

**FINANCIAL LITERACY AND CASH REMITTANCE ALLOCATION OF
HOUSEHOLD IN HAKHA TOWN, CHIN STATE**

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ABSTRACT

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The study aimed to determine level of financial literacy of Hakha household head and cash remittance allocation of household in Hakha Town. The study also aimed to identify the socio-demographic profile of household head; determine the level of financial literacy of Hakha household head in terms of financial knowledge, attitude and behavior; determine cash remittance allocation of household in Hakha Town; ascertain the relationship between socio-demographic profile and the level of financial literacy of household in Hakha Town; ascertain the relationship between socio-demographic profile and cash remittance allocation of household in Hakha Town; ascertain the relationship between cash remittance allocation and level of financial literacy of household in Hakha Town.

The participants of the study were 100 household head in Hakha Town who has family members working abroad. The study was conducted from November 2017 to April 2018. Frequency count, percentage, mean, range, rank were used to identify the socio-demographic profile of the participants. Likert scale was used to determine the level of financial literacy in terms of financial knowledge, attitude and behavior of the respondents. Chi-Square test and Spearman Rank were used to determine the relationship between socio-demographic profile and level of financial literacy, cash remittance allocation and relationship between cash remittance allocation and level of financial literacy of household in Hakha Town.

Most of the participants had five to six family members, three to four members were dependents in each household and Hakha household had one to two employed family members (both in local and foreign). The family also had one to two migrant workers and there was also a household who was solely depended on migrant worker. Most of the participants graduated from elementary school. The participants were financially knowledgeable, they showed good attitude and their financial behavior was neither positive nor negative behavior. Sixty percent of annual cash remittance received by households was allocated for cost of living, 28 percent of annual cash remittance was used on investment and savings and the lowest 12 percent of annual cash remittance was used on educational expenses.

The study revealed that there was a high significant relationship between socio-demographic profile in term of sex and financial literacy of Hakha household. It was also found that there was a significant relationship between socio-demographic profile and cash remittance allocation of Hakha household.

Lastly, the study found that there was no significant relationship between cash remittance allocation and financial literacy of Hakha household.

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