

Financial Literacy among college students in Greater Noida and its impact on future stability

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Abstract

The research here studies the financial literacy level of students in Greater Noida region and its effects on their spending patterns and long-term financial well-being. As money decisions become more complicated from handling electronic payments to comprehending student loans young adults are making groundbreaking money decisions without having the basic knowledge they need. The motive of this study is to find out to what extent students know frequent money matters like budgeting, saving, investing, and credit handling and how own the same affect their daily life decisions and long-term planning.

The major data were gathered using a questionnaire from a undergraduate students of various institutes of Greater Noida. Descriptive statistics and regression analysis approaches will be applied for responses to determine trends, relationship, and cause-and-effect relationships. This study also relies on a extensive review of the existing literature to place its outcomes in wider national and international contexts.

The aim of this research is to disclose the important monetary problems faced by students, where they acquire knowledge related to money and how they think of personal finance. It is

expected that the outcome will offer productive suggestions to universities so that they can execute proper financial education schemes in favor of students. The end goal is not only to prepare the students for their professional and academic journey but also to prepare them with the instruments that will give them financial independence and stability.

Key words: Financial literacy, electronic payments, budgeting, saving, credit handling, investing, financial independence and stability.

1. Introduction

In the current economic environment, knowing how to manage money effectively is just as important as earning it. Financial literacy (Garg, N et al., 2018) includes obtain the knowledge and ability to make wise decisions in sectors like saving, budgeting, investing, and credit handling. These skills directly support to individual's financial health and long-term financial security (De Goede, M. 2010).

For students living and studying in Greater Noida, prestigious academic center, obtaining financial independence usually start during their college years. At this point, students are generally responsible for managing their day-to-day costs, which includes and stationery material, meals as well as transportation. Despite using financial instruments like UPI apps or online banking (Bradley, L et al., 2003), many lack the fundamental knowledge of core financial concepts like calculation of interests, budgeting and credit use.

Some studies have highlighted the need and significance of financial literacy among youngsters. Research indicates that students with a insights of financial concepts have high chances that they make wise decisions, evade debt traps (Karlan, D et al., 2019), and plan for future necessities like emergencies or retirement. On the other hand, a lack of basic financial knowledge can give rise to increased financial pressure, unplanned purchases, and long-term financial instability. In framing a student's financial behavior (Yahaya, R et al., 2019) Socioeconomic status, gender, and parental supervision also play an important roles.

This study seeks to evaluate the level of financial literacy among college students in Greater Noida region and its effect on their ability to attain financial stability in the future (Bischof, J et al., 2020). It will also examines whether early financial education can increase their decision-making skills and encourage long-term financial discipline (Dorică, S. 2013). The findings

could serve as a basis for recommending structured financial education within academic institutions.

2. Objectives of the Study

The primary objective of this study is to analyze the relationship between financial literacy and financial behavior of college students. It is guided by the following specific objectives:

1. To check the extent of financial literacy among college students of different colleges in Greater Noida.
2. To Identify the impact of digital money products, i.e., UPI-based apps, mobile banking, or investment apps, on college students' financial planning and their behavior.
3. To Identify how financial literacy influences the behavior of college students in the area of long-term saving, i.e., saving for the future or rainy day.

With these research objectives, the study will be able to arrive at a conclusion of knowing the pros and cons of expenditure and savings trends of the aforementioned students and as reference for future learning inputs.

3. Need and Significance of the Study

Today's students have more access than ever to financial products, services, and tools in the more digital economy (Sose, A et al., 2023). But knowledge eludes them. Most youth learn about managing money not in school but by experience—most frequently at a very high cost.

The significance of this study lies in exactly this gap. Even while comfortably employing credit cards, e-wallets, or trading apps (Malhotra, S. 2020), the majority remain ignorant of the true operation of these devices. For example, very few know how the interest on the borrowed loan through a credit card accumulates, how a credit rating is established, or gambling-style investment risk (Baker, H. K et al., 2014). Since pocket money, school fees, and personal spending get rearranged here and there among students, money illiteracy will too conveniently lead to money hardship or poverty (Schenck-Fontaine, A et al., 2022).

With the advent of the new culture of online finance (Yan, N et al., 2021), this study also becomes a requirement. With the likes of Paytm, Google Pay, and Zerodha now being trendy even with school-going kids, being aware of how to make transactions online, how to keep something under wraps about one's money detail, and how not to get cheated on is an art to learn as well as how to use a savings account (Deuflhard, F et al., 2019).

The influence of the research is broad. It will benefit:

Students by making them aware where they stand and how they can better save and spend money.

Schools by noting the institution of money education programs or extra-curricular money training.

Parents and families, who most commonly are fact money advisors, are able to contribute by being informed about advice children might require.

Policymakers and institutions, who can apply the results into region-specific campaigns for investment products, online security programs (Hu, S et al., 2022), or financial education targeted to students.

Financially savvy students in the long term will be economically secure adults who can contribute to a more economically secure world. Giving them in early life good tools and skills is not an educational problem—but a social obligation (Popovych, T., 2020).

4. Literature Review

1. Lusardi & Mitchell (2014)

Their broad picture research determines the economic worth of financial literacy among adults. They think that individuals with more knowledge about finances will be inclined more towards investing in long-term planning like retirement planning and money management. According to their findings, they will be more likely to comparison shop for and choose between financial products, understand compound interest, and avoid costly financial mistakes. The study also illustrated a global trend—money illiteracy dominates, and it is extremely common among women and youth, and thus requiring action in the first stage at the student level.

2. Mandell & Klein (2009)

This study evaluates whether taking personal finance courses in senior school results in enhanced financial behavior in college and after. They discover that students who took a personal finance course were have high chances to have better money habits such as budgeting and stick to it or not using credit card borrowing. Their discoveries are in support of mandatory and formal financial education early in schooling.

3. Huston (2010)

Huston wrote of accurate evaluation of financial literacy and recommended finance knowledge would be shorthanded. Capability in behavior and knowledge application both are important. She emphasizes on the need for financial literacy to examine both objective and subjective factors. This dual track approach was perfectly suited for college going students, some of those will overrate their own financial abilities.

4. Amagir et al. (2020)

Financial literacy among high school as well as university students found that ever after the expanding enforcement of financial education into curriculum, actual understanding of key financial topics remains weak. This study highlighted that the financial knowledge greatly affects students' attitude toward saving money and budgeting. It also observed that many students are overconfident in their financial strength, which can result in bad financial decisions. The authors recommend that hands on learning and actual financial simulations could fill this gap efficiently.

5. Robb & Sharpe (2009)

They relate the credit cards usage to financial literacy. More educated and knowledgably students use less credit cards and prefer to pay more in full. The study motivated campus administration to provide students with financial counseling which lead to students away from debt traps and this result in the formation of healthy early credit habits.

6. Norvilitis & Santa Maria (2002)

This study had highlighted the increasing concern of credit card debt in students. It also had noticed that majority of the students had used their credit cards without knowing about the interest charges and payment due dates. The authors argued that inadequate financial literacy

was the primary reason for increased student debt, bringing with it stress and financial insecurity. Financial planning and management should be initiated early, the study suggested.

7. Beal & Delpachitra (2003)

In their study with Australian university students, Beal and Delpachitra identified the disparity between financial awareness and financial expertise. Even as the students were aware of the fundamentals of financial jargons, most admitted that they did not have an inkling as to how to apply them in practice. The study spurred more application of experiential learning methods such as case studies and simulations in closing the disparity between theory and practice.

8. Jorgensen & Savla (2010)

The research was on parental impact on money attitude development. According to the research, students who frequently discussed money with their parents had better money management and saved and budgeted more. The research affirmed that schools and colleges have some responsibility but, in most cases, families are the first—and in some instances sole—source of money education.

9. Murphy (2005)

Murphy analyzed the influence of race and socio-economic status on financial literacy of American college students. Low-income students were excluded from the financial system and exhibited more risky handling of money. This suggested equity-based financial education programs for different types of students.

10. Lee & Kim (2003)

It used the behavioral measure of financial literacy. It showed that students who had been to seminars or courses of financial education were prudent and knowledgeable debt behavior. They were less likely to be credit payment defaulters or compulsive buyers. It recommended incorporating financial seminars into college orientation programs.

11. Xiao & Porto (2017)

Their study transformed the theory of financial satisfaction into a byproduct of financial literacy. For them, students with extensive knowledge when it comes to finances and self-efficacy in terms of using such knowledge were more financially satisfied. Financial literacy also enhanced behavior and attitude towards money, concluded the study.

12. Wiedrich & Sims (2018)

This research established a one-to-one relationship between money skills and student success. It found that financially savvy students were less likely to experience money-stress and thus enjoyed better concentrated learning and less dropping out. It vocally supported the inclusion of money teaching within the apparatus of college instruction.

13. Huston & Spencer (2022)

They, in their study, emphasized on students-athletes and stated that they are often left with specific financial problems because of unstable incomes and insufficient time for individual financial planning. Such classes of people are greatly benefited with such workshops of financial literacy training. One-on-one mentoring and sponsorship by institutions were their suggestion to aid such individuals with appropriate financial planning.

14. Potrich, Vieira, & Kirch (2021)

Financial literacy levels among university students and emphasized the growing influence of socioeconomic background on financial knowledge. Their research showed that students from financially educated houses indicated better understanding of personal finance and money management, which includes, debt management, budgeting as well as investment. The study suggested that to maintain equality in financial literacy levels and entitle all students, no matter what is their family background, the financial education should be made a compulsory topic across disciplines.

15. Xiao & O'Neill (2020)

He investigates the link between financial behavior, financial knowledge as well as financial health among college students. Their findings demonstrated that students with excessive financial literacy reported lesser stress levels and higher confidence in managing personal finances like saving and budgeting. The study highlighted the role of practical, application-based learning modules in enhancing financial decision-making among college students. It also advised for the integration of emotional and behavioral aspects in financial education, as attitudes and habits influence financial results.

5. Research Methodology

Research methodology is the total approach followed for carrying out research on the level of financial literacy among Greater Noida students and how the literacy will influence their financial life. A logical and sequential process was followed for data collection, data organization, and data analysis that justifies the research objectives and justifies testing the hypotheses.

5.1 Research Design

- The research utilizes a descriptive research design, which is fit to present a clear image of the financial literacy status since it describes the students. Utilizing this design allows the researcher to describe attributes of a given population and reveal finance knowledge and financial behavior relationships. The design can support quantitative and qualitative aspects, but in this case, it remains mainly quantitative to allow for statistical analysis.
- Descriptive design is appropriately suited for application in this study since it allows one to describe existing circumstances without altering any variable. It is possible to quantify with it how much a student knows, his/her spending habits, and how the effect of how various variables like age, level of study, and internet usage affects him/her to spend.

As a method of gaining an overview, the study employs both the primary and secondary sources of information.

5.2 Primary Data

Primary data were obtained from the target population—students of colleges of Greater Noida—by conducting a appropriately prepared survey questionnaire. It comprised multiple-choice questions, Likert-scale items to capture attitude, and a small number of open-ended questions for capturing individual opinion. The questions were drafted so that topics such as budgeting, saving, investment behavior, financial product awareness, and e-payment facility options are captured.

Use of a questionnaire as a primary instrument made it easy to gather first-hand information from the respondents and standardization, thus easy comparison and analysis of responses.

5.3 Secondary Data

In addition to enriching the research evidence, the secondary data were also obtained using published research studies, academic journals, studies on financial literacy, high-quality online

databases, and journal articles. They were background contextual materials and were quite helpful in setting out the gaps which were present in students' financial education in similar groups.

5.4 Sampling Technique and Sample Size

Population and Sampling Frame

Research was conducted among students of various colleges in Greater Noida, undergraduate and postgraduate. They included students who received admission for study in management, engineering, commerce, and humanities.

Sampling Technique

The sampling technique used is stratified random sampling, whose ability to offer proportional representation of the students by years and academic programs was utilised. The method was utilised to tackle heterogeneity of the students' population and facilitate large variability in money behaviors and knowledge levels.

Sample Size

207 students were chosen to comprise part of the study. The sample is adequate to be worked on and at the same time large enough to allow meaningful conclusions to be inferred. Students from first to fourth year were selected, and equal gender and stream-wise gender representation considered.

5.5 Tools and Techniques for Data Analysis

After data collection, data were statistically analyzed through softwares such as Microsoft Excel.

Variables Involved

The study functions on a set of independent and dependent variables:

- **Independent Variables:** Knowledge of finances, history of budgeting, demographic variables (course of study, age, and class year), and familiarity with electronic sources of finance.
- **Dependent Variables:** Long-term financial success estimates, which includes investment related decisions, saving behaviors, debt management, as well as planning actions.

This structure eases the analysis of the impact of student behavior and finance knowledge on long-term financial results in an understandable format.

Ethical Issues

The highest precedence was accorded to ethical professionalism during the execution of the study. The goal of the research was disclosed to the participants, and they consented prior to participating. Participants were assured that what they share will be confidential and will only be used for learning purposes.

Volunteers could skip a question that made them uneasy and leave at any time without repercussions. Information was anonymized and no identifiers were gathered, in order to maintain anonymity and ethics.

6. Limitations of Study

Though taking every precaution to be objective and specific, some of the limitations in the present study are inevitable:

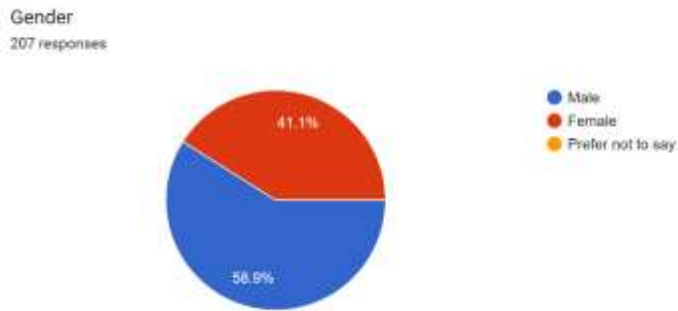
- The geographic limitation is only for students of Greater Noida and not for students from any other area, having different economic or educational background.
- The study is based on self-report data, which is likely to be biased by respondents' willingness or capacity to answer honestly or comprehend questions.
- Since volunteers were asked to take part in the study, there is also the possibility of response bias, where greater financial awareness would volunteer and therefore have a chance to skew the data.
- Other external economic factors (such as inflation or family income changes) that might also influence money behavior were not covered under this research.

7. Data Analysis and Interpretation

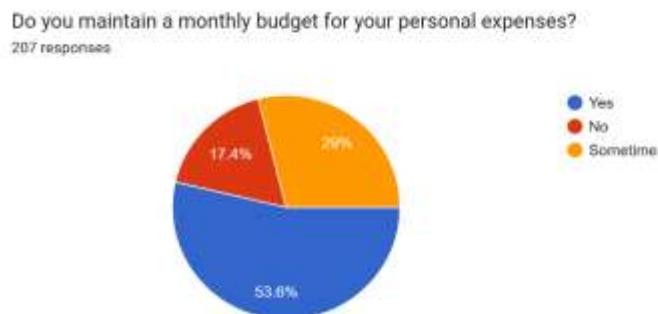
Expected Interpretation Framework

The total data was collected from 207 students of Greater Noida. The data will be analyzed through using statistical tools like Microsoft Excel. Descriptive statistics will be used in

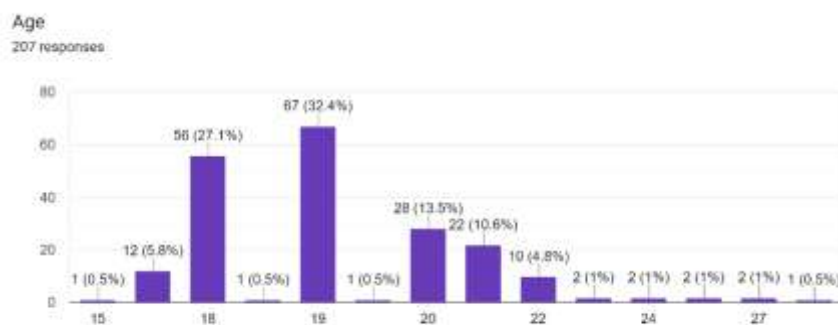
examining trends, while hypothesis testing will be attained through analysis of regression and correlation. Information regarding the relationship between financial literacy and saving, investing, planning behavior will be displayed by tables, bar graphs and pie charts.



The data shows **58.9% males** and **41.1% females**, indicating a slightly higher male participation but overall balanced responses.



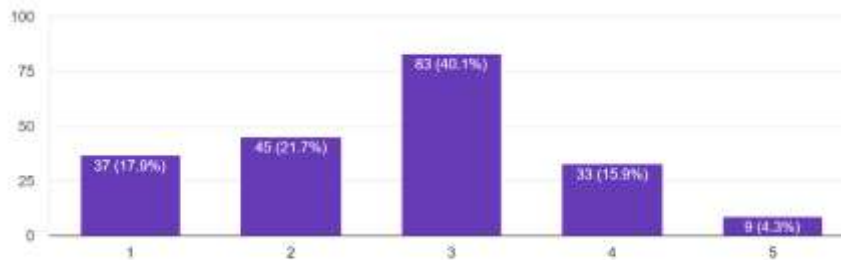
About **53.6%** of students follow a monthly budget, while **29%** do not. Around **17.4%** do so occasionally, showing mixed budgeting habits.



Most respondents fall in the **18–21 age group**, followed by 17–18, confirming that the survey mainly represents typical college-aged students.

How would you rate your overall financial knowledge?

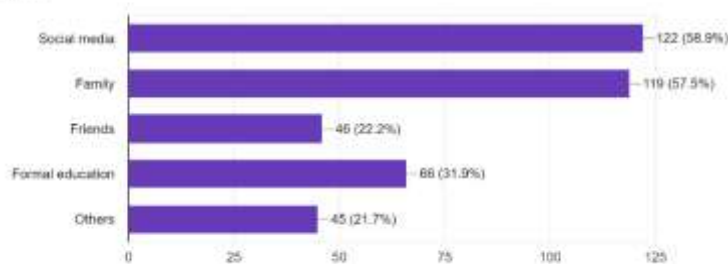
207 responses



Most students rated their knowledge as **average (40.1%)**, while **21–25%** rated it below average. Only a few marked themselves as highly knowledgeable. This shows moderate financial awareness among students.

Which of the following sources do you use to learn about finance?

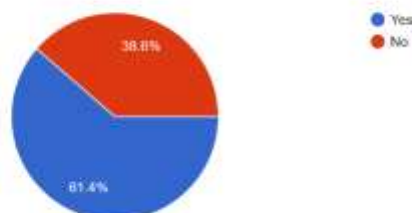
207 responses



Social media (59%) is the top source, followed by **family**. Very few rely on formal education, indicating that most students learn finance informally.

Do you regularly track your income and expenses?

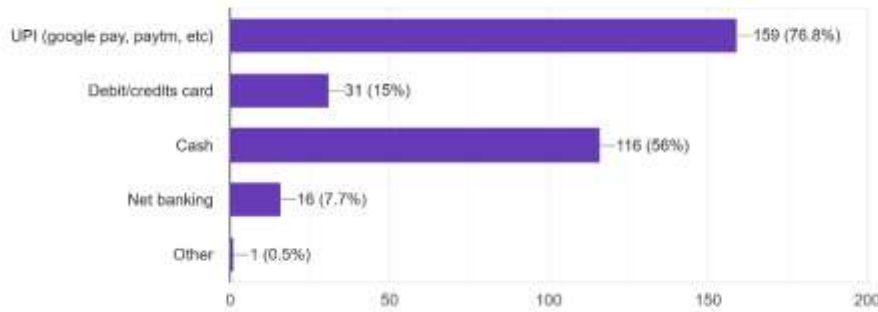
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61.4% track their spending, while **38.6%** do not, showing decent but not universal financial discipline.

Which digital payment methods do you use most often?

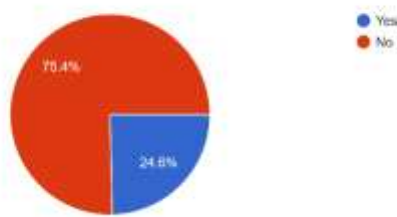
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UPI is the most preferred method, used by **76.8%** of students. Debit cards and cash are used far less often, showing strong adoption of digital payments.

Have you ever attended any session, seminar, or workshop on financial literacy?

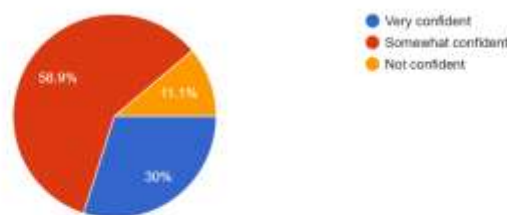
207 responses



Only **24.6%** have attended one, while **75.4%** have not. This shows limited exposure to formal financial literacy programs.

How confident are you in understanding basic financial terms such as interest rate, inflation, or credit score?

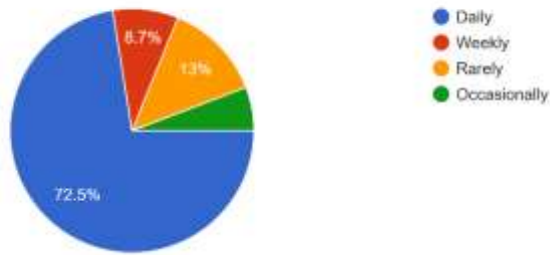
207 responses



About **58.9%** feel only somewhat confident, and **11.1%** are not confident. Only **30%** feel fully confident, suggesting the need for better financial education.

How often do you use UPI or mobile banking for payments?

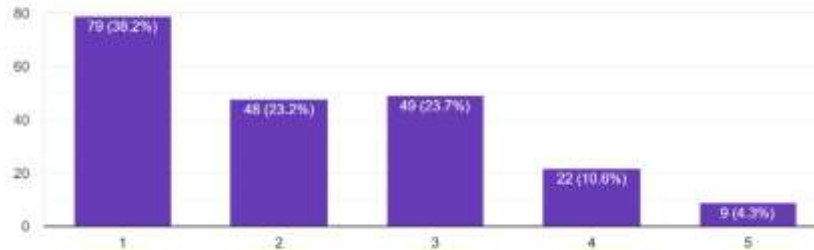
207 responses



The majority, **72.5%**, use mobile payments **daily**, showing high dependence on digital transactions.

Have digital money apps made managing your finances easier?

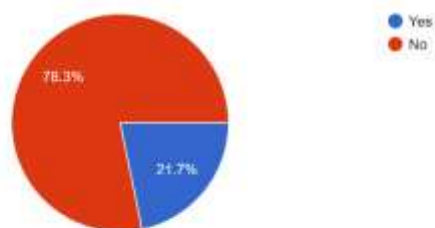
207 responses



Most gave ratings between **1 and 3**, meaning apps have helped financially but not to a very high degree.

Do you use any investment or finance apps (e.g., Groww, Zerodha, INDmoney, etc.)?

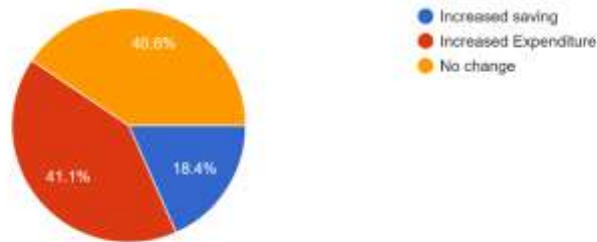
207 responses



Only **21.7%** use investment apps; **78.3%** do not. This reflects low involvement in investing at the student level.

Do digital money apps influence your saving or spending behavior?

207 responses



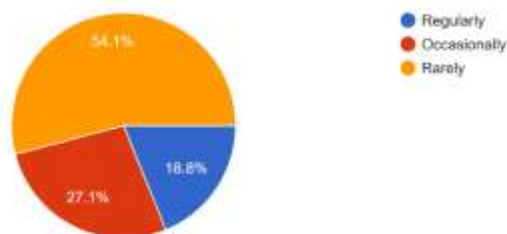
Responses are mixed:

- 41.1% report no change
- 40.6% report more spending
- 18.4% report increased saving

This shows digital apps may encourage spending for many students.

If yes, how frequently do you invest or check your investments?

207 responses



More than 54.1% invest rarely, and 27.1% do so occasionally. Only 18.8% invest regularly.

How secure do you feel while using digital payment platforms?

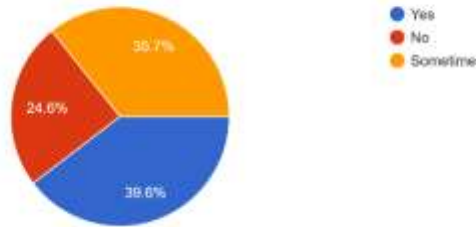
207 responses



51.2% feel very secure, while 38.3% feel somewhat secure. Only a small portion feels not secure.

Do you save a fixed amount of your pocket money or income every month?

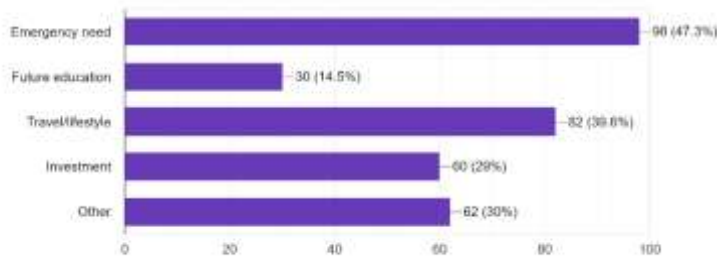
207 responses



Most students either save regularly (39.6%) or occasionally (35.7%). Only 24.6% don't save at all, showing that a majority has at least some saving habit.

What is your main purpose of saving?

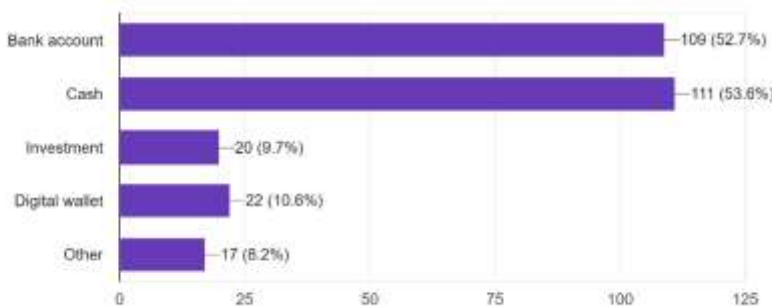
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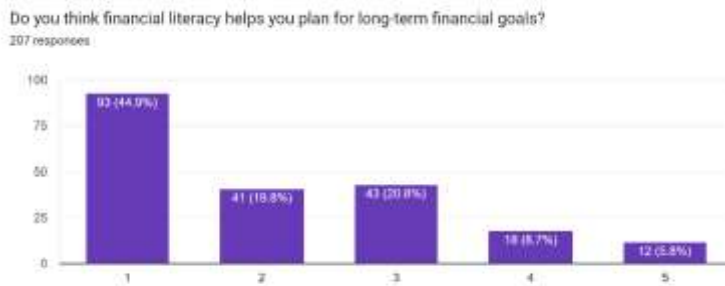
The top reason is **emergency needs (47.3%)**, followed by **travel/lifestyle (28.9%)**. Only a small share saves for **investments (9%)**, which shows low long-term planning among students.

How do you usually save money?

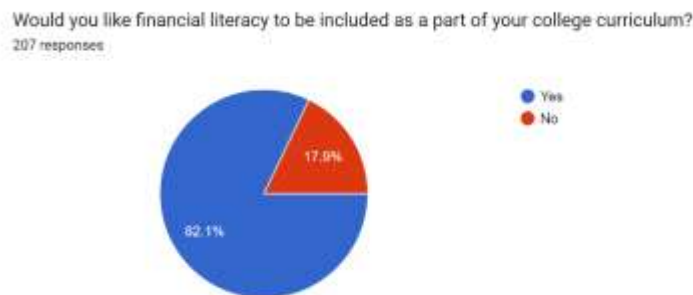
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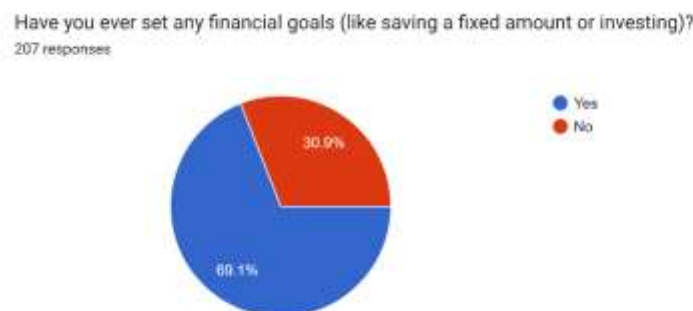
Students mostly save in **cash (53.6%)** or **bank accounts (52.7%)**. Very few use **digital wallets** or **investment tools**, indicating limited use of modern financial options.



Most students rated its importance highly, with the largest group strongly agreeing. This shows a common belief that financial knowledge supports better financial decisions.



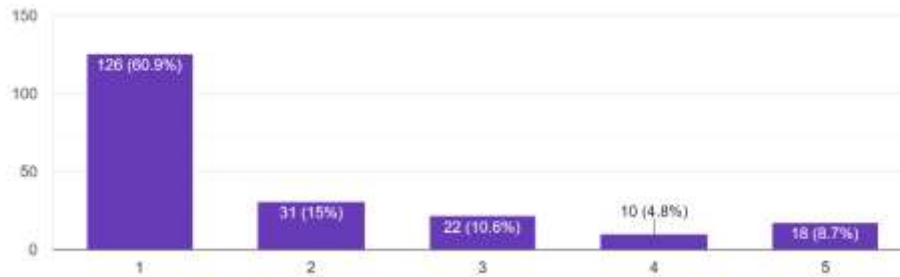
A strong majority said **yes**, reflecting interest in learning structured financial skills.



About **69%** have set goals like saving or investing, while **31%** have not, showing that many students are trying to plan but not all are consistent.

How important do you think financial literacy is for your future financial stability?

207 responses



Most respondents chose the highest importance rating, showing that students clearly understand the role of financial awareness in securing their future.

8. Conclusion

The study will be looking forward to verify that financial literacy is one of the best forecasters of financial health in university students. When university students start making their money decisions on their own, their financial knowledge either lack of it is end result determining factor for whether they are able or unable to make responsible and wise decisions. From managing personal funds to make students ready for using credit in a responsible manner, more money intended students will more likely to make long-term financial wellness habits.

This study supports to the argument that the enforcement of hands-on financial literacy into the college classroom is not just a great idea, but a essential one. The ones who are more stable in personal finances understanding stand to better guide economic hardship, avoid risks of unplanned purchase or unnecessary borrowing and build behaviors that lead to full economic independence. The research also indicates the extent to which digital money sources and sites are obliged to need complimentary learning in terms of usage and security.

While some findings will outlive the hypothesis for instance, economic welfare is developed through incomes above literacy levels and family background, the findings improve the discussion on student wellbeing. The study establishes the fundamentals for designing evidence-based interference by teachers, administrators and financial institutions based on recognizing strengths as well as weaknesses of financial practice as it stands now.

In last, the current research also expects to be an initial step towards wholesale educational reform that acknowledges financial literacy as a essential life skill. motivating healthy financial behavior at the higher education level may be enhances the individual's life as well as it may also lead to an economically educated generation of citizens capable of making a difference in the economy as a whole.

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