businesses. As vendors gain confidence in managing their finances, they can create a more sustainable livelihood, ultimately leading to improved quality of life for themselves and their families.

Furthermore, the implementation of financial literacy awareness programs can foster a culture of financial responsibility within the broader community of Navi Mumbai. As vendors become more financially literate, they may share their knowledge with peers, creating a ripple effect that encourages collective financial empowerment. Enhanced financial literacy among local train vendors can also stimulate local economic growth by promoting responsible consumer behavior and increased investment in small businesses. In this way, financial literacy programs can contribute not only to the individual success of vendors but also to the resilience and prosperity of the community as a whole, highlighting the interconnectedness of financial education and economic development.

REVIEW OF LITERATURE

1. **Lusardi, A., & Mitchell, O. S. (2014)**, In the research paper “The Economic Importance of Financial Literacy: Theory and Evidence” This study emphasizes the vital role of financial literacy in enhancing individual economic outcomes. It concludes that targeted financial education programs can significantly improve financial decision-making and long-term economic stability among low-income populations, including local vendors.

2. **Murray, L. (2016)**, In the research paper “Financial Literacy and Its Impact on Small Business Success: A Study of Street Vendors in Urban Areas” The research finds that financial literacy significantly contributes to the success of small businesses operated by street vendors. Programs focused on budgeting and cash flow management are particularly effective in helping vendors stabilize and grow their businesses.

3. **Ssewanyana, S., & Kityo, R. (2018)**, In the research paper “The Effect of Financial Literacy on the Business Performance of Micro and Small Enterprises in Uganda” This study concludes that increased financial literacy leads to better business performance among micro and small enterprises. It highlights the need for localized financial literacy programs that address specific challenges faced by vendors in urban transport settings.

4. **Beal, D. J., & Delpachitra, S. (2003)**, In the research paper “Financial Literacy Among Australian University Students” This study reveals a significant gap in financial literacy among university students, emphasizing the need for early education programs. It suggests that similar financial literacy initiatives could benefit local train vendors by equipping them with essential financial skills.

5. **Ghosh, D., & Ghosh, A. (2016)**, In the research paper “Financial Literacy in India: A Review of the Literature” This literature review discusses various financial literacy programs in India, concluding that customized awareness campaigns, particularly for informal sectors like local train vendors, are crucial for improving financial management and reducing economic vulnerabilities.

6. **Sharma, R., & Sharma, M. (2020)**, In the research paper “Understanding Financial Literacy and Its Impact on Financial Behavior in India: A Study on Small Traders” The authors find a positive correlation between financial literacy and responsible financial behavior among small traders. The study suggests that financial literacy programs for local train vendors could lead to improved financial habits and overall economic resilience.

7. **Choudhury, M., & Bhattacharya, A. (2019)**, In the research paper “The Role of Financial Literacy in Enhancing Financial Inclusion in India: Insights from Rural and Urban Areas” This study highlights the importance of financial literacy in promoting financial inclusion, particularly for marginalized groups. It concludes that localized programs for urban vendors can facilitate better access to financial services and enhance economic participation.

8. **Kumar, S., & Singh, V. (2021)**, In the research paper “Assessing the Impact of Financial Literacy Programs on Small Business Owners in Metro Cities: A Case Study of Street Vendors” The research indicates that financial literacy programs have a measurable positive impact on the business operations of street vendors in metro areas. The authors advocate for sustained financial education initiatives to ensure long-term benefits and economic stability for this demographic.

Research Gap

Despite the growing body of literature highlighting the importance of financial literacy for small vendors, significant research gaps remain, particularly concerning the specific needs and challenges faced by local train vendors in urban areas like Navi Mumbai. While existing studies emphasize the positive correlation between financial literacy and business success, they often lack comprehensive analyses of the unique socio-economic contexts of these vendors, such as their income volatility, reliance on informal credit, and lack of access to traditional financial services. Furthermore, there is limited research on the long-term effectiveness of targeted financial literacy programs tailored specifically for this demographic, including their impact on business sustainability and overall community economic health. Addressing these gaps is essential for developing more effective financial education initiatives that not only improve individual financial behaviors but also foster broader economic resilience in marginalized urban populations.

RESEARCH METHODOLOGY

Descriptive Statistics

Descriptive Statistics

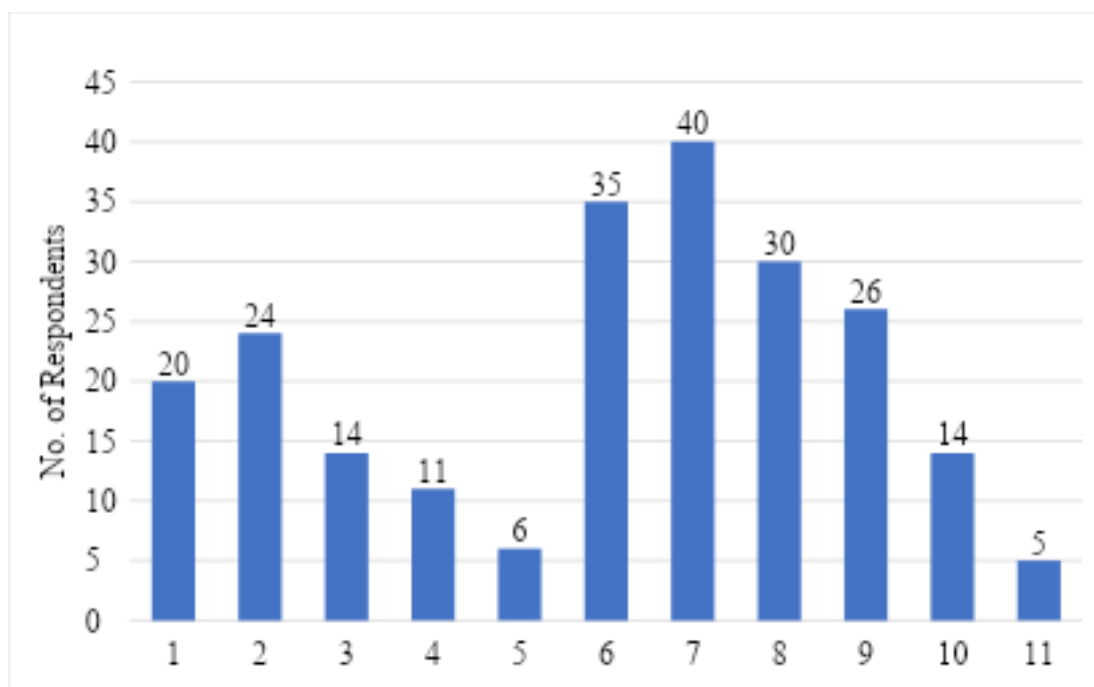
	N	Minimum	Maximum	Mean	Std. Deviation
Financial Literacy Awareness	75	24	68	51.15	11.640
Financial Inclusion	75	14.29	85.71	48.76	13.71
Valid N (listwise)	75				

Data analysis

Demographic Factor

Sr.no	Demographic factor	Category	Frequency	Percent
1	Age group	18-25 Years	20	26.7
		26-35 Years	24	32.0
		36-45 Years	14	18.7
		46-55 Years	11	14.7
		56 and above Years	6	8.0
2	Gender	Male	35	46.7
		Female	40	53.3
3	Qualification	Uneducated	30	40.0
		Primary Education	26	34.7
		Secondary Education	14	18.7
		HSC and above	5	6.7

The frequency numbers in the demographic analysis of local train vendors in Navi Mumbai provide a clear picture of the respondents' age, gender, and educational qualifications. Among the age groups, the highest frequency is seen in the 26-35 years category with 24 respondents (32.0%), followed by the 18-25 years group with 20 respondents (26.7%), indicating a predominantly younger workforce. In terms of gender, there are 40 female vendors (53.3%) compared to 35 male vendors (46.7%), highlighting a slight female majority. Educationally, a significant portion of the vendors are uneducated (30 respondents, 40.0%), followed by those with primary education (26 respondents, 34.7%), while only a small percentage possess secondary education (14 respondents, 18.7%) or higher qualifications (5 respondents, 6.7%). This demographic profile underscores the need for targeted financial literacy programs that address the specific characteristics and educational backgrounds of these vendors to enhance their financial awareness and skills effectively. The following information is shown below in bar diagram.



Objective and Hypothesis

Objective 1 To Study the financial literacy of the train vendors according to Qualification.

Null Hypothesis H_{01A}: There is no significant difference in financial literacy of the train vendors according to Qualification.

Alternate Hypothesis H_{11A}: There is a significant difference in financial literacy of the train vendors according to Qualification. To Study the above null Hypothesis ANOVA test is applied and shown below.

ANOVA					
Financial Literacy Awareness					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1277.067	3	425.689	3.455	.021
Within Groups	8748.319	71	123.216		
Total	10025.387	74			

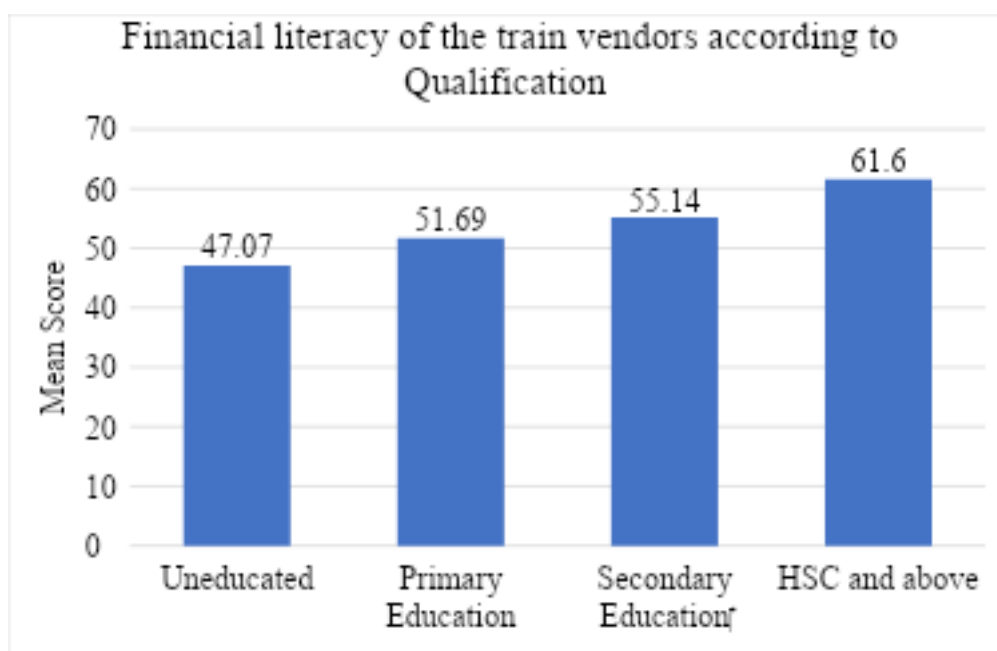
Interpretation: The above results indicate that calculated p-value is 0.000. It is less than 0.05. Therefore, f-test is rejected. Hence Null hypothesis is rejected and Alternate hypothesis is accepted.

Conclusion: There is a significant difference in financial literacy of the train vendors according to Qualification.

Findings: To understand the findings of hypothesis, financial literacy of the train vendors according to Qualification is shown below.

Report			
Financial Literacy Awareness			
4.Education	Mean	N	Std. Deviation
Uneducated	47.07	30	7.177
Primary Education	51.69	26	12.995
Secondary Education	55.14	14	14.899
HSC and above	61.60	5	6.066
Total	51.15	75	11.640

The report on financial literacy awareness across different education levels reveals a positive correlation between educational attainment and financial literacy. Uneducated participants scored the lowest mean of 47.07, with a standard deviation of 7.177, indicating relatively consistent scores. Primary-educated individuals had a slightly higher mean of 51.69 but with more variability (SD = 12.995), showing a wider range of financial literacy levels in this group. Secondary education participants had an even higher mean score of 55.14 and greater variation (SD = 14.899). The group with the highest educational level, HSC and above, scored the highest mean at 61.60, with a standard deviation of 6.066, reflecting both high literacy levels and consistency. Overall, the total mean score across all education levels was 51.15, with an SD of 11.640, indicating that higher education levels are associated with greater financial literacy awareness. The following information is shown below in bar diagram.



Null Hypothesis H_{01B}: There is no difference in proportion of education level of the train vendors in Navi Mumbai.

Alternate Hypothesis H_{11B}: There is a difference in proportion of education level of the train vendors in Navi Mumbai. To Study the above null Hypothesis ANOVA test is applied and shown below.

Test Statistics	
	4.Education
Chi-Square	20.840 ^a
df	3
P-value	.000
a. 0 cells (0.0%) have expected frequencies less than 5. The minimum expected cell frequency is 18.8.	

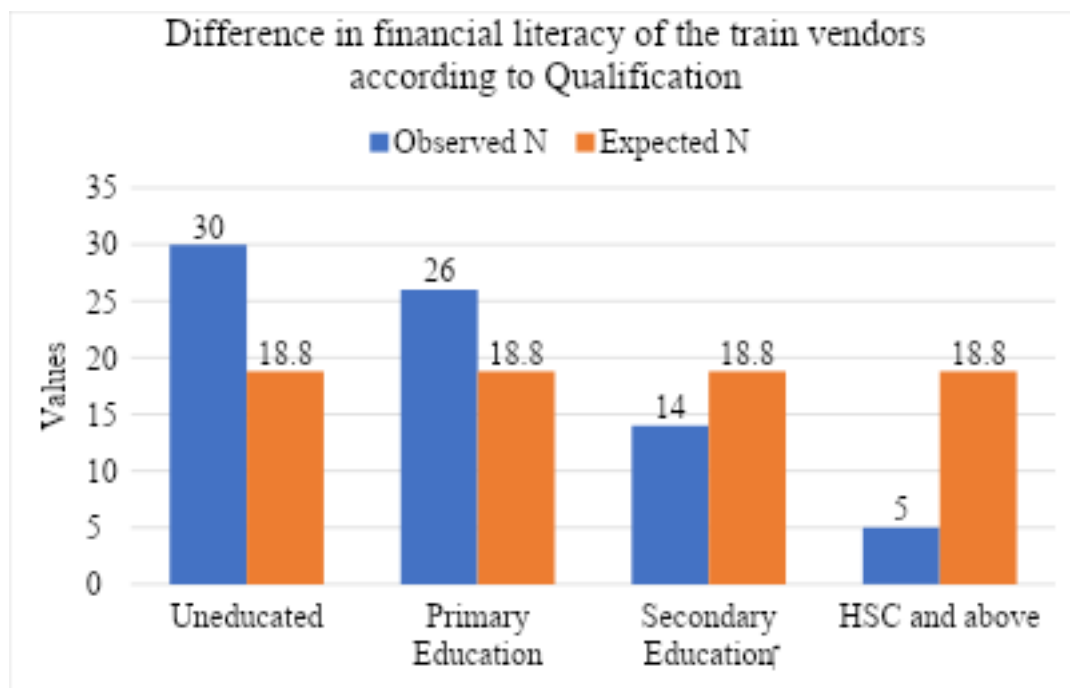
Interpretation: The above results indicate that calculated p-value is 0.000. It is less than 0.05. Therefore, chi-square test is rejected. Hence Null hypothesis is rejected and Alternate hypothesis is accepted.

Conclusion: There is a significant difference in financial literacy of the train vendors according to Qualification.

Findings: To understand the findings of hypothesis, difference in proportion of education level of the train vendors in Navi Mumbai is shown below.

4.Education			
	Observed N	Expected N	Residual
Uneducated	30	18.8	11.3
Primary Education	26	18.8	7.3
Secondary Education	14	18.8	-4.8
HSC and above	5	18.8	-13.8
Total	75		

The distribution of educational levels among participants in the financial literacy awareness study shows deviations from the expected counts. Among the uneducated group, the observed count (30) exceeds the expected count (18.8) by 11.3, indicating a higher-than-expected representation. Similarly, those with primary education also have a higher observed count (26) than expected (18.8), with a positive residual of 7.3. However, for participants with secondary education, the observed count (14) is slightly below the expected (18.8), resulting in a negative residual of -4.8. The most notable underrepresentation is in the HSC and above category, where the observed count is only 5 compared to the expected 18.8, giving a significant negative residual of -13.8. This distribution suggests that lower education levels are more prevalent in the sample, while higher education levels are underrepresented. The following information is shown below in bar diagram.



Objective 2 To study the relationship between financial literacy and Financial Inclusion of the train vendors.

Null Hypothesis H₀₂: There is no relationship between financial literacy and financial inclusion of the train vendors.

Alternate Hypothesis H₁₂: There is a relationship between financial literacy and financial inclusion of the train vendors.

To Study the above null Hypothesis correlation test is applied and shown below.

Correlations			
		Financial Literacy Awareness	Financial Inclusion
Financial Literacy Awareness	Pearson Correlation	1	.729**
	P-value		.000
	N	75	75
Financial Inclusion	Pearson Correlation	.729**	1
	P-value	.000	
	N	75	75
**. Correlation is significant at the 0.01 level (2-tailed).			

Interpretation: The above results indicate that calculated p-value is 0.000. It is less than 0.05. Therefore, correlation test is rejected. Hence Null hypothesis is rejected and Alternate hypothesis is accepted.

Conclusion: There is a relationship between financial literacy and financial inclusion of the train vendors.

Findings: The correlation analysis between financial literacy awareness and financial inclusion reveals a strong, positive association, as indicated by a Pearson correlation coefficient of 0.729. This value, significant at the 0.01 level ($p = 0.000$), suggests that as financial literacy awareness increases, financial inclusion tends to increase as well, and vice versa. With a sample size of 75, this statistically significant correlation highlights that improvements in financial literacy are closely linked to higher levels of financial inclusion, which could imply that greater knowledge and understanding of financial concepts may empower individuals to participate more actively in financial systems.

CONCLUSION

The study reveals significant relationships between educational qualification, financial literacy, and financial inclusion among train vendors. Findings from the ANOVA and chi-square tests indicate that financial literacy varies significantly across different educational levels, with higher qualifications correlating to increased financial awareness. Furthermore, a strong positive correlation (Pearson's $r = 0.729$) between financial literacy and financial inclusion suggests that increased literacy is associated with greater inclusion in financial systems. This underscores the importance of educational and literacy initiatives in enhancing financial inclusion for train vendors, as greater financial awareness may empower them to access and benefit from financial services more effectively.

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