A Project Report on

<u>"A Study of FINANCIAL PLANING FOR INDIVIDUAL INVESTORS IN NAGPUR."</u>

Submitted to:

Department Of Management Sciences & Research (DMSR)
G.S. College of Commerce & Economics, Nagpur
(An Autonomous Institution)

Affiliated to:

Rashtrasant Tukadoji Maharaj Nagpur University, Nagpur

In partial fulfilment for the award of the degree of
<u>Masters of Business Administration</u>

Submitted by:

<u>Mr .Yash Subhash Borkar</u>

Under the Guidance of

<u>Prof. Shubhangi Jepulkar</u>

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NAAC Accredited "A" Grade Institution

(Academic Year 2023-24)

Department of Management Sciences and Research
G. S. College of Commerce & Economics, Nagpur
NAAC Accredited "A" Grade Institution

Academic Year 2023-24

CERTIFICATE

This is to certify that **Mr. Yash Subhash Borkar** has submitted the project report titled, **"A STUDY OF FINANCIAL PLANING FOR INDIVIDUAL INVESTORS IN NAGPUR."**, under the guidance of **Prof. Shubhangi Jepulkar** towards the partial fulfilment of **MASTER OF BUSINESS ADMINISTRATION** degree examination.

It is certified that he/she has ingeniously completed his/her project as prescribed by **DMSR – G.S. College of Commerce & Economics, Nagpur (NAAC Accredited "A" Grade Autonomous Institution)** affiliated to Rashtrasant Tukadoji Maharaj Nagpur University, Nagpur.

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Place: Nagpur
Date:

Department of Management Sciences and Research
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NAAC Accredited "A" Grade Institution

Academic Year 2023-24

DECLARATION

I, Sanskruti Narendra Bhongade here-by declare that the project with title **"A Study of FINANCIAL PLANING FOR INDIVIDUAL INVESTORS IN NAGPUR."** has been completed by me under the guidance of **Prof. Shubhangi Jepulkar** in partial fulfilment of **MASTER OF BUSINESS ADMINISTRATION** degree examination as prescribed by **DMSR – G. S. College of Commerce & Economics, Nagpur (NAAC Accredited "A" Grade Autonomous Institution)** affiliated to Rashtrasant Tukadoji Maharaj Nagpur university, Nagpur.

This project was undertaken as a part of academic curriculum and has not been submitted for any other examination and does not form the part of any other course undertaken by me.

Place: Nagpur **Mr. Yash Subhash Borkar**
Date:

G. S. College of Commerce & Economics, Nagpur
NAAC Accredited "A" Grade Institution

Academic Year 2023-24

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Place: Nagpur **Mr. Yash Subhash Borkar**

Date:

Index (Table of Contents)

CHAPTER I

INTRODUCTION

Financial Planning is the process of meeting life goals through the proper management of finances. Financial planning is a process that a person goes through to find out where they are now (financially), determine where they want to be in the future, and what they are going to do to get there. Financial Planning provides direction and meaning to persons financial decisions. It allows understanding of how each financial decision a person makes affects other areas of their finances. For example, buying a particular investment product might help to pay off mortgage faster or it might delay the retirement significantly. By viewing each financial decision as part of the whole, one can consider its short and long- term effects on their life goals. Person can also adapt more easily to life changes and feel more secure that their goals are on track.

In simple Financial Planning is what a person does with their money. Individuals have been practicing financial planning for centuries. Every individual who received money had to make a decision about the best way to use it. Typically, the decision was either spends it now or save it to spend later. Everyone has to make the same decision every time they receive money. Does it need should be spend now or to save it to spend it later?

Today in India financial planning means only investing money in the tax saving instruments. Thanks to the plethora of tax exemptions and incentives available under various sections and subsections of the Income Tax Act. This has led to a situation where people invest money without really understanding the logic or the rationale behind the investments made. Further the guiding force in investment seem to be the 'rebate' they receive from the individual agents and advisors. The more the rebate an agent gives, the mores mug person are in the belief that they have made an intelligent decision of choosing the right agent who has offered the more rebate. In the process what is not being realized the facts that the financial future is getting compromised

Study of various factors

Things to consider while doing financial planning are:

Time Horizon and Goals:

It is important to understand what individual's goals are, and over what time period they want to achieve their goals. Some goals are short term goals those that people want to achieve within the year. For such goals it is important to be conservative in one's approach and not take on too much risk. For long term goals, however, one can afford to take on more risk and use time to one's advantage.

Risk Tolerance: Every individual should know what their capacity to take risk is. Some investments can be riskier than others. These will not be suitable for someone of a low risk profile, or for goals that require being conservative. Crucially, one's risk profile will change across life's stages. As a young person with no dependents or financial liabilities, one might be able to take on lots of risk. However, if this young person gets married and has a child, person will have dependents and higher fiscal responsibilities. So persons approach to risk and finances cannot be the same as it was when they were single

Liquidity Needs: When does money is needed to meet the goal and how quickly one can access this money. If investment is made in an asset and expects to sell the asset to supply funds to meet a goal, then it needs to be understood how easily one can sell the asset. Usually, money market and stock market related assets are easy to liquidate. On the other hand, something like real estate might take a long time to sell.

Inflation: Inflation is a fact of the economic life in India. The bottle of cold drink that is brought today is almost double the price of what would be paid for ten years ago. At inflation or slightly above 4% per annum, a packet of biscuits that costs Rs 20today will cost Rs. 30 in ten years time. Just imagine what the cost of buying a car or buying a home might be in ten years time

The purchasing power of money is going down every year. Therefore, the cost of achieving goals needs to be seen in what the inflated price will be in the future.

Need for Growth or Income: As person make investments think about what is required, whether capital appreciation or income. Not all investments satisfy both requirements. Many people are buying apartments, but are not renting them out even after they take possession. So, this asset is generating no income for them and they are probably expecting only capital appreciation from this. A young person should usually consider investing for capital appreciation to take advantage of their young age. An older person however might be more interested in generating income

Six step process of Financial Planning

1. Self-assessment:

Clarify present situation, this is a preliminary step someone ha to complete prior to planning their finance. Doing a self-assessment enable a person to understand their present wealth status and responsibilities. Self-assessment should contain following

- Prospective retirement age
- Main source of income
- Dependents in family
- Expenses and monthly savings
- Current investment status

One should identify their wealth status prior to move with financial planning

2. Identify financial, personal goals and objectives Each individual aspires to lead a better and a happier life. To lead such a life there are some needs and some wishes that need to be fulfilled. Money is a medium through which such needs and wishes are fulfilled. Some of the common needs that most individuals would have are: creating enough financial resources to lead a comfort table retired life, providing for a child's education and marriage, buying a dream home, providing for medical emergencies, etc.

3. Identify financial problems or opportunities: Once goals and current situation are identified, the short fall to achieve the goal can be assessed. This short fall need to be covered over a period of time to full fill various need at different life stages. Since future cannot be predict, all the contingencies should be considered will doing financial planning. a good financial plan should hedge from various risk. A flexible approach should be taken to cater to changing needs and should be ready to reorganize our financial plan from time to time.

4. Determine recommendations and alternative solutions: Now review various investment options such as stocks, mutual funds, debt instruments such as PPF, bonds, fixed deposits, gilt funds, etc. and identify which instrument(s) or a combination thereof best suits the need. The time frame for investment must correspond with the time period for goals.

5. Implement the appropriate strategies to achieve goals: Until person put things into action everything is waste. Necessary steps needs to be taken to achieve financial goals this may include gathering necessary documents, open necessary bank, demat, trading account, liaise with brokers and get started. . In simple terms, start investing and stick to the plan.

6. Review and update plan periodically. Financial planning is not a one-time activity. A successful plan needs serious commitment and periodical review (once in six months, or at a major event such as birth, death, inheritance). Person should be prepared to make minor or major revisions to their current financial situation, goals and investment time frame based on a review of the performance of investments Constitute of Financial Planning.
A good financial plan should include the following things

- Contingency planning
- Risk Planning (insurance)
- Retirement Planning
- Tax Planning
- Investment and Savings Option

Scope
The scope of study is getting familiar with various investment avenues available in market. To study the life stages of an individual and to identify their risk tolerance, income flow, life goals and current investment. Study should cover all areas of the individuals financial needs and should result in the achievement of each of the individuals goals.

The scope of planning will include the following

- Risk Management and Insurance Planning
- Investment Planning
- Retirement Planning
- Tax Planning

INVESTMENT AVENUE

1. Life Insurance

Life Insurance is a policy provided by an insurance company, according to which in exchange for premium payments, the insurer is obliged to pay a certain sum(a lumpsum or portions of smaller sums) to the beneficiary in the event of insured death. Life Insurance is literally a matter of life and death, since purchasing Life Insurance Is basically planning for after the death. When healthy and well, people from all walks of life prefer not to think that one day they would pass away. However planning for after the death may be as important as planning other significant actions in life. By paying a very small sum of money a person can safeguard himself and his family financially from an unfortunate event. A wide range of insurance products are available in the market. Each insurance product is different from the others having some unique attributes which are devised to meet specific needs of different individuals. However, with such a wide range of products available, it becomes very difficult for an individual to choose an insurance plan that is best suited to meet his requirements. Based on the financial plans and needs and one's affordability to pay premium, an individual can choose any of the plans available in the market.

Some of those plans are listed in the table below:

- Term Insurance
- Endowment Insurance
- Whole Life Insurance
- Money Back Plane
- ULIP
- Annuities and Pension
- Life Stage in Life Insurance

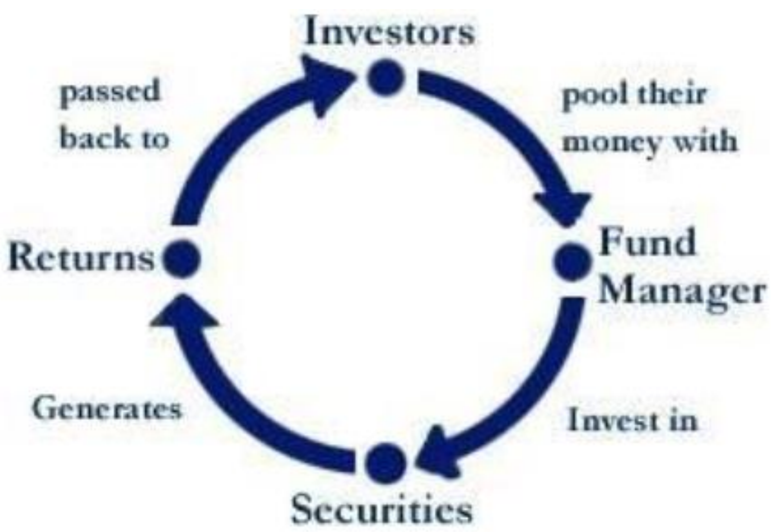
2. Equities

Equities are a type of security that represents the ownership in a company. Equities are traded (bought and sold) in stock markets. Alternatively, they can be purchased via the Initial Public Offering (IPO) route, i.e. directly from the company. Investing inequities is a good long-term investment option as the returns on equities over a longtime horizon are generally higher than most other investment avenues.

3. Mutual Funds

A Mutual Fund allows a group of people to pool their money together and have it professionally managed, in keeping with a predetermined investment objective. This investment avenue is popular because of its cost-efficiency, risk-diversification, professional management and sound regulation. Person can invest as little as Rs. 1,000per month in a Mutual Fund. There are various general and thematic Mutual Funds to choose from and the risk and return possibilities vary accordingly.

A Mutual Fund is a trust that pools the savings of a number of investors who share a common financial goal. The money thus collected is then invested in capital market instruments such as shares, debentures and other securities. The income earned through these investments and the capital appreciation realized are shared by its unit holders in proportion to the number of units owned by them. Thus a Mutual Fund is the most suitable investment for the common man as it offers an opportunity to invest in a diversified, professionally managed basket of securities at a relatively low cost. The flow chart below describes broadly the working of a mutual fund



Types of Mutual Funds Scheme in India

Wide variety of Mutual Fund Schemes exist to cater to the needs such as financial position, risk tolerance and return expectations etc. The table below gives an overview into the existing types of schemes in the Industry

• By Structure

o Open - Ended Schemes
o Close - Ended Schemes

• By Investment Objective

o Growth Schemes
o Income Schemes
o Balanced Schemes
o Money Market Schemes

• Other Schemes

o Tax Saving Schemes
o Special Schemes
o Index Schemes
o Sector Specific Schemes

4. Certificate of Deposits

Certificate of deposit was introduced in India in 1991. It is a scheme of raising funds by commercial banks, except rural banks and is a negotiable receipt of funds. Due to their negotiable nature, they are also called Negotiable Certificate of Deposit (NCD). It may be in a registered form or a bearer form. The later is more popular as it can be transacted more readily in secondary markets. Unlike Treasury bills, this carries an explicit rate of interest. Subscribers to the Certificate of Deposits are Individuals, Corporations, Companies, Trusts, Funds and Associations etc.

5. Public Provident Fund (PPF)

PPF is considered safe investment avenue. The current interest rate on PPF is 8%per annum. Again like EPF the rate of interest is not fixed. The government modifies the same from time to time. The best part of PPF is that the interest thereon is exempt from tax under section 10(11) of the Income Tax Act. Tax deduction can be claimed on contribution made by an individual into his own PPF account or into the PPF account of his spouse or children.

6. Real Estate Investment

Real Estate Investment is now treated as a major case of capital budgeting by using state-of-the-art investment analysis which incorporates the future stream of income it may generate and the associated risk adjustments. It has been the highlight of the investment literature since the 1970's when investment theorists extended techniques such as probability, time value of money and utility into its analysis

7. Gold

The love for gold in India is legendary. There has always been a good demand for gold in India making it the largest consumer of gold in the world. The consumption of gold is mostly in form of jewelry. But as investment an investors generally buy gold as a hedger safe haven against any economic, political, social or currency-based crises. These crises include investment market declines, inflation, warrant social unrest

8. Investment in Bank

Bank investment can be said as the most common or primary investment avenues. Not many people recognize this sector as an investment avenue. Banks are the most common and many a times people first investment experience. Few investments in bank can be in following form:

9. Investment through Post Office

Share of Post office investment has also a major part in Indian Household investment, which is mostly due to its all India presence of service network. Various avenues for post office investment are as follows:

- Post office Recurring Deposit Account (RDA)
- Time Deposit
- National Savings Certificates
- Post Office Kisan Vikas Patras
- Post Office Monthly Income Scheme

CHAPTER II

LITERATURE REVIEW

1.Author: Shlomo Benartzi and Richard H. Thaler

Journal: Journal of Financial Planning

Year: 2007

Summary: The article discusses how behavioral biases affect financial planning decisions and proposes strategies to mitigate these biases.

Portfolio Management in Retirement Planning

2.Author: Wade D. Pfau

Journal: Journal of Financial Planning

Year: 2011

Summary: This paper explores the challenges of managing investment portfolios during retirement and suggests optimal withdrawal strategies.

Financial Planning for Small Business Owners

3.Author: Douglas G. Frank

Journal: Journal of Financial Planning

Year: 2005

Summary: The article examines the unique financial planning needs of small business owners and provides strategies for wealth management and retirement planning.

Estate Planning Strategies

4.Author: Lorna Sabbia

Journal: Journal of Financial Planning

Year: 2019

Summary: This paper discusses various estate planning techniques, including wills, trusts, and charitable giving, to optimize wealth transfer and minimize taxes.

Tax Planning and Wealth Management

5.Author: Christopher M. Cannon and Larry R. Frank Sr.

Journal: Journal of Financial Planning

Year: 2015

Summary: The article explores tax-efficient investment strategies and the role of tax planning

in overall wealth management.
Risk Management in Financial Planning

6.Author: Michael E. Kitces
Journal: Journal of Financial Planning
Year: 2016
Summary: This paper discusses the importance of risk management in financial planning and provides insights into insurance, asset allocation, and diversification strategies.
Retirement Income Planning

7.Author: David Blanchett
Journal: Journal of Financial Planning
Year: 2014
Summary: The article analyzes various retirement income strategies, including systematic withdrawal plans, annuities, and longevity insurance, to ensure sustainable income throughout retirement.
Social Security Optimization

8.Author: Mark Munson and Elaine E. Bedel
Journal: Journal of Financial Planning
Year: 2017
Summary: The article discusses financial planning strategies for families with special needs dependents, including estate planning, government benefits, and long-term care.
Investment Planning for Education

9.Author: Harold Even sky and Deena B. Katz
Journal: Journal of Financial Planning
Year: 2008
Summary: This paper explores investment strategies to fund education expenses, including 529 plans, custodial accounts, and financial aid considerations.
These topics cover a wide range of financial planning areas, and you can explore additional research articles in the Journal of Financial Planning and other relevant academic journals for more in-depth literature reviews.

CHAPTER III

RESEARCH METHODOLOGY

Problem statement

Financial planning for individual investors involves crucial steps to secure financial well-being. The process begins with understanding the significance of financial planning, which can guide one towards financial success. Key components of a financial plan include calculating net worth, determining cash flow, considering an estate plan, and monitoring and adjusting the plan regularly. The purpose of a financial plan is to optimize the use of money and achieve long-term financial goals like retirement, education, or legacy planning. Writing a financial plan involves assessing net worth, spending habits, setting long-term objectives, and deciding on strategies to achieve them.

Research Design

The study is about to find various avenues available for an individual to invest and ways to achieve long term and short term financial goals through financial planning. It intend to study the pattern in which individual allocates his savings in various asset class. It describes the awareness of investor about various alternatives available to them. It also aims at creating awareness of financial planning.

The data required for the study would be acquired through personal interview and questioner and it was collected by means of cold calling (Cold calling is the process of approaching prospective customers or clients, who were not expecting such an in traction),and the research period was spread out in twenty days. For this purpose researcher choose Nariman Point (Mumbai) area, where researcher could find enough educated office going people, which will help us getting better understanding of how financial planning is done.

Data collection techniques and tools

For the purpose of data collection researcher took help of both primary data and secondary data collection method.

Primary data are those, which are collected afresh and for the first time, and thus happen to be original in character. This method was used by means of Personal Interview, wherein researcher had face-to-face contact with the persons. The reason behind choosing this method was to have detailed information on the subject. It also provided opportunity for selecting the sample for interview. The interview conducted were a mixture of structured and unstructured interviews. Scope was kept open for detailed discussion at the discretion of the interviewee. Where there was a time crunch a structured procedure was followed where in predetermined questions were put forward

The other method was adopted in primary data collection was Questionnaires. This was used to assist a more structured form of information. The information thus obtained was standard and in a more unbiased form. It assisted to collect data from large sample size. The pattern adopted was a general form of questionnaire. Questions are in dichotomous (yes or no answers), multiple choice and open ended question. Open-ended questions are restricted due to the difficulty faced in analyzing. The questioner was kept short and to the point.

Secondary data means data that are already available i.e., the data which is already collected and analyzed by other. To get a better understanding and to have a larger exposure on the subject this method was used. Methods use was data available on World Wide Web, articles in newspapers, financial industry reports, Financial Planning board of India reports and article, reports published by Government of India, etc. Support was also provided by the project guide by giving inputs from his years of experience.

Sample Design

Sample design was based on principles of sample survey. Sample was decided nonsocial demo graphic factors such as income and age group. The number of respondent were restricted to 100 due to lack of time. Sampling unit was geographical unit where there search was carried in Datta wadi Nagpur . Source list for respondents was not predetermined it was on random basis. The various parameters on which the research was to be conducted are:

Need of the Study

• Financial planning for individual investors is indeed a critical area of study.

• It helps individual make informed decisions about managing their finances, investments, retirement planning, taxes, and more.
• Understanding concept like asset allocation, risk management, and financial goal setting can empower individuals to achieve their financial objectives and secure their future.

Objectives of the Study

• To understand financial planning of individual living in Nagpur.
• To identify investment habit of people.
• To identify various avenues for investment.
• To spread awareness of financial planning.
• To examine factors influencing the investment

Hypothesis of study

Null Hypothesis (H0): Financial planning has no significant impact on individual investors wealth accumulation.

Alternative Hypothesis (H1): Financial planning positively impact individual investors wealth accumulation.

Limitations

Lack of response from sample: It is also said as access to resource of information. As the method adopted was cold calling the respondent were not easily available for discussion.

Unwilling to reveal financial position: In technical term it can be said as access to information. Many of are not comfortable to disclose our financial affairs openly. In such a situation researcher had to convince the respondent a lot more times. Also many a times only general discussion would take place.

Time: Due to lack of time availability of respondent and the period which can be used to collect data was short the research could not be conducted on a large sample size.

Using organization (company) name: Many a time to get access to respondent researcher had to revel the organization identity. People thought that it was for the purpose of sales of promotional activity, which

CHAPTER III

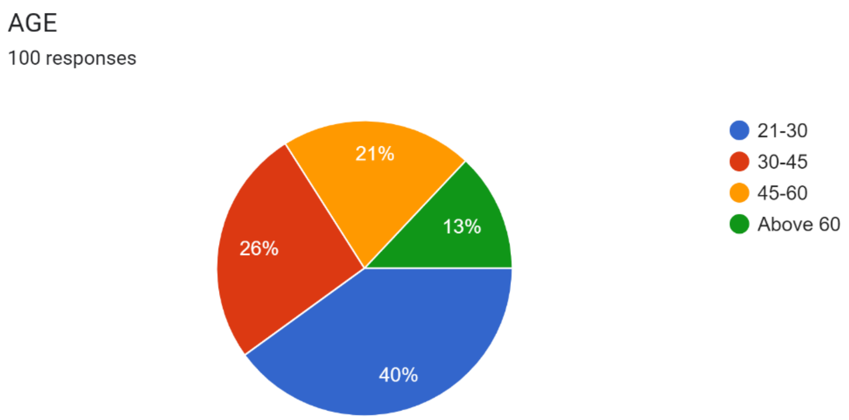
DATA ANALYSIS

&

INTERPRETATION

1.Age distribution of the respondent.

Age group of respondents.	**No. of Respondent**
21 - 30	**40%**
30 - 45	**26%**
45 - 60	**21%**
Above and 60	**13%**



INTERPRETATION: The pie chart displays the age distribution of 100 respondents. Here's the breakdown:

21-30 years (blue): 40%

30-45 years (red): 26%

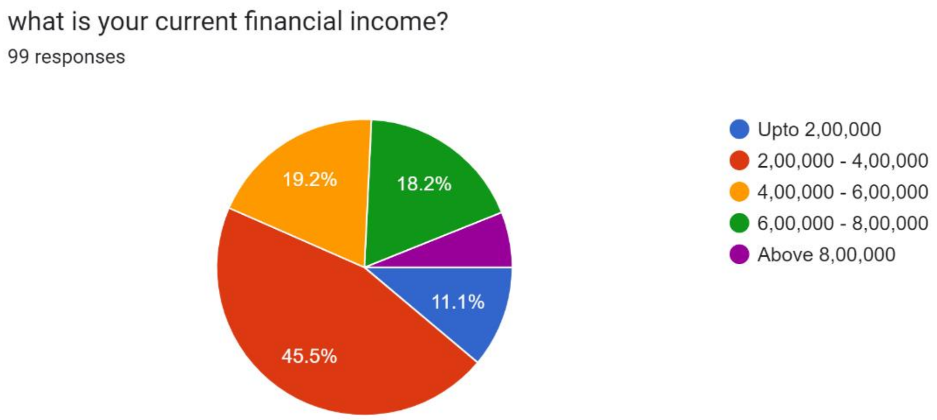
45-60 years (orange): 21%

Above 60 years (green): 13%

This chart indicates that the largest age group among the respondents is 21-30 years, making up 40% of the total, while the smallest age group is those above 60 years, comprising 13%.

2.What is your current financial income?

INCOME	PERCENTAGES
UPTO 2,00,000	11.1%
2,00,000 – 4,00,000	45.5%
4,00,000 – 6,00,000	19.2%
6,00,000 – 8,00,000	18.2%
ABOVE 8,00,000	6%



INTERPRETATION: The pie chart shows the distribution of current financial income among 99 respondents. The categories and their corresponding percentages are as follows:

Up to 2,00,000 (blue): 11.1%

2,00,000 - 4,00,000 (red): 45.5%

4,00,000 - 6,00,000 (orange): 19.2%

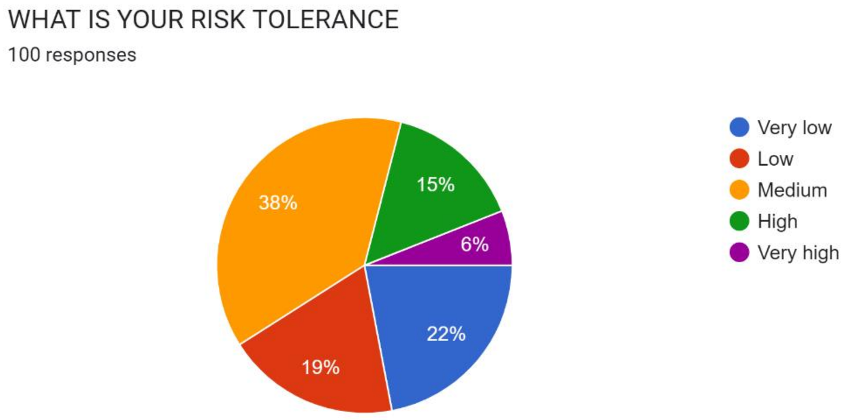
6,00,000 - 8,00,000 (green): 18.2%

Above 8,00,000 (purple): 6.1%

This chart reveals that the majority of respondents, 45.5%, fall within the 2,00,000 - 4,00,000 income range, while the smallest group, at 6.1%, earns above 8,00,000

3.What is your risk tolerance?

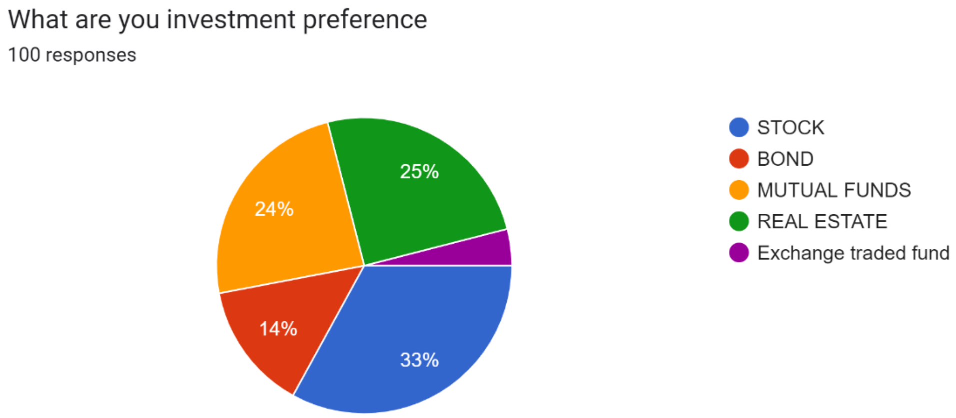
RISK TOLERANCE	PERCENTAGES
VERY LOW	22%
LOW	19%
MEDIUM	38%
HIGH	15%
VERY HIGH	6%
TOTAL	100%



INTERPRETATION: Very Low Risk Tolerance: 19% of the respondents fall into this category. These individuals are extremely cautious and prefer to avoid risk as much as possible.
Low Risk Tolerance: This is the largest group, with 38% of the respondents. These individuals are somewhat cautious and prefer low-risk investments.
Medium Risk Tolerance: 22% of the respondents have a medium risk tolerance. They are willing to accept some risk in exchange for potential returns.
High Risk Tolerance: 15% of the respondents are in this category. They are comfortable taking on a significant amount of risk for the possibility of higher returns.
Very High Risk Tolerance: This is the smallest group, with only 6% of the respondents. These individuals are willing to take on a large amount of risk, potentially even risking their entire investment, for the chance of high returns.

4.What are your investment preferences?

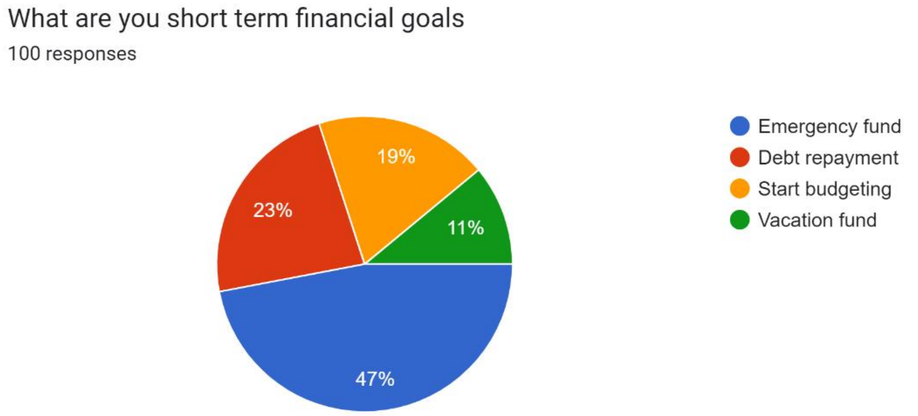
INVESTMENT	PERCENTAGES
STOCK	33%
BOND	14%
MUTUAL FUND	24%
REAL ESTATE	25%
EXCHANGE TRAND FUND	4%
TOTAL	100%



- **INTERPRETATION**: **Stocks**: 33% of the respondents prefer investing in stocks. These individuals are likely comfortable with a higher level of risk for the potential of higher returns.
- **Bonds**: 25% of the respondents prefer bonds. These individuals might be looking for safer, more predictable investments.
- **Mutual Funds**: 24% of the respondents prefer mutual funds. These individuals likely appreciate the diversification that mutual funds offer.
- **Real Estate**: 14% of the respondents prefer real estate investments. These individuals might be interested in the potential for both income and appreciation that real estate can offer.
- **Exchange-Traded Funds (ETFs)**: This is the smallest group, with only 4% of the respondents preferring ETFs. These individuals might appreciate the diversification and flexibility that ETFs offer.

5.What are your short-term financial goals?

SHORT-TERM GOALS	PERCENTAGES
Emergency fund	**47%**
Debt repayment	**23%**
Start budgeting	**19%**
Vacation fund	**11%**

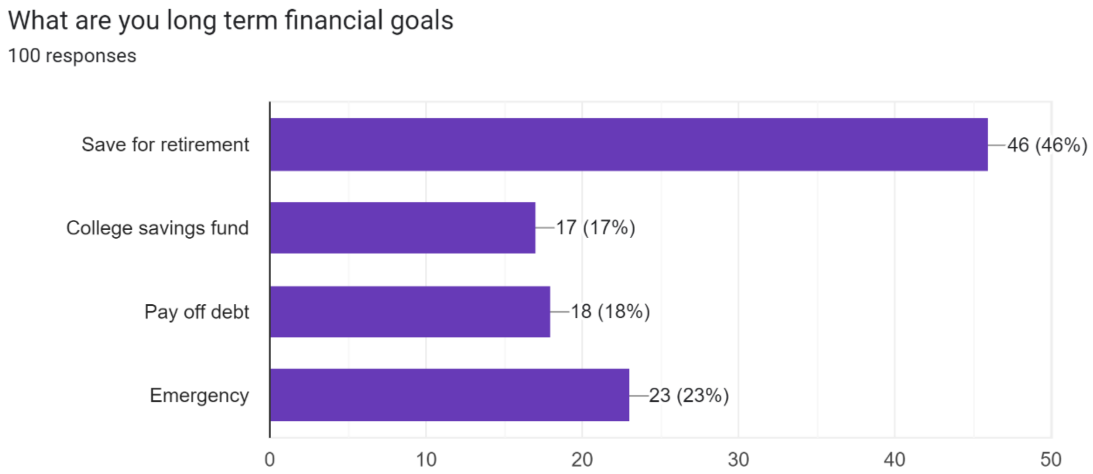


INTERPRETATION

- **Emergency Fund**: 47% of the respondents are focused on building an emergency fund. These individuals are likely prioritizing financial security and want to have a safety net in case of unexpected expenses.
- **Debt Repayment**: 23% of the respondents are focused on debt repayment. These individuals might have loans or credit card debt that they are trying to pay off.
- **Start Budgeting**: 19% of the respondents want to start budgeting. These individuals are likely trying to gain better control over their finances and improve their financial habits.
- **Vacation Fund**: The smallest group, with 11% of the respondents, is saving for a vacation fund. These individuals are likely planning for a future trip or holiday.

6. What are your long term financial goals.

LONG-TERM GOALS	PERCENTAGES
Save for retirement	**46%**
College savings fund	**17%**
Pay off debt	**18%**
Emergency	**23%**

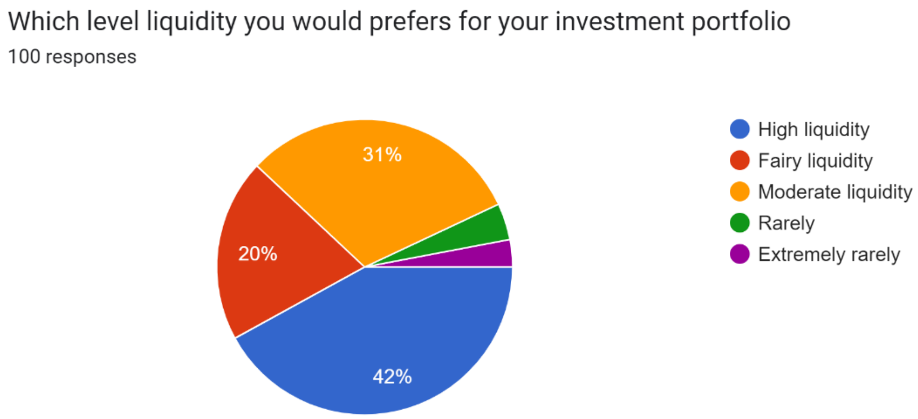


INTERPRETATION

- **Save for Retirement**: 46% of the respondents have this as their long-term financial goal. These individuals are likely planning for their future and want to ensure they have enough funds to support themselves after retirement.
- **Emergency Fund**: 23% of the respondents are focused on building an emergency fund. These individuals are likely prioritizing financial security and want to have a safety net in case of unexpected expenses.
- **Pay off Debt**: 18% of the respondents are focused on paying off their debt. These individuals might have loans or credit card debt that they are trying to pay off.
- **College Savings Fund**: The smallest group, with 17% of the respondents, is saving for a college fund. These individuals are likely planning for their or their children's higher education expenses.

7. Which level liquidity you would prefers for your investment portfolio.

liquidity	PERCENTAGES
1) Highly liquidity	42%
2) Fairy liquidity	20%
3) Moderate	31%
4) Rarely	5%
5) Extremely rarely	4%

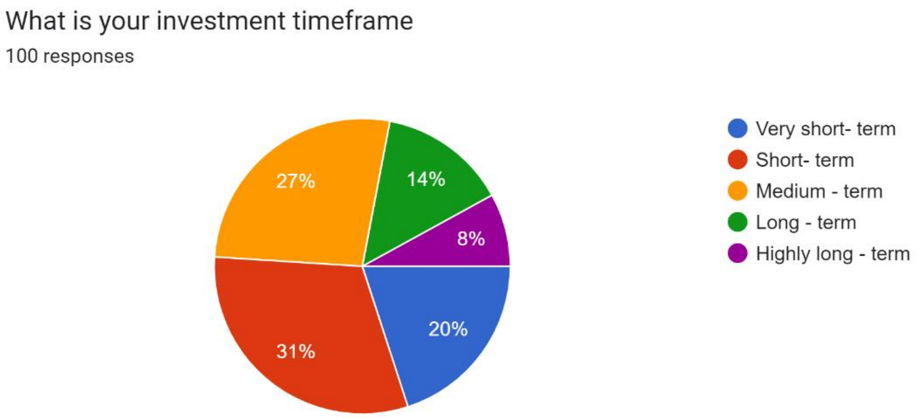


INTERPRETATION

- **High Liquidity**: 42% of the respondents prefer high liquidity. These individuals likely want to be able to quickly convert their investments into cash without a significant loss in value.
- **Fairly High Liquidity**: 31% of the respondents prefer fairly high liquidity. These individuals might be willing to accept a bit more risk for potentially higher returns, but still want to be able to access their funds relatively quickly.
- **Moderate Liquidity**: 20% of the respondents are comfortable with moderate liquidity. These individuals might be willing to have their funds tied up for a longer period of time in exchange for potentially higher returns.
- **Rarely Liquid and Extremely Rarely Liquid**: The smallest groups, prefer rarely liquid (percentage not specified in the image) and extremely rarely liquid investments. These individuals are likely comfortable with their funds being tied up for a significant amount of time and understand that these types of investments may have higher potential returns but also higher risk.

8. What is your investment timeframe.

Investment timeframe	PERCENTAGES
1) Very short-term	**20%**
2) Short - term	**31%**
3) Medium term	**27%**
4) Long term	**14%**
5) Highly long term	**8%**

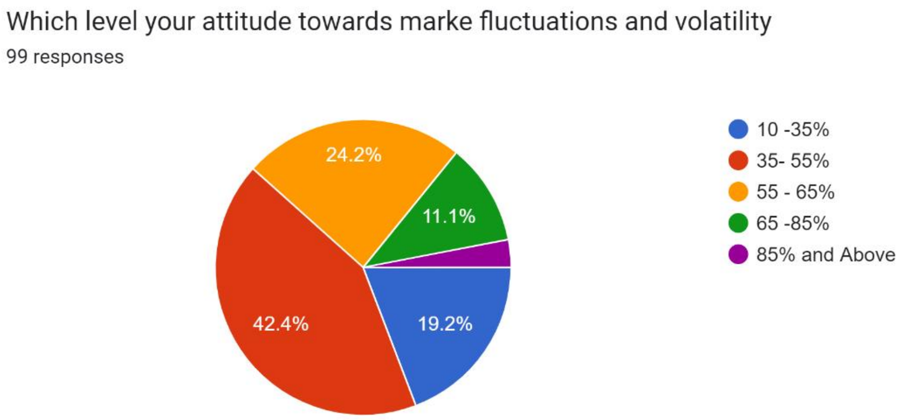


INTERPRETATION

- **Very Short-Term**: 14% of the respondents prefer a very short-term investment timeframe. These individuals likely want to make quick returns and are comfortable with the higher risk that can come with short-term investments.
- **Short-Term**: 20% of the respondents prefer a short-term investment timeframe. These individuals might be looking for opportunities to make profits in the near future.
- **Medium-Term**: The smallest group, with 8% of the respondents, prefers a medium-term investment timeframe. These individuals might be looking for a balance between risk and return.
- **Long-Term**: 31% of the respondents prefer a long-term investment timeframe. These individuals are likely planning for their future and are willing to wait for their investments to grow over time.
- **Highly Long-Term**: 27% of the respondents prefer a highly long-term investment timeframe. These individuals are likely very patient investors who are prepared to wait for a significant amount of time to see returns on their investments.

9. Which level your attitude towards marke fluctuations and volatility.

Fluctuations and volatility	PERCENTAGES
1) 10 - 35%	19.2%
2) 35 - 55%	42.4%
3) 55 - 65%	24.2%
4) 65 - 85%	11.1%
5) 85% and Above	6.1%

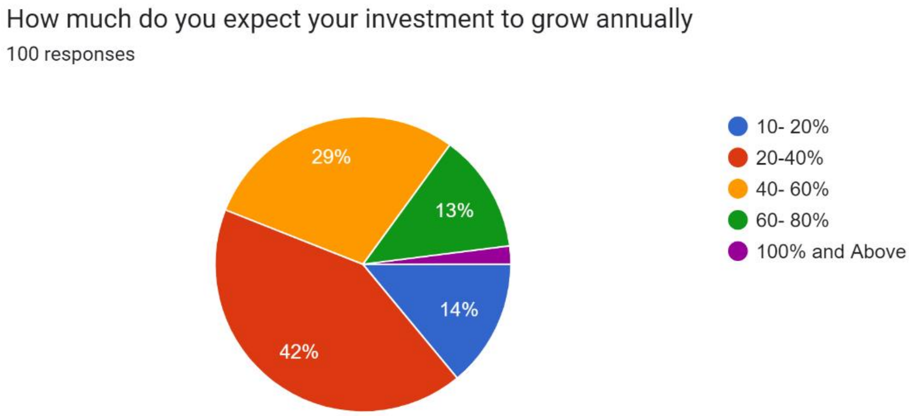


INTERPRETATION

- **Low Attitude (10-35%)**: 24.2% of the respondents fall into this category. These individuals likely prefer stable investments and are less comfortable with market volatility.
- **Moderate Attitude (35-55%)**: This is the largest group, with 42.4% of the respondents. These individuals might be comfortable with some level of market volatility and are likely to have a balanced investment portfolio.
- **High Attitude (55-65%)**: 19.2% of the respondents are in this category. They are comfortable with market fluctuations and likely have a higher risk tolerance.
- **Very High Attitude (65-85%)**: A small portion, 3.0%, fall into this category. These individuals are likely very comfortable with market volatility and might have a significant portion of their portfolio in high-risk investments.
- **Extremely High Attitude (85% and Above)**: 11.1% of the respondents fall into this category. These individuals are likely extremely comfortable with market volatility and might be aggressive investors.

10. How much do your expect your investment to grow annually.

Investment grow	**PERCENTAGES**
1) 10 - 20%	**14%**
2) 20 - 40%	**42%**
3) 40 - 60%	**29%**
4) 60 - 80%	**13%**
5) 100 % and Above	**2%**



INTERPRETATION

- **10-20% Growth: 29% of the respondents expect their investments to grow annually by 10-20%. These individuals likely have conservative investment strategies.**
- **20-40% Growth: This is the largest group, with 42% of the respondents. These individuals expect their investments to grow annually by 20-40%. They might have a balanced investment strategy.**
- **40-60% Growth: 13% of the respondents expect their investments to grow annually by 40-60%. These individuals likely have aggressive investment strategies.**
- **60-80% Growth: 14% of the respondents expect their investments to grow annually by 60-80%. These individuals are likely very aggressive investors.**
- **100% & Above Growth: The smallest group, with an unspecified percentage of the respondents (can be inferred as 2% from the other data), expects their investments to grow annually by 100% or more. These individuals are likely extremely aggressive investors.**

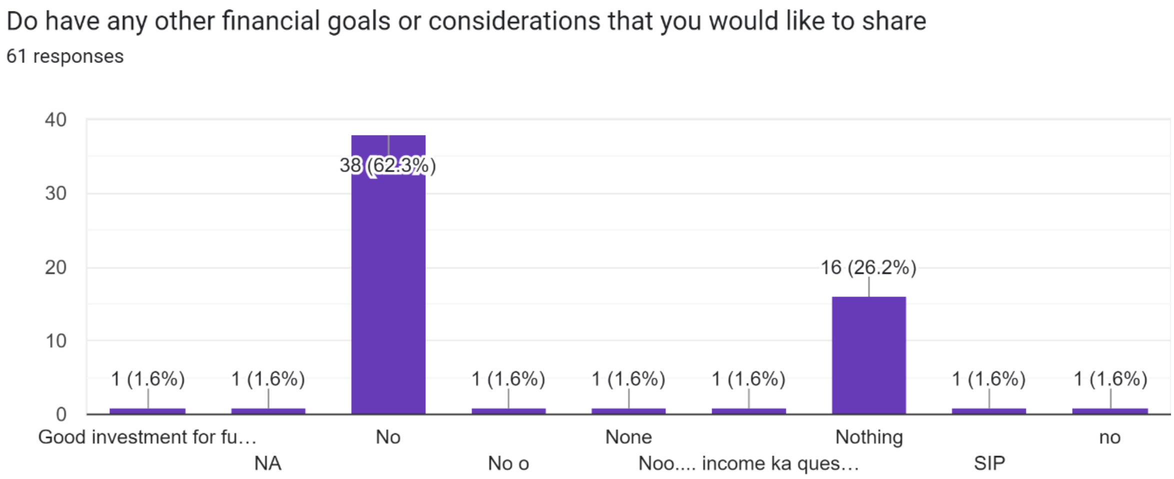
11. How involved do you want to be in managing you investment.

Managing your investment	PERCENTAGES
1. Highly Active	41%
2. Passive	33%
3. Moderate	24%
4. Rarely	2%

INTERPRETATION

- **Highly Active**: 41% of the respondents want to be highly active in managing their investments. These individuals likely want to have a hands-on approach and make their own investment decisions.
- **Passive**: 33% of the respondents prefer a passive role in managing their investments. These individuals might prefer to have their investments managed by a professional or through automated investment platforms.
- **Moderate**: 24% of the respondents opt for moderate involvement in managing their investments. These individuals likely want to be involved in some decision-making but also want some professional guidance.
- **Rarely**: The smallest group, with an unspecified percentage of the respondents (can be inferred as 2% from the other data), rarely wants to be involved in managing their investments. These individuals likely prefer to completely delegate their investment management to professionals.

12. Do have any other financial goals or considerations that you would like to share?



INTERPRETATION

- **No**: The majority of respondents, 38 (or approximately 62.3%), indicated that they do not have any other financial goals or considerations to share.
- **Nothing**: The second most common response was "Nothing," with 16 respondents (or approximately 26.2%) selecting this option.
- **Good investment for fu…**, **None**, and two instances of lowercase **"no"**: Each of these categories received one response (or approximately 1.6%).

CHAPTER IV

FINDINGS

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SUGGESTIONS

FINDINGS

- The major portion of financial saving goes into emergency fund and save for retirement.
- It has been found recently that the traditional instruments of savings like special tax incentives or higher interest rates are not able to increase the rate of private saving rate in the long run.
- It is also found that the response of saving for the interest rate changes in India was amongst the lowest in the developing countries.

SUGGESTION

After all this it can be stated that the fundamental corner stones of successful investing are:

- Save regularly, Invest regularly
- Start Early
- Diversify
- Use tax shelter
- Keep a regular check on investment and modify plans as and when needed

People need to be educated and informed about Financial Planning and this provides a greater opportunity to financial product distributer like Reliance Money to educate people. Companies can arrange for seminars and sessions through which they can provide information to people and in return can get prospective clients from the audience. In this way both the audience and the company can also be benefited

Financial planning is not a onetime activity; the initiative should be taken by financial planner to put this forward to their client. Regular meetings should be conducted between the financial planner and client to review the investment portfolio. Alteration should be made in portfolio as per need and requirement of the client. This will ensure that the investment objectives are achieved. It will create goodwill for the financial planner and his company. This is one area where many planners are lacking today. Follow-up, follow-up, follow-up is need of hour and it should be understood by financial service provider

Goal should be properly divided into short term, medium term and long term. Proper allocation should be done in various instruments according to the time period of goal. There are various instruments available which can site different time period needs. If investment are giving regular return or are going to get matured should be re invested properly.

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CHAPTER V
CONCLUSION

CONCLUSION

The Saving behavior has been changed considerably over the last couple of years. The savings rate in India is comparatively higher than various other countries. Earlier the trend of saving was in terms of physical assets but it has started to shift now to financial instruments. This trend partially reflects the relentless expansion of the various branch networks of the financial institutions into the county's rural areas and partially holds the increasing trend of the easy accessibility of the alternative investment opportunities. Today corporate securities has become a part of household savings wherein retail individuals prefer to invest his saving in security market. The reason sited for this are the growth seen in the stock market and a low interest rate and return offered by traditional instruments. Also the growing income of working class has also contributed largely to the changing pattern of saving in India

After the analysis of the following data, it can conduct that **Null Hypothesis (H0):** Financial planning has no significant impact on individual investors wealth accumulation measure is rejected.

Hence, **Alternative Hypothesis (H1):** Financial planning positively impact individual investors wealth accumulation measure is accepted.

CHAPTER IV

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Books -

1 The Intelligent Investor" by Benjamin Graham

2 A Random Walk Down Wall Street" by Burton G. Malkiel

3 One Up On Wall Street" by Peter Lynch

CHAPTER

ANNEXURE QUESTIONNAIRE

Google form spreadsheet response link attached below

- https://docs.google.com/spreadsheets/d/1cAzN5xqwcvUvSlm1zyj-I3lR9Algb871wCTGoK1p_5g/edit?resourcekey#gid=1195470241