



A Study of Investor's Opinion of Application of Individual Financial Planning of South Gujarat

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Abstract:

Financial literacy enables people to create effective individual's financial plans. The benefits of individual financial planning help a person reach their goals. Every person wants to make the most profitable investments possible in order to maximize their return. But there are numerous elements that come into play while making financial decisions. This research paper focus on demographic profile of investors and their opinion and their application of individual financial planning of South Gujarat.

Keywords: *Demographic profile, opinion, financial planning*

1. Introduction

Financial planning is the systematic decision an individual makes regarding their savings. There are many reasons for it, including getting a decent return, buying property in the future, paying for a child's education and marriage, travelling abroad, etc., thus reaching such goals requires personal financial planning. Personal financial planning requires understanding of finances before being done.

1.1 Need for financial planning

To avoid overspending, over saving, or budgeting that isn't in line with your needs, financial planning is a must. By making smart financial decisions, you may achieve your long- and short- term objectives, build a sufficient emergency fund, and live a satisfying life.

2. Literature Review

Seetharaman, A., Niranjana, I., Patwa, N., & Kejriwal, A. (2017) Researcher highlighted on the factors those are affecting selecting of investment portfolio of Singapore city which using structured questionnaire. For reliability of model Researcher conducted Cronbach's alpha values and composite reliability test. researcher concluded that individual person's investment objectives and assets familiarity played an important role of creating portfolio. This demonstrates how asset familiarity promotes bias and fosters the belief that returns are assured. Due to the possibility that this will hinder people from diversifying their portfolios, awareness raising is necessary.

Palanivelu, V. R., & Chandrakumar, K. (2013, March) Research paper focus on on perception of Investment Avenues among Salaried Peoples by using primary data with structured questionnaires of 100 respondents of Namakkal Taluk, Tamil Nadu of India. Researcher applied descriptive research tools with charts, graphs, frequency distribution etc. researcher concluded that investment awareness of investors in tamil nadu are medium and mainly most of the investors are not aware of stock market, equity, bond and debentures. Researcher also concluded that individual's social life, income, living life style affect in perception of their investment pattern. So, for creating more awareness about different investment avenues investment awareness programme should be conducted by broking firm,

Jonubi, A., & Abad, S. (2013), research paper throw lights on the effects of a person's financial awareness on savings. 192 Malaysians in total were subjected to a structured questionnaire by the researchers. The researcher comes to the conclusion that a person's financial savings are positively impacted by financial knowledge about interest rates, inflation, stocks, and mutual funds.

3. Research Methodology

In every research two types of methodology used. One is primary survey and another is secondary survey. For this research of knowing opinion of financial planning of individuals of south Gujarat on the basis of demographic profile used structured questionnaire use with convenient sampling method. Total respondent is 409. For data analysis some non- parametric test.

3.1 Objectives

1. To study demographic profile of investors of south Gujarat.
2. To study opinion for making financial planning of investors of south Gujarat.
3. To study the difference of opinion of demographic profile of investor and their application of making financial plan.

3.2 Research design

Descriptive cross sectional research decision used for the analysis.

3.4 Hypothesis

Ho₁ there is no relationship between age and opinion of financial planning. H0₂ there is no relationship between gender and opinion of financial planning.

Ho₃ there is no relationship between education literacy and opinion of financial planning.

4. Data Analysis

Objective 1 To study demographic profile of investors of south Gujarat.

Demographic profile of individual of south Gujarat.

Table1: Age of individuals

Age of Individuals					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	21 -30 Years	161	39.4	39.4	39.4
	31-40 Years	160	39.1	39.1	78.5
	41-50 Years	81	19.8	19.8	98.3
	Above 50 years	7	1.7	1.7	100.0
	Total	409	100.0	100.0	

Table2: Gender of individuals

Gender of Individuals					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	162	39.6	39.6	100.0
	Female	247	60.4	60.4	60.4
	Total	409	100.0	100.0	

Table3: Educational literacy of individuals

Educational literacy of Individuals					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	S.S.C	6	1.5	1.5	1.5
	H.S.C	80	19.6	19.6	21.0
	Graduate	20	4.9	4.9	25.9
	Post graduate	163	39.9	39.9	65.8
	Diploma	35	8.6	8.6	74.3
	Professionals	102	24.9	24.9	99.3
	Other qualification	3	.7	.7	100.0
	Total	409	100.0	100.0	

Table4: Occupation of individuals

Occupation of Individuals					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Professional person	26	6.4	6.4	6.4
	Government employed	205	50.1	50.1	56.5
	Private employed	117	28.6	28.6	85.1
	Business person	33	8.1	8.1	93.2
	Independent person	6	1.5	1.5	94.6
	Others	22	5.4	5.4	100.0
	Total	409	100.0	100.0	

Table 5: Hypothesis Testing

Hypothesis	Test	P value for the factor				Null hypothesis
		Making long-term plans and Having enough money	Financial Preparation and Increased Return	Money Management	Plan your taxes	
H01 there is no relationship between age and financial Planning	Kruskal Wallis Test	.605	.794	449	226	Accepted
H0 there is no relationship between gender and financial planning.	Kruskal Wallis Test	.416	.800	.398	.018**	Accepted
Ho there is no relationship between education literacy and financial planning.	Kruskal Wallis Test	.266	.301	.826	.577	Accepted

Note: P value < 0.05 Null hypothesis Accepted P value > 0.05 Null hypothesis Rejected

5. Conclusion

According to this report, the majority of individual investors from South region are between the ages of 21 and 35. The bulk of investors come into the male segment of respondents when looking at gender-based bifurcation. Individual investors from the south of Gujarat are highly competent in terms of education, with the majority of them possessing postgraduate degrees or professional certifications like the Chartered Accountant, MBA, etc.

When analyzing the financial planning opinion of South Gujarat investors, the following reasons are found to be the most popular investment choices: for capital appreciation, for survive in unexpected uncertainty, for liquidity, for wealth maximization, for financial independence, for getting tax advantage, and retirement.

According to hypothesis analysis of investor's demographic profile with their opinion on financial planning it concluded that there age, education literacy, gender, occupation wise financial planning of investors are going to be change. But still at the time of making financial plan investors should properly analysis market so that they can able to fulfilled their future goal.

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