

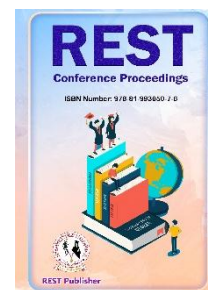


## REST Conference Proceedings

Vol: 1(2), 2025

REST Publisher; ISBN: 978-81-993050-7-6

Website: <https://restpublisher.com/book-series/rcp/>



# A Comprehensive Study of Individual Financial Planning For Sustainable Wealth and Security in Amravati City

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**Abstract:** The study, "A Comprehensive Study of Individual Financial Planning for Sustainability, Wealth, and Security in Amravati City," investigates how individuals manage their finances to achieve long-term stability. It focuses on financial literacy, saving habits, investment preferences, and awareness of government schemes, using structured questionnaires and statistical analysis. The research highlights how income, education, and access to resources influence financial decisions and goal-setting, such as retirement planning and wealth creation. Findings indicate gaps in financial planning, with many residents struggling to align short-term spending with long-term goals. The study recommends improving financial literacy, promoting access to diverse financial products, and raising awareness about government initiatives. These insights are valuable for policymakers, financial institutions, and individuals aiming to strengthen financial well-being and economic resilience in Amravati.

**Keywords:** Financial planning, Wealth creation, financial security, Government schemes, Savings and investment, Income and education.

## 1. INTRODUCTION

This study examines personal financial behavior in Amravati City, Maharashtra, amid its growing economy and expanding access to financial services. Despite initiatives like the Pradhan Mantri Jan Dhan Yojana and Ladki Bahin Yojna, challenges such as low financial literacy and traditional saving habits remain. The research focuses on how residents manage their finances for short- and long-term goals and analyses the impact of income, education, gender, and employment on financial decisions. The aim is to offer insights that support financial inclusion and promote sustainable financial practices in urban India.

## 2. OBJECTIVES

To study of financial planning done in Amravati city. To spread awareness of financial planning. To identify various avenues for investment. To identify investment habit of people. To study changes in financial planning with change in age. To examine factor influencing the investment decision.

**Scope of the Research:** The present study focuses on understanding individual financial planning practices in Amravati City, with an emphasis on sustainable wealth creation and long-term financial security. It covers a diverse population within the city, including individuals from various age groups, income brackets, educational backgrounds, and employment sectors. The study explores different dimensions of personal financial planning, such as saving habits, investment preferences, budgeting, and awareness of financial tools and government schemes. It investigates how individuals approach their short-term, medium-term, and long-term financial goals, including daily expense management, savings for significant purchases, and retirement planning. Additionally, the study considers the impact of financial literacy, socio-demographic factors, and access to financial resources on decision-making. By analyzing these aspects, the research provides valuable insights into the behavioral patterns and challenges faced by individuals in managing their finances. The findings aim to support financial institutions, policymakers, and educators in promoting more effective financial planning and inclusion among urban populations in Tier-2 cities like Amravati.

**Limitation of the Study:** While this study provides meaningful insights into individual financial planning practices in Amravati City, it is not without limitations. One of the primary challenges faced during data collection was the lack of response from some individuals, as cold calling was used as the main method to approach respondents. Many were either unavailable or unwilling to participate in detailed financial discussions. Additionally, a significant number of respondents were hesitant to disclose accurate financial information, as personal financial matters are often considered private and sensitive. In such cases, the researcher had to rely on general responses or simplified discussions, which may have limited the depth of data. The study was also constrained by time, as the duration available for data collection was short, restricting the sample size and the scope of the survey. Furthermore, in order to gain access to respondents, the name of the institution had to be disclosed, which sometimes created a misconception that the research was linked to promotional or sales activities, leading to skepticism and resistance from potential participants. These limitations must be considered when interpreting the results and conclusions of the study.

### 3. REVIEW OF LITERATURE

Several studies have explored the factors influencing individual financial planning and investment behavior in India. Geetha and Ramesh (2012) emphasized the role of demographic variables like age, gender, income, and education in shaping investment decisions. Mathi et al. (2012) found that urban investors show a greater preference for formal financial instruments compared to rural ones. Prasad et al. (2015) highlighted the importance of systematic investment plans (SIPs) in promoting disciplined saving habits. Singal et al. (2019) revealed that risk perception, financial awareness, and past experiences significantly impact mutual fund investments. Pradhan et al. (2018) stressed that financial literacy is a key driver of effective financial planning. Patel and Gupta (2016) examined the financial habits of women, noting that cultural and informational barriers often restrict their financial involvement. Mohan and Yadav (2016) discussed the challenges families face in accumulating wealth due to traditional saving practices. Kabra et al. (2010) explored behavioral factors like risk tolerance and gender-based differences in investment decisions. Overall, the literature suggests that financial planning is shaped by a combination of demographic, psychological, and social factors, and highlights the urgent need for improved financial literacy and inclusion in semi-urban regions like Amravati.

### 4. METHODOLOGY

This study adopts a descriptive research design to examine individual financial planning practices in Amravati City. The primary objective was to understand how residents plan, save, and invest their income to achieve sustainable wealth and financial security. Both qualitative and quantitative approaches were used, with a focus on survey-based data collection. A structured questionnaire was developed to gather relevant information on saving habits, investment preferences, awareness of government schemes, and demographic details such as age, gender, income, and education. The survey was administered to 100 respondents selected through convenient sampling within the city limits of Amravati. In addition to the questionnaire, informal interviews and discussions were conducted with a few participants to gain deeper insights into behavioral patterns and decision-making factors. The collected data was analyzed using basic statistical tools, including percentage analysis and the Chi-Square test, to determine the relationships between different variables. The methodology was designed to capture both numerical trends and the underlying attitudes that influence financial planning among individuals in a Tier-2 urban setting.

### 5. DATA ANALYSIS

#### Monthly Savings/Investment Percentage

TABLE. 1

Percentage of Income saved/Invested	Respondents	Percentage
Less than 10%	25	25%
10% - 20%	42	42%
21% - 30%	16	16%
More than 30%	17	17%
Total	100	100%

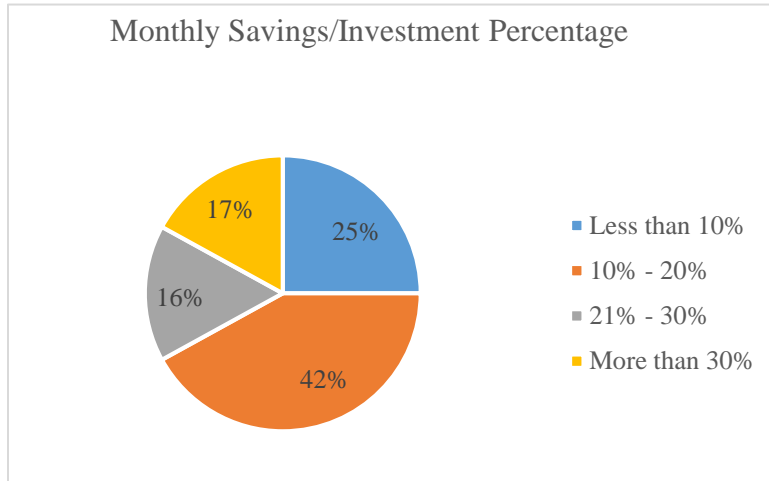


FIGURE 1.

The majority of respondents (42%) save or invest between 10% to 20% of their monthly income, indicating a moderate level of financial discipline among individuals in Amravati. A small but significant portion (33%) saves more than 20%, showing a stronger inclination toward long-term financial planning. However, 25% of respondents save less than 10%, which could be due to low income, high expenses, or lack of awareness about the importance of savings. This highlights the need for greater emphasis on financial literacy and structured savings behavior.

### Investment Objectives of Individuals

TABLE 2.

Investment Objective	Respondent	Percentage
Principle Safety	26	26%
Maintain Standard of living	32	32%
Meet future expenses	20	20%
Safeguard against contingencies	22	22%
Total	100	100%

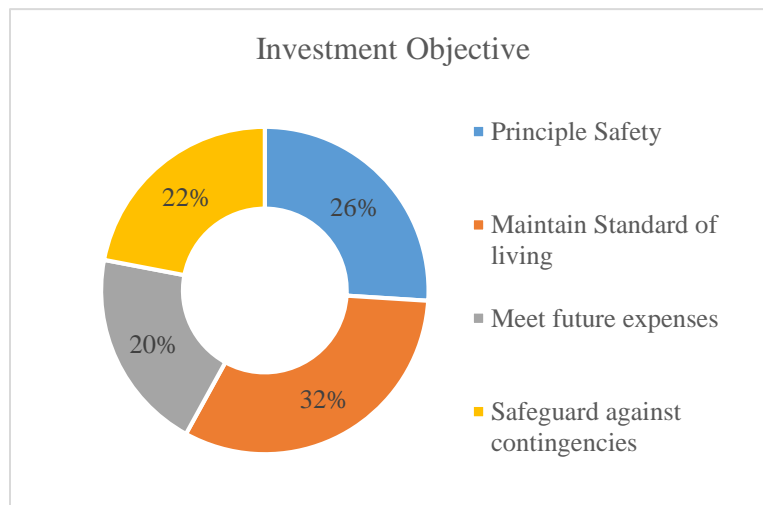


FIGURE 2.

Maintaining one's standard of living emerged as the most common investment goal among respondents (32%), followed closely by the desire for principal safety (26%). This suggests that many individuals prioritize stability and financial comfort over aggressive

wealth creation. Additionally, 22% invest to safeguard against emergencies, indicating some awareness of contingency planning. Only 20% invest with a specific focus on future expenses, such as education or marriage, pointing to a relatively lower emphasis on long-term financial preparedness.

**Hypothesis of the study**

HO- There is no significant relationship between structured financial planning and sustainable wealth long-term financial security among individual in Amravati city.

H1-There is a significant relationship between structured financial planning and sustainable wealth long-term financial security among individual in Amravati city.

**TABLE 3.** Observed Table

Investment Objective	Principle Safety	Maintain Standard of living	Meet future expenses	Safeguard against contingencies	Total
Monthly Savings					
Less than 10%	12	4	2	7	25
10% - 20%	4	18	10	10	42
21% - 30%	3	5	5	3	16
More than 30%	7	5	3	2	17
Total	26	32	20	22	100

**TABLE 4.** Expected Values

Investment Objective	Principle Safety	Maintain Standard of living	Meet future expenses	Safeguard against contingencies
Monthly Savings				
Less than 10%	6.5	8.0	5.0	5.5
10% - 20%	10.92	13.44	8.40	9.24
21% - 30%	4.16	5.12	3.20	3.52
More than 30%	4.42	5.44	3.40	3.74

**TABLE 5.** Chi-Square Test

Observed value (O)	Expected Value (E)	(O-E)	(O-E) <sup>2</sup>	(O-E) <sup>2</sup> /E
12	6.5	5.5	30.25	4.65
4	8.0	-4	16.00	2.00
2	5.0	-3	9.00	1.80
7	5.5	1.5	2.25	0.41
4	10.92	-6.92	47.89	4.39
18	13.44	4.56	20.79	1.55
10	8.4	1.6	2.56	0.31
10	9.24	0.76	0.58	0.06
3	4.16	-1.16	1.35	0.32
5	5.12	-0.12	0.01	0.002
5	3.2	1.8	3.24	1.01
3	3.52	-0.52	0.27	0.08
7	4.42	2.58	6.65	1.50
5	5.44	-0.44	0.19	0.035
3	3.4	-0.4	0.16	0.047
2	3.74	-1.74	3.02	0.81
Chi-Square Total				19.42

Degrees of freedom = (4-1) (4-1) = 9

Chi-square critical value @0.05 = 16.92 X<sup>2</sup> = 19.42 > 16.92

**Conclusion:** Reject Null Hypothesis (H0) Accept Alternative Hypothesis (H1)

There is a significant relationship between structured financial planning and sustainable wealth long-term financial security among individual in Amravati city.

**Finding:** The study reveals that individuals in Amravati City generally maintain moderate saving habits, with the largest proportion (42%) saving between 10%–20% of their monthly income, reflecting a fair level of financial discipline. A smaller group (33%) saves more than 20%, demonstrating stronger commitment toward long-term financial security, while 25% save less than 10%, often due to limited income or high living expenses. Maintaining one’s standard of living is the most common investment objective (32%), followed by capital safety (26%), contingency protection (22%), and funding future expenses (20%). Demographic factors such as

income, education, and age significantly influence saving and investment behaviors, with higher-income and better-educated individuals showing more structured financial planning. Despite the availability of modern investment products and government schemes, awareness and adoption remain low, and traditional saving methods are still preferred. The Chi-square analysis confirms a significant relationship between structured saving behavior and long-term financial security, underscoring that disciplined and goal-oriented planning directly contributes to sustainable wealth creation.

## 6. CONCLUSION

The research concludes that while awareness of financial planning is growing in Amravati City, practices remain largely conservative and shaped by traditional saving habits. Most individuals save a modest proportion of their income, with limited focus on comprehensive long-term goals such as retirement planning, wealth diversification, or high-yield investments. Financial decisions are strongly influenced by demographic variables, particularly income and education levels, indicating that financial literacy is a key enabler of better planning. The significant positive link between structured saving and investment objectives highlights the importance of disciplined financial behavior in building sustainable wealth. However, low awareness of government schemes and modern financial instruments remains a barrier to maximizing financial security. To bridge these gaps, continuous financial education programs, wider access to advisory services, and targeted promotion of inclusive government initiatives are essential. Strengthening goal-based and informed financial planning will enable residents of Amravati to move beyond short-term financial stability toward enduring economic resilience and prosperity.

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