



### A STUDY ON FINANCIAL LITERACY AWARENESS AMONG SELF-EMPLOYED WOMEN IN MUMBAI CITY

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#### Abstract:

*This study examines financial literacy among self-employed women in Mumbai, focusing on their money management, banking usage, and investment practices. Data from 80 respondents across small businesses, beauty parlours, retail shops, and street vendors show different levels of financial knowledge, with beauty parlour owners and small business worker having the highest awareness, while retailers and street vendors having the lowest. Young age women and those with higher education are better at using bank services, digital payments, and making investments like fixed deposits. The findings highlight the need for training and support to help women make better financial decisions and become more independent.*

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#### Introduction:

In today's world financial literacy has become very important for managing money effectively. Financial literacy means the ability to understand and manage money wisely. It involves skills such as preparing a budget, saving regularly, investing carefully, using loans responsibly, understanding financial products like Fixed Deposits (FDs), and being aware of government schemes related to finance. When a person is financially literate, they can make informed decisions and plan for a secure future.

Self-employed women are those who earn income by running their own small businesses such as tailoring, beauty services, retail shops, food services, or street vending.

Financial literacy awareness among self-employed women means having proper knowledge to handle

money for both personal and business purposes. This study focuses on self-employed women in Mumbai city to understand their level of financial literacy and the factors that influence it.

#### Objective of the Study :

1. To understand the concept and meaning of financial literacy.
2. To examine the access and usage of financial services by self-employed women.
3. To analyse the financial attitude of self-employed women.
4. To analyse the financial practices of self-employed women.
5. To suggest the suitable measure to improve the Financial literacy among self-employed women.

#### Review of Literature:

Review of literature explores the previous studies to



understand the topic and support the current research.

### 1. Telang Divya, Panwar Yashasvi – (2022)

#### “A Study on the Level of Financial Literacy among Indian Women”.

The study shows that many Indian women manage daily household expenses, but they still have limited knowledge about saving, investing, and future financial planning. It explains that a woman’s education level, income, and employment status can influence her financial understanding. In many cases, women depend on family members to make financial decisions. This highlights the need to guide and support women so that they can manage their own finances with confidence.

### 2. D’ Souza Suzan, Pandey Dimple – (2016)

#### “A Study on Lack of Financial Literacy amongst Women Entrepreneurs”.

The study explains that financial knowledge is very important for women who run their own businesses. Nowadays, many women are becoming entrepreneurs, yet they face difficulties in handling money, which becomes a major challenge. Without proper knowledge, it is not easy to manage expenses, plan investments, or understand financial terms. Many women also find it difficult to take financial decisions or choose the right financial products. The study makes it clear that with proper financial education and planning, women can manage their businesses more successfully, leading to better money management, stronger self-belief, and the ability to stand on their own.

### 3. Potphode Aishwarya – (2024)

#### “A Study on Working Women’s Financial Dependency on Men”.

The research shows that many women, even those who are employed, still depend on men in the family for financial decisions. Even if they are educated, they may not have enough knowledge about managing money. Most of them prefer safe

investment options like fixed deposits and avoid complex financial planning. This indicates that financial knowledge among women is still limited and there is a need to increase financial awareness so they can handle their finances independently instead of depending on others.

### 4. M.R. Khan Firdaus, Suriseti Srinivas – (2020)

#### “A Study on Financial Well-being of Working Women: Mediating Effect of Cashless Financial Experience and Digital Financial Self-Socialization”.

The research shows that many working women face challenges in managing their finances. However, using digital payment methods and gaining personal financial experience can help improve their confidence. The study highlights that better financial knowledge and the use of cashless tools make women more independent and enhance their financial stability.

### 5. Kapasi Baneswar, Sarkar Sourav – (2022)

#### “Financial Literacy of Women in India – A Study on the Selected Self Help Group Members in the Dhaniakhali Block of Hooghly District, West Bengal”.

The research highlights that a woman’s financial knowledge depends on factors such as education, income, age, and marital status. The research found that most women in Self Help Groups could manage basic financial activities but faced difficulties in financial planning and using banking services. This means women need more practical training and support to feel confident and make better financial decisions for their future.

#### Methodology of the Study:

*Title: “ A Study on Financial Literacy Awareness among Self-Employed Women in Mumbai city”.*

*This study is based on secondary data , primary data and qualitative observations to examine the level of financial literacy among self-employed women in*



Mumbai city. The methodology outlines the data sources, sampling technique, geographical scope, sample size and statistical tools to ensure a structured and academic investigation.

### 1. Geographical Area of the study.

The study focuses on Mumbai, Maharashtra, one of India's busiest cities for businesses and trade. It covers both urban and semi-urban areas where self-employed women work in small businesses or informal jobs.

### 2. Sampling technique.

A purposive sampling method is used to choose relevant articles and case studies. This type of non-random sampling allows the study to focus on sources that specifically deal with self-employed women, financial awareness in urban areas and women working in the informal sector.

### 3. Data sources.

In any research, information can come from two main sources: primary data which is collected directly and secondary data which is gathered from existing records. Both are important for getting a complete understanding.

#### [A] Primary data.

Primary data is first-hand information collected directly for a particular research need. This data is original and collected directly from the respondents.

Common methods for collecting primary data include:

1. Structured Questionnaires.
2. Personal or Telephonic Interviews.
3. Observations.
4. Case Studies.

#### [B] Secondary data.

Secondary data refers to the information that has already been collected, analyzed and published by other researchers, institutions or organizations. It is not original or first-hand data but is used to support and strengthen the research study.

Common methods for collecting secondary data include:

1. Journals.
2. Research papers.
3. Articles.
4. Online reports and publications relevant to the topic.

### 4. Sampling size

The study involved 80 self-employed women, selected through purposive sampling (non-probability sampling method) from sectors like beauty parlours, retail shops, street vendors and home-based businesses to assess their financial literacy awareness.

SR.No.	CATEGORIES	NO. OF RESPONDENTS
1.	Beauty parlour owners -	20
2.	Home based workers -	20
3.	Local women Retailers-	20
4.	street vendors-	20
	Total no. of respondents -	80.



### 5. Statistical tools for data analysis.

Data collected from self-employed women in Mumbai will be analyzed using Percentage Analysis, Bar Graphs and Pie Charts to present the data.

☆ Data will be represented through :

- 1.Bar charts
- 2.Pie charts
- 3.donut charts
- 4.Tables

### Data Analysis and Interpretation:

The table below presents the analysis and interpretation of the data.

**Table 1.1**  
**Demographic characteristics of self-employed women**

<i>Variables</i>	<i>Particulars</i>	<i>Frequency</i>	<i>Percentage (%)</i>
<i>Age</i>	<i>Below 25 years</i>	<i>19</i>	<i>23.8</i>
	<i>26 – 35 years</i>	<i>15</i>	<i>18.8</i>
	<i>36 – 45 years</i>	<i>13</i>	<i>16.3</i>
	<i>46 – 50 years</i>	<i>20</i>	<i>25</i>
	<i>Above 55 years</i>	<i>13</i>	<i>16.3</i>
	<i>Total</i>	<i>80</i>	<i>100</i>
<i>Education</i>	<i>Particulars</i>	<i>Frequency</i>	<i>Percentage (%)</i>
	<i>No formal education</i>	<i>12</i>	<i>15</i>
	<i>Primary</i>	<i>11</i>	<i>13.7</i>
	<i>Secondary</i>	<i>13</i>	<i>16.2</i>
	<i>Higher Secondary</i>	<i>18</i>	<i>22.5</i>
	<i>Graduated &amp; above</i>	<i>26</i>	<i>32.5</i>
	<i>Total</i>	<i>80</i>	<i>100</i>
<i>Occupation</i>	<i>Particulars</i>	<i>Frequency</i>	<i>Percentage (%)</i>
	<i>Home-based business</i>	<i>20</i>	<i>25</i>
	<i>Street vendor</i>	<i>20</i>	<i>25</i>
	<i>Retailer (shop owner)</i>	<i>20</i>	<i>25</i>
	<i>Beauty parlour owner</i>	<i>20</i>	<i>25</i>
	<i>Total</i>	<i>80</i>	<i>100</i>
<i>Year of Experience</i>	<i>Particulars</i>	<i>Frequency</i>	<i>Percentage (%)</i>
	<i>Less than 2 years</i>	<i>18</i>	<i>22.5</i>
	<i>2 to 5 years</i>	<i>17</i>	<i>21.3</i>



	<i>5 to 10 years</i>	<i>18</i>	<i>22.5</i>
	<i>More than 10 years</i>	<i>27</i>	<i>33.8</i>
	<i>Total</i>	<i>80</i>	<i>100</i>
<i>Monthly income</i>	<i>Particulars</i>	<i>Frequency</i>	<i>Percentage (%)</i>
	<i>Below 10,000</i>	<i>10</i>	<i>12.5</i>
	<i>10,001 – 20,000</i>	<i>12</i>	<i>15</i>
	<i>20,001- 30000</i>	<i>16</i>	<i>20</i>
	<i>30,001- 40,000</i>	<i>10</i>	<i>12.5</i>
	<i>Above 40,000</i>	<i>32</i>	<i>40</i>
	<i>Total</i>	<i>80</i>	<i>100</i>

1. From the above Table 1.1 shows the age-wise distribution of the 80 self-employed women. The highest number of respondents (25%) are in the 46–55 years group, followed by (23.8%) in the below 25 years group. The (26–35) years group has (18.8%), and the 36–45 years group has (16.3%), while (16.3%) are above 55 years.
2. Table 1.1 Shows the Education levels of 80 self-employed women. The largest group (32.5%) are Graduates or above, followed by (22.5%) in Higher Secondary, (16.2%) in Secondary, (15%) with no formal education, and (13.7%) in Primary.
3. Table 1.1 shows that all four types of self-employment have an equal share of 25% with 20 women from each category. This indicates that women are equally involved in different types of work, Which shows a balanced participation across home-based businesses, street vending, retail shops and beauty parlours.
4. Table 1.1 shows the Year of Experience in Business. most of the respondents (33.8%) have more than 10 years of experience. Followed by (22.5%) have less than 2 years, and (22.5%) have 5 to 10 years of experience, while 21.3% have 2 to 5 years of experience. This indicates that most of the self-employed women have good work experience.
5. Table 1.1 show monthly income of self-employed women, the highest number of self-employed women (40%) earn above ₹40,000 per month. Followed by (20%) earn between ₹20,001–₹30,000, (15%) earn between ₹10,001–₹20,000, (12.5%) earning ₹30,001- ₹40,000, and the remaining (12.5%) earn below ₹10,000 per month.

### Testing of Hypotheses :

Testing Hypothesis using Percentage method and ranking method based on the primary data collected through a structured questionnaire.

#### 1.H<sub>01</sub> (Null Hypothesis) & H<sub>1</sub> (Alternative Hypothesis):

H<sub>01</sub>: There is no significant difference between the types of occupations and financial literacy among self-employed women.

H<sub>1</sub>: There is a significant difference between the types of occupations and financial literacy among self-employed women.



Questions	Small business	Beauty parlour	Retailer	Street vendor	Reference table
1. Usage of bank account by self-employed women.	18(90%)	20(100%)	15(75%)	12(60%)	Table 5.6
2. Maintaining Business records (income and expenses) by self-employed women.	12(60%)	19(95%)	15(75%)	17(85%)	Table 5.7
3. Usage of digital payment methods (UPI, mobile banking, ATM).	16(80%)	18(90%)	12(60%)	14(70%)	Table 5.8
4. Awareness of fixed deposits offered by banks.	20(100%)	17(85%)	18(90%)	15(75%)	Table 5.11
5. Investment in fixed deposits by self-employed women.	15(75%)	17(85%)	13(65%)	11(55%)	Table 5.12
6. Fixed deposits as a safe investment option by self-employed women.	15(75%)	17(85%)	13(65%)	11(55%)	Table 5.13
7. Awareness of government financial schemes among self-employed women.	13(65%)	17(85%)	14(70%)	11(55%)	Table 5.22

### Analysis and interpretation:

- Table 5.6 shows that all 20 beauty parlour respondents (100%) have a bank account. This is followed by 18 small business owners (90%), 15 retail shop owners (75%), and 12 street vendors (60%) having a bank account.
- Table 5.7 shows that out of 20 small business respondents, 7 (35%) always maintain business records and 5 (25%) sometimes maintain them. Among beauty parlour respondents, 11 (55%) always and 8 (40%) often maintain records. In retail shops, 8 (40%) always and 7 (35%) often maintain records. Similarly, among street vendors, 9 (45%) always and 8 (40%) often maintain business records.
- Table 5.8 shows that among small business respondents, 12 (60%) always use digital payment methods and 4 (20%) often use them. Among beauty parlour respondents, 10 (50%) often use digital payments, while 8 (40%) always use them. In retail shops, 6 (30%) always and 6 (30%) often use digital payment methods. Among street vendors, 8 (40%) sometimes use digital payments, while 6 (30%) often use them.
- Table 5.11 shows out of 20 respondents in each category, awareness of fixed deposits is highest among small business women (100%), followed by retail shop owners (90%), beauty parlour owners (85%), and street vendors (75%).
- Table 5.12 shows that 15 small business respondents (75%) have invested in fixed deposits. This is followed by 17 beauty parlour respondents (85%), 13 retail shop respondents (65%), and 11 street vendors (55%) who have invested in fixed deposits offered by banks.
- Table 5.13 shows out of 20 beauty parlour respondents, 17 (85%) consider fixed deposits safe. This is followed by 15 (75%) small business respondents, 15 (75%) retail shop respondents, and 11 (55%) street vendors.
- Table 5.22 shows out of 20 beauty parlour respondents, 17 (85%) are aware of government schemes. This is followed by 14 (70%) retail shop respondents, 13 (65%) small business respondents, and 11 (55%) street vendors.

**Result of Hypothesis:**

From the analysis, it is clear that the level of financial literacy is different among occupational groups. Beauty parlour and small business respondents show higher awareness and better financial practices compared to retail shop owners and street vendors. The percentages are not the same across all groups.

**Decision:** Therefore, the Null Hypothesis ( $H_{01}$ ) is rejected and the Alternative Hypothesis ( $H_1$ ) is accepted.

This means There is a significant difference between the types of occupations and financial literacy among self-employed women.

**2.  $H_{02}$  (Null Hypothesis) &  $H_2$  (Alternative Hypothesis):**

$H_{02}$ : There is no significant difference between the age and financial literacy among self-employed women.

$H_2$ : There is a significant difference between the age and financial literacy among self-employed women.

Questions	Below 25 years	26-35 years	36-45 years	46-55 years	Above 55 years	Reference table
1. Usage of digital payment methods (UPI, mobile banking, ATM).	84%	75%	62%	70%	67%	5.8
2. Awareness of fixed deposits offered by banks.	95%	87%	92%	80%	77%	5.11
3. Investment in fixed deposits by self-employed women.	74%	73%	77%	55%	54%	5.12
4. Preparation of household and business budget by self-employed women.	68%	53%	62%	70%	85%	5.21
5. Awareness of government financial schemes among self-employed women.	53%	67%	85%	75%	54%	5.22

**Analysis and interpretation:**

- Table 5.8 shows that usage of digital payment methods by self-employed women is highest among women below 25 years (84%), followed by 26–35 years (75%), 46–55 years (70%), above 55 years (67%), and 36–45 years (62%).
- Table 5.11 shows that awareness of fixed deposits offered by banks among self-employed women is highest among women below 25 years (95%), followed by 36–45 years (92%), 26–35 years (87%), while 55 years (77%), and 46–55 years (80%).
- Table 5.12 shows that investment in fixed deposits by self-employed women is highest among women 36–45 years (77%), followed by below 25 years (74%), 26–35 years (73%), 46–55 years (55%), and above 55 years (54%).



4. Table 5.21 shows that preparation of household and business budget by self-employed women is highest among women above 55 years (85%), followed by 46–55 years (70%), below 25 years (68%), 36–45 years (62%), and 26–35 years (53%).
5. Table 5.22 shows that awareness of government financial schemes among self-employed women is highest among women 36–45 years (85%), followed by 46–55 years (75%), 26–35 years (67%), above 55 years (54%), and below 25 years (53%).

### Result of Hypothesis:

From the analysis, it is clear that the level of financial literacy is different among age groups. Women below 25 years and 36–45 years show higher awareness and better financial practices compared to other age groups. The percentages are not the same across all groups.

**Decision:** Therefore, the Null Hypothesis ( $H_{02}$ ) is rejected and the Alternative Hypothesis ( $H_2$ ) is accepted.

This means there is a significant difference between the age and financial literacy among self-employed women.

### 3. $H_{03}$ (Null Hypothesis) & $H_3$ (Alternative Hypothesis):

$H_{03}$ : There is no significant difference between the Educational Qualification and financial literacy among self-employed women.

$H_3$ : There is a significant difference between the Educational Qualification and financial literacy among self-employed women.

Questions	No Formal education	Primary	Secondary	Higher Secondary	Graduated & above	Reference table
1. Maintaining Business records (income & expenses).	83%	91%	77%	78%	88%	5.7
2. Usage of digital payment methods (UPI, mobile banking, ATM).	58%	55%	62%	94%	77%	5.8
3. Awareness of fixed deposits offered by banks.	67%	91%	100%	94%	88%	5.11
4. Investment in fixed deposits.	58%	91%	69%	89%	65%	5.12
5. Preparation of household and business budget.	58%	73%	54%	83%	62%	5.21
6. Awareness of government financial schemes.	58%	91%	77%	83%	62%	5.22



### Analysis and interpretation:

1. Table 5.7 shows that most women maintain business records across all education levels, with 83% of no Formal education, 91% of primary, 77% of secondary, 78% of higher secondary, and 88% of graduates and above.
2. Table 5.8 shows that digital payment usage on the basis of education levels, 58% of No formal education and 55% of primary, followed by 62% of secondary, 94% of higher secondary, and 77% of graduated and above.
3. Table 5.11 shows that awareness of bank fixed deposits is high, with 67% of no formal education and 91% of primary, followed by 100% of secondary, 94% of higher secondary, and 88% of graduated and above.
4. Table 5.12 shows that investment in fixed deposits is higher among primary and higher secondary women with 91% and 89%, followed by secondary (69%) and graduated and above (65%), and only 58% are No formal education.
5. Table 5.21 shows that budget preparation is better among higher secondary (83%) and primary (73%) women, followed by graduated and above (62%), and very low among no formal education (58%) and secondary (54%).
6. Table 5.22 shows that awareness of government financial schemes is higher among primary (91%) and higher secondary (83%) women, Followed by secondary (77%) and graduated & above (62%), and very low among uneducated (58%).

### Result of Hypothesis:

From the analysis, it is clear that the level of financial literacy is different among education levels. Primary and higher secondary women show higher awareness and better financial practices compared to women with no formal education, secondary, and graduates. The percentages are not the same across all groups.

**Decision:** Therefore, the Null Hypothesis ( $H_{03}$ ) is rejected and the Alternative Hypothesis ( $H_3$ ) is accepted.

This means there is a significant difference between the education level and financial literacy among self-employed women.

### Findings:

1. Women work equally in beauty parlours, retail shops, home-based businesses, and street vending.
2. Financial literacy is higher among beauty parlour owners and small business women, which is better than retailers and street vendors.
3. Younger women (below 25 years), (26 – 35 years), and women aged (36 - 45 years) are more aware about financial services and use financial services better than women with age of (46 – 50 years) and (Above 50 years).
4. Education helps primary and higher secondary women understand and use financial products better Than secondary, graduated & above, and no formal education women.
5. Awareness of government financial schemes and investment in fixed deposits is higher among educated and middle-aged women aged (26 – 35 years ), ( 36 – 45 years), and (46 – 50 years).

### Conclusion :

The study shows that financial literacy among self-employed women in Mumbai is different based on occupation, age, and education. Beauty parlour owners and small business women are more aware and use financial services better than retailers and street vendors. Younger and middle-aged women, especially those with primary and higher secondary education, understand and manage financial products like bank accounts, digital payments, and fixed deposits more effectively. Awareness of government financial schemes is higher among educated women and those in the 26–50 years age group. Overall, the findings highlight the need to provide financial education and



practical training to all self-employed women so they can make better financial decisions, manage their businesses efficiently, and become more independent.

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