ORIGINAL PAPER

DOI: 10.26794/2587-5671-2022-26-5-121-131
JEL D13, D14, D15

Determinants of Financial Literacy and its Influence on Financial Wellbeing — a Study of the Young Population in Haryana, India

Sangeeta, P.K. Aggarwal, A. Sangal
Sharda University, Greater Noida, India

ABSTRACT

The **purpose** of this study — is to determine how financial knowledge, attitudes and behaviours (determinants of financial literacy) influence an individual's overall financial well-being. The **methodological basis** of the study was a survey of 115 respondents, for which a well-structured questionnaire was developed. Smart PLS version 3 software was used to conduct the PLS analysis. The authors applied a multivariate methodology called Structural Equation Modelling (SEM) to integrate characteristics that cannot be seen directly. It is **concluded** that both financial attitudes and financial behaviour affect financial well-being, with financial behaviour having a greater impact on financial well-being, while financial knowledge does not. The ultimate goal of financial literacy is to increase financial well-being among the population. The results of this study can be used by policy makers, government and educational institutions who should pay more attention to improving the very determinants of financial literacy that affect financial well-being.

Keywords: financial knowledge; financial awareness; financial behaviour; financial attitude; financial literacy; financial education; financial well-being

For citation: **Sangeeta, Aggarwal P.K., Sangal A. Determinants of financial literacy and its influence on financial well-being — a study of the young population in Haryana, India. *Finance: Theory and Practice.* 2022;26(5):121-131. DOI: 10.26794/2587-5671-2022-26-5-121-131**

ОРИГИНАЛЬНАЯ СТАТЬЯ

Факторы финансовой грамотности и их влияние на финансовое благополучие — исследование молодого населения Харьяны, Индия

Санджита, П.К. Аггарвал, А. Сангал
Университет Шарда, Большая Нойда, Индия

АННОТАЦИЯ

Цель данного исследования — определить, как финансовые знания, отношение и поведение (факторы финансовой грамотности) влияют на общее финансовое благополучие человека. **Методологической основой** исследования стал опрос 115 респондентов, для чего была разработана хорошо структурированная анкета. Для проведения PLS– анализа использована программа Smart PLS версии 3. Авторы применили многомерную методологию под названием Structural Equation Modelling (SEM) для интеграции характеристик, которые нельзя увидеть напрямую. Сделан **вывод**, что финансовое отношение, как и финансовое поведение влияют на финансовое благополучие, при этом финансовое поведение в большей степени оказывает влияние на финансовое благополучие, в то время как финансовые знания не оказывают никакого влияния. Конечная цель финансовой грамотности заключается в повышении уровня финансового благополучия среди населения. Результаты данного исследования могут быть использованы политиками, правительством и образовательными институтами, которые должны уделять больше внимания улучшению именно тех определяющих факторов финансовой грамотности, которые влияют на финансовое благополучие.

Ключевые слова: финансовые знания; финансовая осведомленность; финансовое поведение; финансовое отношение; финансовая грамотность; финансовое образование; финансовое благополучие

Для цитирования: **Sangeeta, Aggarwal P.K., Sangal A. Determinants of financial literacy and its influence on financial wellbeing — a study of the young population in Haryana, India. *Финансы: теория и практика.* 2022;26(5):121-131. DOI: 10.26794/2587-5671-2022-26-5-121-131**

INTRODUCTION

Due to the COVID-19 pandemic, the economy of all over the world are affected, this pandemic causes inflation, unemployment, poverty, and well– being are also declining. Due to lock down, financial hardship is having a harmful impact on mental and physical health. Stress, anxiety, sadness, and suicide are all problems that our society faces [1]. Financial literacy has become a hot topic in recent years as it relates to people's financial empowerment and their lives. It piques the interest of the average person who wants to meet their daily financial needs while also planning for a secure future. Financial literacy improves people's ability to access financial services, manage their budgets, and make the best use of resources, which promotes economic development. People's confidence and self–control improve as a result of financial literacy, which encourages them to participate in the formal economic system. It will boost your confidence and well-being. According to the literature, different researchers define financial literacy differently. The OECD[1] explains financial literacy as "a mixture of understanding, expertise, ability, attitude, and action required to take sound decisions related to finance and eventually achieve individual well-being". "Financial literacy" is the ability to make sound decisions and make appropriate decisions related to the use and monitoring of financial assets and liabilities [2]. People who are financially literate make smart financial decisions and are less likely to be manipulated in financial matters [3]. Previous research on financial literacy has revealed that there is a global lack of financial literacy. Governments, non–profit organisations, and educational institutions are taking a variety of steps, such as financial education programmes, to enhance the community's level of financial literacy. It is necessary to construct financial education efforts around the many parts of financial literacy, such as financial knowledge, financial attitude, and money management behaviour, in order for them to be successful. This will allow individuals to benefit more from financial literacy programmes. The OECD[2] has provided a comprehensive examination of financial literacy. Financial literacy is defined as "a combination of financial behaviour, financial conduct, and financial awareness". To improve public financial literacy, it is also necessary to focus not only on financial knowledge and awareness, but also on the analysis of financial attitudes and financial behaviour. Financial knowledge has the potential to influence both financial attitudes and financial behaviour. A link between financial attitudes and financial behaviour may also exist, as a negative financial attitude may lead to less favourable financial behaviour and vice versa. Therefore, it is important to understand how financial knowledge, financial attitude, and financial behaviour affect the financial well-being in connection to financial aspects of people's lives.

LITERATURE REVIEW AND RESEARCH GAP

Financial literacy has been studied in a variety of ways. In many nations, government entities, commercial organisations, and individuals have conducted studies to measure their country's degree of financial literacy. Njehia [4] "People's willingness to comprehend financial information and make logical judgments about financial saving, capital accumulation, debt, and pensions". Financial literacy, according to Atkinson and Messy [5], is "a mix of awareness, knowledge, skills, attitude, and conduct required to make smart financial decisions and ultimately attain individual financial well-being". According to Huston [2], "Financial literacy has created an implementation layer that enables individuals to have the competence and trust to utilise their financial abilities to make financial decisions". The concept of financial literacy is still being debated. In the present literature, financial literacy has many interpretations since financial literacy authorities have given researchers and authors freedom to transmit and assess financial literacy [6]. Financial knowledge, financial behaviour, and financial awareness are all terms that should be used interchangeably [7–9]. To measure individual financial literacy, the majority of the studies used an objective evaluation technique. Various researchers utilised objective exams in various ways to measure an individual's financial literacy. Bhushan and Medury [10] evaluated financial literacy by asking objective questions on income, savings, investments, budgeting, and credit management. Other researchers studied the time value of money, risk and return, interest, diversification, and inflation [11]. In this study, researchers investigated the relationship between financial education, financial socialization, and money attitudes and found that financial education and financial socialisation have more influence on financial

[1] OECD. G20. Oecd Infe Core Competencies Framework on Financial Literacy for Adults G20. Oecd Infe Core Competencies Framework on Financial Literacy for Adults G20. Oecd Infe Report on Adult Financial Literacy in G20 Countries. 2017:1–80. URL: www.financial-education.org (accessed on 13.11.2021).

[2] Organisation for Economic and Cooperation and Development. Measuring financial literacy: questionnaire and guidance notes for conducting an internationally comparable survey of financial literacy. URL: https://www.oecd.org/finance/financial-education/49319977.pdf (accessed on 13.11.2021).

literacy. Previous research has found a poor degree of financial literacy among the low– income group, women, students, the less educated, the lower income group, and minorities [7, 12, 13] and NISM.[3] According to a study of the literature, most research on the evaluation of literacy among the public considers just one component of financial literacy, namely financial knowledge, with other elements, such as financial attitudes and financial behaviour, being examined only in a few studies. As a result, the primary goal of the study is to investigate the relationship between financial knowledge, financial attitudes, and financial behaviour with financial well-being. According to the survey conducted by Standard & Poor's Financial Services,[4] financial literacy is at 24%, which is poor as compared to the rest of the world, and approximately 76% of the adult population in India do not even have a proper understanding of basic financial concepts. But in India, Haryana is the only state with the maximum financial literacy centre in India. Haryana is classified into 6 divisions and 22 districts. Right now, 61 financial literacy centres are actively functioning in Haryana. Haryana is a state in northern India with 22 districts, and it is the seventeenth most crowded state. Haryana is on the path of development. The economy of Haryana is also growing. Over the last few years, the financial literacy of Haryana has increased significantly. According to the report of Haryana Minister of State for Welfare of Scheduled Castes and Backward Classes,[5] "Haryana's total literacy level is 75.55%. The literacy rate of males and females is 84.06% and 65.93%, respectively". Based on this, the researcheris compelled to investigate the relationship between financial knowledge, financial attitude, and financial behaviour and financial well-being.

DETERMINANTS OF FINANCIAL LITERACY

A variety of factors influence financial literacy, which have been identified through a review of prior studies.

Demographic Factors

There was a wide range of demographic parameters that were taken into account while evaluating the age and gender of the respondent. These variables contribute to the demographic profile of respondents, which influences financial literacy. Research shows that male respondents had a higher level of financial literacy than female respondents when gender is taken into account [14].

Socioeconomic Factors Socioeconomic

Occupation, personal income, position and education are examples of socioeconomic factors. Using socioeconomic indicators as a latent variable in determining financial literacy was the goal of the questionnaire.

Factors in the Background:

Factors such as familial upbringing, childhood memories, job stability, personal relationships, geographic location, major life events, health, and financial resources are all part of one's background. Financial literacy may be influenced by a person's upbringing and family, i.e., educated parents are more likely to teach their children about the importance of money management.

Behavioural factors

Self–confidence, self–esteem, future transformation, future prosperity, and other behavioural characteristics are all important considerations in the decision process. Individuals' financial literacy is influenced by a variety of circumstances.

Financial Attitude

Financial attitude is one factor that encompasses themes such as whether a person can handle their own money or if they are interested in developing their thinking abilities or increasing their thinking capacity to enhance information on subjects of interest.

Financial influences

Financial influences are the effects of family, peers, friends, and others on an individual's ability to manage money or make sound financial choices. Influences may come from official sources such as financial experts or from informal sources such as family and friends. Influences may also come from a mentor.

Other factors

A sense of hopelessness, religion, and financial comfort may also have an impact on an individual's financial literacy. The term "hopelessness" refers to the negative impact on several aspects of financial behaviour and well-being. In other words, those who are deeply in debt often make hasty judgments. The

[3] NISM. Financial Literacy and Inclusion in India: Final Report — India. 2014.

[4] Klapper L., Lusardi A., van Oudheusden P. Insights from the Standard & Poor's Ratings Services Global Financial Literacy Survey. Finance Lit around world. 2017;1–27. URL: http://www.openfininc.org/wp-content/uploads/2016/04/2015-Finlit_paper_17_F3_SINGLES.pdf (accessed on 13.11.2021).

[5] Haryana Minister of State for Welfare of Scheduled Castes and Backward Classes, 2020.

degree to which a person clings to his or her religious ideas, morals, and so on is referred to as religiosity. The quantity of money generated and possessed by an individual to satisfy his or her living requirements is referred to as "financial contentment".

Financial Wellbeing

Previous research studies have defined financial well-being as one of the branches of well-being. Mokhtar et al. [15] describe financial wellness as an abstract notion used to explain an individual's or family's financial position. Financial well-being as a function of personal traits, objective qualities, perceived attributes, and evaluative features of the financial domain. According to the CFPB,[6] "a person's financial well-being is defined as the ability to fulfil all present and future financial obligations and responsibilities, as well as making decisions that allow for happiness and well-being". Joo [16] draws the concept of financial well-being from the notion of general well-being and specifically defines it as a prerequisite for financial health, pleasure, and worry-free living. It is crucial.

OBJECTIVES OF THE STUDY

In this study, the primary goal is to examine the impact of financial knowledge, financial attitude, and financial behaviour on an individual's entire financial well-being.

On the basis of objectives and framework, the following hypothesis has been drawn by the researcher (*Fig. 1*).

The Relationship Between Financial Knowledge and Financial Wellbeing

Financially literate people having the basic knowledge of the financial concept and financial product. OECD[7] financial knowledge is the key determinants of financial literacy. Huston [2] defines After reviewing more than 71 research publications, author have identified four key components of financial literacy: concept of money, saving and investing as well as borrowing and protection are all covered. OECD[8] include five concepts of financial knowledge — simple interest, compound interest, the time value of money, and the influence of inflation on investment returns and price levels. Riitsalu and Murakas [17] in this study researchers found that objective financial knowledge, having less effect of financial well-being as compare to the subjective knowledge of financial knowledge, in this study researchers found that socio–economic factors affect the financial well-being more. Gerrans at. el. [18] found that financial literacy not only influence financial behaviour, but also financial satisfaction. On the basis of above following hypothesis has been drowned and tested and Indicators of financial knowledge is general knowledge of personal finance, saving, loans, investment, insurance.

H01: Financial knowledge has no significant influence on financial well-being.

The relationship between financial attitude and financial well-being

Financial attitude can be defined as a personal tilt toward financial products, which is only possible if people have a positive attitude toward the financial product and create a positive attitude toward the financial product. Financial literacy plays an important role. Chijwani [19] determined that the emphasis should be on cultivating favourable financial attitudes among the people of this country in order to achieve good financial literacy. Only then can any financial education programme provide genuine benefits. Ajzen [20] Decision-makers' behaviour has been shown to affect financial attitudes, and their economic and non–economic perceptions will strengthen their attitudes. Ibrahim and Alqaydi [21] concluded in their study that education could change personal financial attitudes and further reduce credit card dependence. Yuesti et al. [22] also concluded that financial attitudes and financial behaviour variables positively affect financial literacy and financial well-being. Financial attitudes may also affect financial well-being along with financial behaviour. Previous research concluded that there is a correlation between financial attitudes, financial literacy, and financial well-being. Ibrahim and Alqaydi [21] found that if an individual had a strong financial attitude, they borrowed less from the bank and credit cards. Sohn et al. [16] found the financial socialisation agent, financial attitude, and financial literacy positively affects financial

---

[6] Scale CFW. This statement describes me Completely. Very well Somewhat. Very little. Not at all: 3–5. URL: https://files.consumerfinance.gov/f/documents/bcfp_fin-well-being_full-scorecard.pdf (accessed on 13.11.2021).

[7] Organisation for Economic and Cooperation and Development. Measuring financial literacy: questionnaire and guidance notes for conducting an internationally comparable survey of financial literacy. URL: https://www.oecd.org/finance/financial-education/49319977.pdf (accessed on 13.11.2021).

[8] OECD. G20/OECD Infe Core Competencies Framework on Financial Literacy for Adults G20/OECD Infe Core Competencies Framework on Financial Literacy for Adults G20/OECD Infe Report on Adult Financial Literacy in G20 Countries. 2017;1–80. URL: www.financial-education.org (accessed on 13.11.2021).

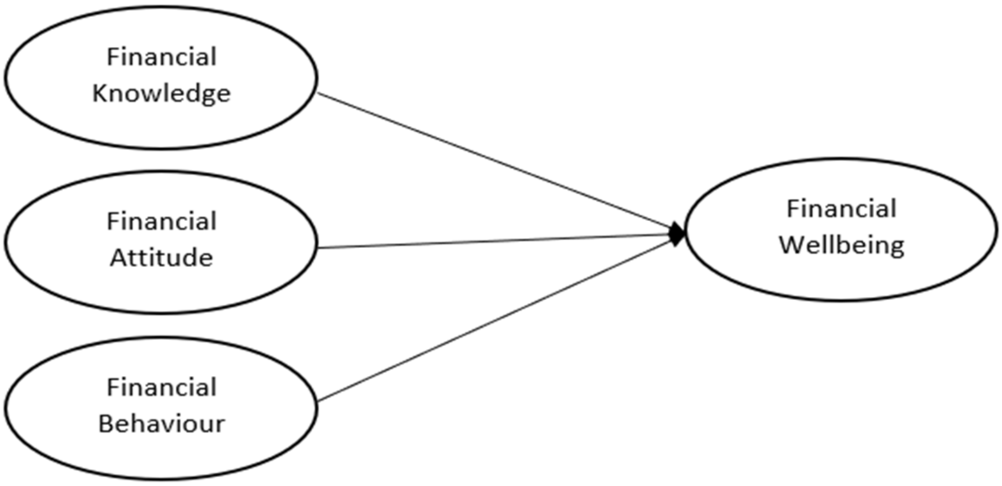

Fig. 1. **Conceptual Model**

Source: based on reviews of literature, a research framework developed by the authors.

literacy. Haque et al. [23] concluded that a positive financial attitude and financial literacy help with financial well-being and women's empowerment. The following hypothesis has been developed based on the above literacy and for the purpose of the study. The financial attitude is revealed by record income and expenditure, take care of the budget you made, save money every month for the future, and pay off all of your debts each month.

H02: Financial attitude has no significant influence on financial wellbeing.

Financial Behaviour and its Relationship to Financial Well-Being

Financial behaviour refers to people's actual financial decisions in the financial market, linked to their savings, debt, and expenditure levels. Atkinson and Messy [5] found that individuals' realistic financial attitudes, such as effective budget preparation and financial stability, improve their financial literacy, while negative financial attitudes, such as loans and credit, disrupt their financial well-being. Taft et al. [1] concluded that financial literacy and financial attitude can lead to positive financial behaviour, so it is necessary to consider the impact of financial literacy on financial behaviour. Gerrans et al. [18] examine the relationship between financial wellness and personal well-being. In this study, they found that financial literacy helps with change in behaviour and improves decision-making capabilities and living standards. According to the OECD,[9] financial behaviour is very important and is a key component of financial literacy. Mokhtar and Husniyah [24] examined whether the work environment, financial stress, locus of control, and financial behaviour were all found to be strongly linked to financial well-being. Furthermore, financial stress was the most powerful factor influencing financial well-being, followed by the work environment. On the basis of previous studies, the following hypothesis has been developed and tested. Financial behaviour in this study is indicated by consumption, cash flow management, saving and investment.

H03: Financial behaviour has no significant influence on financial wellbeing.

RESEARCH METHODOLOGY

Sampling Technique and Sample Size

Ambala district, Haryana, was the target demographic area in this investigation. In a self–administrated questionnaire, a questionnaire was validated by three professors from different departments at Sharda University, Greater Noida (India). Data was collected via an online and offline mode. Because of the time restrictions, 115 respondents were identified in this study. Probability sampling was used for this study.

Instrumentation

Almost all the data that was examined by computer was collected via a self–administered questionnaire. The questionnaire was split into two. The demographic variables are in the first section, and the second section includes questions on independent and dependent variables. Previous research was used to develop the question. In this study, 20 questions were asked to check the financial knowledge and understanding, 10 questions related to financial attitude, 10 questions related to financial behaviour,

[9] Organisation for Economic and Cooperation and Development. Measuring financial literacy: questionnaire and guidance notes for conducting an internationally comparable survey of financial literacy. URL: https://www.oecd.org/finance/financial-education/49319977.pdf (accessed on 13.11.2021).

and 10 questions were asked related to financial well-being. After factor analysis, a few questions from financial knowledge, financial attitude, and financial behaviour were dropped whose loading was less than 50. In this study, data was collected on a 5–point Likert scale.

Demographic and socioeconomic characteristics of the sample

The characteristics of the sample used for the analysis (*Table 1*). The questionnaire was sent to more than 400 people, but only 150 showed an interest in it. A total of 150 questions was coded in SPSS for analysis and during the data cleaning, 35 questions were found as outliers, so in this study only 115 respondents were taken into consideration, and of those, 55.65% were female and 44.35% were male. In the sample, there is no greater difference in marital status between males and females, i.e., 51.30% are married and 48.70% are unmarried. In the sample, the maximum respondents were graduates, masters, and professionals, with 29.57%, 31.30%, and 32.17%, respectively. In the sample, 5.22 percent were those who studied at school level, and 1.74% were illiterate. The sample consists of a maximum of respondents earning a monthly income between INR 25 001 and INR 50 000, i.e., 28.70%, 18.26% of the respondents earning up to INR 25 000, 18.26% of the respondents earning INR 50 001— INR 75 000, 19.13% earning INR 75 001 — INR 100 000, and 15.65% earning above INR 100 000. 6.09% of the respondents were working as professionals, 60.87% of the respondents were salaried, 12.17% were still studying, 1.74% of the respondents were farmers, and 19.13% were unemployed. And the sample consisted of 54.78% of respondents from joint families and the rest, 45.22%, from nuclear families. The questionnaire was prepared with extreme seriousness, including all the relevant details on the 5–point Likert scale.

The reliability of all questions related to financial knowledge, financial attitude, financial behaviour and financial wellbeing is high. 83, which shows the high reliability of the questions and shows that all the questions are relevant for the study. The questionnaire was distributed online through the use of Internet-mediated surveys because of pandemic fears of people avoiding social gatherings for the safety of their families. For this study social distancing was taken into consideration, and maximum data was collected through online mode.

Since in this study, only three factors of financial literacy (financial attitude, financial behaviour, and financial knowledge) are taken into consideration for determining financial well-being. In this research, a multi– variate approach known as Structural Equation Modelling (SEM) is taken into consideration, which uses latent variables that are indirectly assessed via indicators. Since abstract constructs cannot be measured directly, latent variables and constructs are needed, and since they are invisible, they must be detected using indicator variables and statements. The researcher utilised a variance–based SEM technique known as PLS–SEM to accommodate a small sample size (Partial Least Square–Structural Equation Modelling). The PLS–SEM is capable of handling construct measures that are either single–item or multi-item in design, and is capable of handling both reflective and formative measurement models. The PLS–SEM and CB–SEM findings do not vary much, therefore the PLS–SEM outputs may be used as a reliable alternative to the CB–SEM outputs. Some of the most often cited reasons for using PLS–SEM include data features such as a small sample size, non–normal data, and scale of measurement (i.e., the use of various scaling types) [25–27]. A Smart PLS version 3 was carried out for the PLS analysis, which was accessible for a free trial of 30 days on the official website. The result of this research follows the two–step approach. First, the assessment of the adequacy of the measurement model and second, an evaluation of the structural model. The first step is to ensure that the measurement model is sound, and the second is to investigate the structural model.

ASSESSMENT OF MEASUREMENT MODEL

Examining reliability, convergence, and discriminative validity shows that the model is right for the job. The composite reliabilities are also shown (*Table 2*), and they're all above the 0.7 threshold, which thus indicates the acceptable limits of reliability. As a result, convergent validity may be measured by the square root of the average variance extracted (AVE), which is defined as the variance that is shared between a construct and the indicators of the construct. Due to the fact that each concept has an average variance equal to or greater than 0.5, convergent validity is proven.

ASSESSMENT OF THE STRUCTURAL MODEL

In order to test the hypotheses, PLS was used to evaluate the structural model. The path coefficient and R-Squared values of the model is also provided in *Table 3*. According to *Table 3* pcvalue ($P < 0.05$) derived from the t–statistics it can be inferred

Table 1

Demographic and Socioeconomic Details of the Respondents

Demographic and Socio-economic Variables	Attributes of Variables	Frequency	Percent
Gender of respondent	Male	51	44.35
	Female	64	55.65
Marital status of Respondent	married	59	51.30
	unmarried	56	48.70
Qualification of Respondent	Illiterate/Uneducated	2	1.74
	School Level	6	5.22
	Graduate	34	29.57
	Masters	36	31.30
	Professional	37	32.17
Area of Living	Rural	14	12.17
	Urban	101	87.83
What is the occupation of the respondent	Business/Professionals	7	6.09
	Salaried Employee	70	60.87
	Students	14	12.17
	Farming	2	1.74
	Not Working	22	19.13
Monthly Family Income	Upto INR 25,000	21	18.26
	INR 25,001 – INR 50,000	33	28.70
	INR 50,001 – INR 75,000	21	18.26
	INR 75,001 – INR 100,000	22	19.13
	Above 100,000	18	15.65
Type of respondent family	Joint Family	63	54.78
	Nuclear Family	52	45.22
Education of respondent Parents	Illiterate/Uneducated	15	13.04
	School Level	52	45.22
	Under Graduate/ Post Graduate	39	33.91
	Professional Education	9	7.83

Source: compiled by the author.

Table 2

Composite reliability, AVE & Cronbach Alpha (Output from Smart PLS v3.0)

Variables	Composite Reliability	AVE	Cronbach's Alpha
Financial Attitude	0.882	0.600	0.838
Financial Behavior	0.952	0.741	0.941
Financial Knowledge	0.905	0.399	0.924
Financial Well-being	0.934	0.592	0.920

Source: compiled by the author.

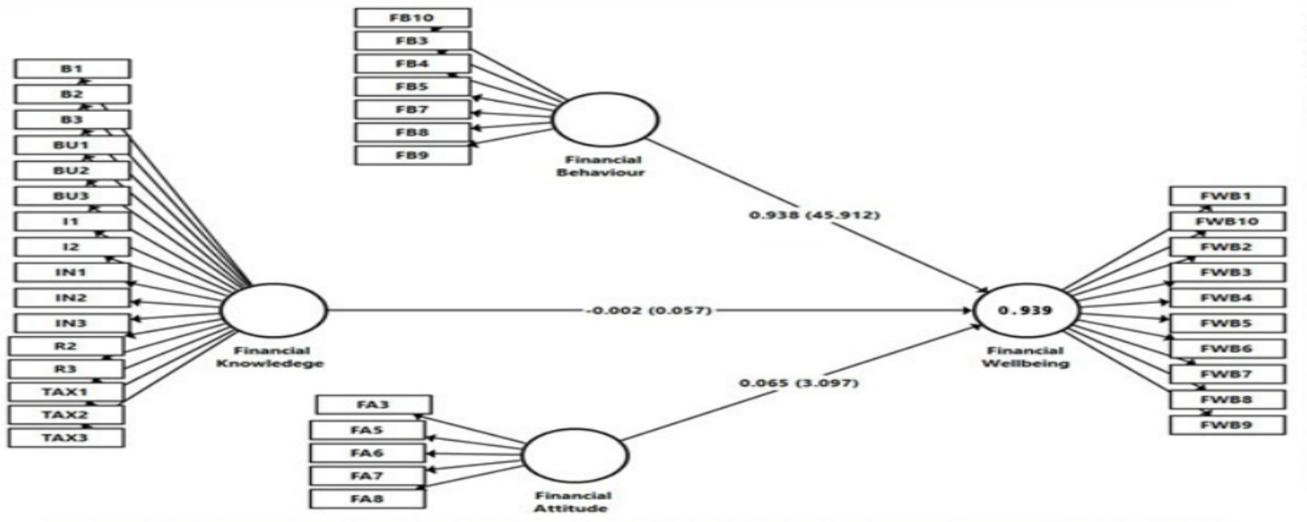

Fig. 2. **Structural model**

Source: compiled by the author, PLS Smart PLS.

that financial knowledge has no significant impact on financial well-being, hence we accept the null hypotheses at 95% of confidence. As per the *Table 3* financial behaviour has a strong impact on financial well-being. Similarly, the impact of financial attitude of financial well-being is positive because "P" value is less than level of significance. So, at 95% level of confidence, we reject the H02 and H03. Hence model concluded that financial attitude and financial behaviour having significant influence on financial well-being and financial knowledge (*Fig. 2*).

The outcomes of the hypotheses have been summarized in below *Table 4*.

In the above conceptual model one latent variable identified that is financial well-being so we have only one R–square value. Though impact of financial behaviour as well as financial attitude of financial well-being significantly provides significant impact.

MANAGERIAL IMPLICATIONS AND ITS LIMITATIONS

This study has practical implications for the design of financial literacy programs. The primary goal of the research is to determine the relationship between the determinant of financial literacy and financial well-being. In this study, only three factors of financial literacy were taken into consideration, and it was found that only financial attitude and financial behaviour had a greater influence on financial well-being. This study partially supports the previous studies, as previous research found that financial knowledge also influences financial well-being, but as per the current research, only financial attitude and financial behaviour significantly influence financial well-being and among the financial attitude and financial behaviour, financial behaviour has a greater influence on financial wellbeing [1, 18, 28, 29] but we can't ignore the other factors which influence financial literacy and financial well-being. As per the result, financial knowledge may be the important factor of financial literacy, it is not the important factor of financial well-being. So, governments, financial institutions, schools and colleges should focus on building the right attitudes and financial behaviour for the wellbeing of society.

CONCLUSION

The study identifies the important elements that influenced financial well-being. A favourable association was found between financial attitude and financial behaviour 95% level of confidence. In the case of financial knowledge in financial well-being was negligible influence. Financial behaviour is the main predictor of financial well-being and the result of the current study was supported in previous studies.

LIMITATIONS & FUTURE RESEARCH

We can't completely rely on this study because it's not free from the limitation. First limitation, this study was conducted on small sample size taking only one district of Haryana. Secondly, this study includes all working and non-working groups from urban and rural. And third one is only three factors included in this study; other important factors are ignored i.e., socio–economic factors, social networks,

Table 3

Path Co-efficient and R-squared (Output from Smart PLS v3.0)

Variables	Path Coefficient		P Value		R Squared
	Original Sample	T-Statistics O/ STDEVI			
Financial Knowledge — > Financial Well-Being	0.002	0.057	0.483	Financial Well-being	0.939
Financial Attitude — > Financial Well-Being	0.065	3.097	0.002		
Financial Behavior — > Financial Well-Being	0.938	45.912	0.001		

Source: compiled by the author.

Table 4

Summary of hypotheses testing

	Null hypotheses	Result
H01	Financial knowledge has no significant influence on financial well-being	Accepted
H02	Financial attitude has no significant influence on financial well-being	Not Accepted
H03	Financial behavior has no significant influence on financial well-being	Not Accepted

Source: compiled by the author.

family socialisation and cultural influence should also take into consideration. For further studies, researcher can try to minimise the other limitation of the study. That will help the government to design the financial literacy program to achieve the end result that is financial well-being.

REFERENCES

1. Taft M.K., Hosein Z.Z., Mehrizi S.M.T. The relation between financial literacy, financial wellbeing and financial concerns. *International Journal of Business and Management*. 2013;8(11):63–75. DOI: 10.5539/ijbm.v8n11p63
2. Huston S.J. Measuring financial literacy. *The Journal of Consumer Affairs*. 2010;44(2):296–316. DOI: 10.1111/j.1745–6606.2010.01170.x
3. Beal D.J., Delpachitra S.B. Financial literacy among Australian university students. *Economic Papers*. 2003;22(1):65–78. DOI: 10.1111/j.1759–3441.2003.tb00337.x
4. Njehia M.W. Determinants of the level of financial literacy in Meru County, Kenya: A survey of Meru County. *IOSR Journal of Business and Management*. 2017;19(8):10–41. URL: https://www.iosrjournals.org/iosr-jbm/papers/Vol19-issue8/Version-6/B 1908061041.pdf
5. Atkinson A., Messy F. Measuring financial literacy: Results of the OECD/INFE pilot study. OECD Working Papers on Finance, Insurance and Private Pensions. 2012;(15). URL: https://www.oecd-ilibrary.org/docserver/5k9csfs90fr4-en.pdf?expires=1660998499&id=id&accname=guest&checksum=4FCA97 5E 30F6AF226A63C 608183D 8A79
6. Remund D.L. Financial literacy explicated: The case for a clearer definition in an increasingly complex economy. *The Journal of Consumer Affairs*. 2010;44(2):276–295. DOI: 10.1111/j.1745–6606.2010.01169.x
7. Hassan Al-Tamimi H.A., Anood Bin Kalli A. Financial literacy and investment decisions of UAE investors. *Journal of Risk Finance*. 2009;10(5):500–516. DOI: 10.1108/15265940911001402
8. Howlett E., Kees J., Kemp E. The role of self-regulation, future orientation, and financial knowledge in long-term financial decisions. *The Journal of Consumer Affairs*. 2008;42(2):223–242. DOI: 10.1111/j.1745–6606.2008.00106.x
9. Yoong F.J., See B.L., Baronovich D.-L. Financial literacy key to retirement planning in Malaysia. *Journal of Management and Sustainability*. 2012;2(1):75–86. DOI: 10.5539/jms.v2n1p75

10. Bhushan P., Medury Y. An empirical analysis of inter linkages between financial attitudes, financial behaviour and financial knowledge of salaried individuals. *Indian Journal of Commerce and Management Studies*. 2014;5(3):58–64. URL: https://www.ijcms.in/index.php/ijcms/article/view/380/357
11. Fessler P., Silgoner M., Weber R. Financial knowledge, attitude and behavior: evidence from the Austrian Survey of Financial Literacy. *Empirica*. 2020;47(4):929–947. DOI: 10.1007/s10663–019–09465–2
12. Grohmann A. Financial literacy and financial behavior: Evidence from the emerging Asian middle class. *Pacific-Basin Finance Journal*. 2018;48:129–143. DOI: 10.1016/j.pacfin.2018.01.007
13. Fernandes D., Lynch J.G., Netemeyer R.G. Financial literacy, financial education, and downstream financial behaviors. *Management Science*. 2014;60(8):1861–1883. DOI: 10.1287/mnsc.2013.1849
14. Lusardi A., Mitchell O.S., Curto V. Financial literacy among the young. *The Journal of Consumer Affairs*. 2010;44(2):358–380. DOI: 10.1111/j.1745–6606.2010.01173.x
15. Mokhtar N., Rahim H.A. Determinants of employee perception on financial well-being in Putrajaya. *Malaysian Journal of Consumer and Family Economics*. 2016;19:27–51. URL: https://www.majcafe.com/wp-content/uploads/2017/04/3.-perception-of-financial-wellbeing.pdf
16. Sohn S.H., Joo S.-H., Grable J.E., Lee S., Kim M. Adolescents' financial literacy: The role of financial socialization agents, financial experiences, and money attitudes in shaping financial literacy among South Korean youth. *Journal of Adolescence*. 2012;35(4):969–980. DOI: 10.1016/j.adolescence.2012.02.002
17. Riitsalu L., Murakas R. Subjective financial knowledge, prudent behaviour and income: The predictors of financial well-being in Estonia. *International Journal of Bank Marketing*. 2019;37(4):934–950. DOI: 10.1108/IJBM-03–2018–0071
18. Gerrans P., Speelman C., Campitelli G. The relationship between personal financial wellness and financial wellbeing: A structural equation modelling approach. *Journal of Family and Economic Issues*. 2014;35(2):145–160. DOI: 10.1007/s10834–013–9358-z
19. Chijwani M. A study of financial literacy among working women in Pune. *International Journal for Scientific Research & Development.* 2014;1(11):2456–2458. URL: https://www.ijsrd.com/articles/IJSRDV1I11036.pdf
20. Ajzen I. The theory of planned behaviour: Reactions and reflections. *Psychology & Health*. 2011;26(9):1113–1127. DOI: 10.1080/08870446.2011.613995
21. Ibrahim M.E., Alqaydi F.R. Financial literacy, personal financial attitude, and forms of personal debt among residents of the UAE. *International Journal of Economics and Finance*. 2013;5(7):126–138. DOI: 10.5539/ijef.v5n7p126
22. Yuesti A., Rustiarini N.W., Suryandari N.N.A. Financial literacy in the COVID-19 pandemic: Pressure conditions in Indonesia. *Entrepreneurship and Sustainability Issues*. 2020;8(1):884–898. DOI: 10.9770/jesi.2020.8.1(59)
23. Haque A., Zulfiqar M. Women's economic empowerment through financial literacy, financial attitude and financial wellbeing. *International Journal of Business and Social Science*. 2016;7(3):78–88. URL: https://ijbssnet.com/journals/Vol_7_No_3_March_2016/9.pdf
24. Mokhtar N., Husniyah A.R. Determinants of financial well-being among public employees in Putrajaya, Malaysia. *Pertanika Journal of Social Science and Humanities*. 2017;25(3):1241–1260. URL: http://psasir.upm.edu.my/id/eprint/57807/1/14%20JSSH-1600–2016–4thProof.pdf
25. Hair J.F., Sarstedt M., Ringle C.M., Mena J.A. An assessment of the use of partial least squares structural equation modeling in marketing research. *Journal of the Academy of Marketing Science*. 2012;40(3):414–433. DOI: 10.1007/s11747–011–0261–6
26. Henseler J., Ringle C.M., Sinkovics R.R. The use of partial least squares path modeling in international marketing. In: Sinkovics R.R., Ghauri P.N., eds. New challenges to international marketing. Bingley: Emerald Group Publishing Ltd; 2009:277–319. (Advances in International Marketing. Vol. 20). DOI: 10.1108/S 1474–7979(2009)0000020014
27. Deswal A. Microfinance: Does it really improve the wellbeing? — A study of Haryana. *International Journal of Commerce and Management Research*. 2015;1(1):52–57. URL: http://www.managejournal.com/archives/2015/vol1/issue1/1–1–39.1
28. Van Praag B.M.S., Frijters P., Ferrer-i-Carbonell A. The anatomy of subjective well-being. *Journal of Economic Behavior & Organization*. 2003;51(1):29–49. DOI: 10.1016/S 0167–2681(02)00140–3
29. Barrafrem K., Västfjäll D., Tinghög G. Financial well-being, COVID-19, and the financial better-than-average-effect. *Journal of Behavioral and Experimental Finance*. 2020;28:100410. DOI: 10.1016/j.jbef.2020.100410

ABOUT THE AUTHORS / ИНФОРМАЦИЯ ОБ АВТОРАХ

Sangeeta — PhD Scholar, Sharda University, Greater Noida, India
Санджита — научный сотрудник, финансовый факультет, Университет Шарда, Большая Нойда, Индия
https://orcid.org/0000-0002-7069-0778
Corresponding Author / Автор для корреспонденции
rajputsangeeta47@gmail.com

Pradeep K. Aggarwal — PhD, Prof., Finance Department, SBS, Sharda University, Greater Noida, India
Прадип Кумар Аггарвал — PhD, профессор, финансовый факультет, SBS, Университет Шарда, Большая Нойда, Индия
https://orcid.org/0000-0002-4104-8188
pradeep.aggarwal@sharda.ac.in

Atul Sangal — PhD, Assoc. Prof., SBS, Sharda University, Greater Noida, India
Атул Сангал — PhD, доцент, SBS, Университет Шарда, Большая Ноида, Индия
https://orcid.org/ 0000-0002-4078-7210
atul.sangal@sharda.ac.in

Authors' declared contribution:
Sangeeta — formulation of research ideas, depth study of related literature and finalizing the objectives followed by hypotheses with the validation from my co–authors. Identifying the appropriate dependent and independent variables, critical analysis by using SEM and validation of results.
P.K. Aggarwal — help in developing the preliminary research framework, finalizing the research title and objectives, validation of hypothesis according to research objectives followed by validation of analysis and conclusions as well.
A. Sangal — developing the appropriate model and helping in using the appropriate research methodology, validation of analysis and results.

Заявленный вклад авторов:
Sangeeta — формулировка идей исследования, глубокое изучение соответствующей литературы и окончательное формулирование целей, а также гипотез с проверкой со стороны соавторов. Определение соответствующих зависимых и независимых переменных, критический анализ с помощью SEM и проверка результатов.
P.K. Aggarwal — помощь в разработке предварительной схемы исследования, окончательная доработка названия и целей исследования, проверка гипотез в соответствии с целями исследования с последующей проверкой анализа и выводов.
А. Сангал — разработка соответствующей модели и помощь в использовании соответствующей методологии исследования, проверка анализа и результатов.

Conflicts of Interest Statement: The authors have no conflicts of interest to declare.
Конфликт интересов: авторы заявляют об отсутствии конфликта интересов.

The article was submitted on 13.12.2021; revised on 27.12.2021 and accepted for publication on 17.02.2022.
The authors read and approved the final version of the manuscript.
Статья поступила в редакцию 13.12.2021; после рецензирования 27.12.2021; принята к публикации 17.02.2022.
Авторы прочитали и одобрили окончательный вариант рукописи.