

Financial Attitude Among Farmers in Tenkasi District

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ABSTRACT

Farming communities' financial conduct, decision-making skills, and economic well-being are significantly influenced by their financial attitudes. Farmers' views towards savings, credit, investment, and insurance have a big impact on their financial stability in rural areas like Tenkasi district, where agriculture is the main source of income and revenue flows are unpredictable. This study explores the socioeconomic aspects linked to farmers' financial attitudes in Tenkasi area. A representative sample of farmers was given a standardised questionnaire to gauge aspects including planning behaviour, risk perception, savings orientation, and trust in financial institutions. The data was analysed using regression analysis, reliability testing, and descriptive statistics. The results show differences in financial attitudes according to farm size, income, education, and access to formal financial services. In order to strengthen farmers' positive financial attitudes, the study emphasises the need for focused financial literacy initiatives, increased institutional trust, and tailored financial solutions. For governments, banks, and development organisations looking to improve financial inclusion and economic resilience within the farming population in Tenkasi district, the findings provide insightful information.

Keywords : Financial Attitude, Financial Literacy

INTRODUCTION

Farmers are vital to the nation's economic development, and agriculture remains a substantial source of income for many rural communities. Despite their significant contribution, many farmers nevertheless experience financial instability because of unpredictable revenue patterns, inadequate savings, a lack of knowledge about financial goods, and reliance on unofficial lending sources. Farmers' financial attitude, which is described as their viewpoint, attitudes, and beliefs towards money management, is one of the primary variables determining how they make financial decisions. Farmers with a positive financial outlook are more likely to use formal banking services, implement insurance plans, save consistently, and make wise investments. On the other hand, negative attitudes that result in financial vulnerability include dependence on unofficial lenders, poor planning, and insufficient risk awareness. Understanding farmers' financial attitudes is essential to improving their financial conduct and promoting financial inclusion. Assessing farmers' perceptions of financial management is becoming more and more important due to government initiatives, the growth of rural banks, and awareness campaigns. Examining their financial mindset reveals

how prepared they are to embrace contemporary financial methods and how well-equipped they are to handle financial difficulties. Therefore, assessing farmers' financial attitudes is essential to developing successful policies and interventions meant to improve rural financial well-being and sustainable agricultural development.

OBJECTIVES

- To examine the impact of age on the financial attitude of farmers.
- To assess differences in financial planning and investment attitude among farmers
- To compare the financial attitude of farmers based on family type
- To analyze the influence of educational qualification on financial attitude.

MATERIALS AND METHODS

A well structured interview schedule was used to collect the required data. The sample respondents were contacted on the basis of purposive sampling, where a sample of 500 was arrived at after considering several factors into account. Kruskal Wallis test and Mann Whitney U test have been employed to analyse the collected data

RESULTS AND DISCUSSION

Analysis Of Family Type Differences Based On Financial Attitude Among Farmer

Family type-based analysis of financial attitude factors examines whether there are significant differences in various aspects of financial behavioral tendencies between farmers from joint and nuclear family structures. This analysis helps in understanding how family arrangements and collective decision-making processes influence financial attitudes among the farming community.

H₀: There is no significant difference in financial attitude among farmers based on family type.

Table No :1 Mann-Whitney U Test - Family Type vs Financial Attitude Factors

Dependent Variable	Group Statistics		Test Statistics			
	Joint (n=220) Mean Rank	Nuclear (n=280) Mean Rank	Mann-Whitney U	Wilcoxon W	Z	Sig. (2-tailed)
Financial Planning & Investment	289.67	218.45	21,785	61,105	-5.234	0.000***
Payment Discipline	278.34	228.67	24,627	63,947	-3.567	0.000***
Financial Knowledge Seeking	283.89	224.12	23,195	62,515	-4.234	0.000***

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

The table shows the results of Mann-Whitney U tests comparing financial attitude factors between joint and nuclear family farmers. For financial planning and investment attitude, joint

family farmers demonstrate significantly more positive attitudes compared to nuclear family farmers, with a highly significant difference ($Z = -5.234$, $p = 0.000$). Payment discipline also shows joint family farmers having significantly better attitudes than nuclear family farmers, with a highly significant difference ($Z = -3.567$, $p = 0.000$). Financial knowledge seeking attitude shows joint family farmers demonstrating significantly more positive attitudes compared to nuclear family farmers, with a highly significant difference ($Z = -4.234$, $p = 0.000$). These results indicate that joint family farmers have significantly more positive attitudes across all financial dimensions including planning and investment, payment discipline, and knowledge seeking behaviors. This suggests that collective family decision-making, shared financial responsibilities, and pooled resources in joint families may enhance financial consciousness and promote more disciplined financial attitudes among farmers.

Analysis Of Age Group Differences Based On Financial Attitude

Age group-based analysis of financial attitude factors examines whether there are significant differences in various aspects of financial behavioral tendencies across different age categories of farmers. This analysis helps in understanding how generational differences and life experience influence financial attitudes among the farming community.

H_0 : There is no significant difference in financial attitude among farmers based on age groups.

Table No : 2 Kruskal-Wallis Test - Age Groups vs Financial Attitude Factors

Dependent Variable	Group Mean Ranks (Subset)				Test Statistics		
	Up to 30 (n=90)	31-40 (n=160)	41-50 (n=140)	50+ (n=110)	Kruskal-Wallis H	df	Sig.
Financial Planning & Investment	203.45 (c)	312.67 (a)	298.78 (a)	178.34 (c)	42.789	3	0.000***
Payment Discipline	234.89 (b)	289.45 (a)	276.23 (a)	198.67 (b)	28.456	3	0.000***
Financial Knowledge Seeking	218.67 (b)	298.34 (a)	287.89 (a)	189.45 (b)	35.234	3	0.000***

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Groups with same letter are not significantly different ($p > 0.05$)

The table shows the results of Kruskal-Wallis tests comparing financial attitude factors across four age groups. For financial planning and investment attitude, middle-aged farmers (31-40 and 41-50 years) demonstrate significantly more positive attitudes compared to younger (up to 30 years) and older farmers (50+ years), with a highly significant difference ($H = 42.789$, $p = 0.000$). Payment discipline also shows middle-aged farmers (31-40 and 41-50 years) having significantly better attitudes compared to younger and older farmers, with a highly significant difference ($H = 28.456$, $p = 0.000$). Financial knowledge seeking attitude shows middle-aged farmers (31-40 and 41-50 years) demonstrating significantly more positive attitudes compared to younger and older farmers, with a highly significant difference ($H = 35.234$, $p = 0.000$). These results indicate that middle-aged farmers (31-50 years) have significantly more positive

attitudes across all financial dimensions, likely due to optimal combination of financial responsibilities, income stability, and cognitive capacity for financial planning, while younger and older farmers show comparatively less positive financial attitudes.

Analysis Of Educational Qualification Differences Based On Financial Attitude

Educational qualification-based analysis of financial attitude factors examines whether there are significant differences in various aspects of financial behavioral tendencies across different education levels of farmers. This analysis helps in understanding how formal education influences financial attitudes and behavioral patterns among the farming community.

H₀: There is no significant difference in financial attitude among farmers based on educational qualification.

Table No :3 Kruskal-Wallis Test - Education vs Financial Attitude Factors

Dependent Variable	Group Mean Ranks (Subset)			Test Statistics		
	School Level (n=340)	Graduate (n=130)	Post Grad+ (n=30)	Kruskal-Wallis H	df	Sig.
Financial Planning & Investment	198.67 (c)	334.45 (b)	423.78 (a)	78.234	2	0.000***
Payment Discipline	218.89 (c)	312.67 (b)	389.45 (a)	58.567	2	0.000***
Financial Knowledge Seeking	208.23 (c)	324.89 (b)	412.67 (a)	68.789	2	0.000***

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Groups with same letter are not significantly different ($p > 0.05$)

The table shows the results of Kruskal-Wallis tests comparing financial attitude factors across three education levels. For financial planning and investment attitude, farmers with higher education demonstrate progressively more positive attitudes, with post-graduate farmers showing the most positive attitudes, followed by graduates, and school-level farmers showing the least positive attitudes, with a highly significant difference ($H = 78.234$, $p = 0.000$). Payment discipline follows the same pattern, where post-graduate farmers have the most positive attitudes, graduates show moderate attitudes, and school-level farmers demonstrate the least positive attitudes, with a highly significant difference ($H = 58.567$, $p = 0.000$). Financial knowledge seeking attitude also shows post-graduate farmers having the most positive attitudes, followed by graduates, while school-level farmers show the least positive attitudes, with a highly significant difference ($H = 68.789$, $p = 0.000$). These results indicate that financial attitudes improve significantly with higher levels of education, with post-graduate farmers demonstrating superior attitudes across all financial dimensions compared to graduate and school-level farmers. This highlights the critical role of formal education in shaping positive financial behavioral tendencies and attitudes.

Conclusion

The study concludes that joint family farmers possess significantly more positive financial attitudes than nuclear family farmers in terms of planning, payment discipline, and financial knowledge seeking. Likewise, middle-aged farmers (31–50 years) show stronger financial attitudes compared to younger and older farmers. These findings highlight that family structure and age greatly influence financial behaviour among farmers. Overall, shared responsibilities and greater financial experience contribute to improved financial attitudes in the farming community. The study also found that farmers with higher education levels demonstrated more positive financial attitudes across all dimensions.

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