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# A Brief Analysis of Students' Savings Behavior Across Different Dimensions

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**Abstract**

We used survey data from a sample of 205 respondents to analyze the different determinants of individual savings decisions. Results show that having financial knowledge significantly increases savings rates among students. The savings rate of students is also affected by background factors like their annual family income, their main stream of income, etc. The deficiency of financial literacy among the hostelers is also a serious concern. Our findings also show that the main stream of incomeand the main mode of transaction also play a crucial role in savings decisions.

**Keywords**: Students' Savings, Savings Rate among Students, Financial Literacyamong Students, Financial Behavior, Financial Influence.

## 1. Introduction

During COVID-19 digital payment was promoted by the government to ensure non- transmission of the virus. However, this has given many students the ability to carry huge amounts of money in their bank accounts and they can spend huge amounts on the whim of their desire. Digital transaction providers like UPI also provide lucrative offers to give students incentives to use online payments more frequently. Credit cards provide considerable offers for high spending brackets. This has significantly made money more mobile and reduced the hassle it takes to withdraw cash from banks. Not to mention many online shopping stores also provide offers to quickly grab the attention of teenage consumers. (Falk et al., 2016) compared mobile and credit card payments in Europe and found that mobile payment increased willingness to pay for overall products. There- fore, it is of utmost importance to analyze students' saving habits. Students represent a significant demographic group with unique financial needs and challenges. Students are the backbone of the economy and their spending and saving patterns will drive different sectors of the nation. Thereby, influencing long-run growth directly. College students for the first time are transitioning to financial independence. Hence, managing their budgets and making proper decisions regarding their spending and saving attitudes is crucial for their financial success. Gaining insight into students' saving behavior is critical for any policymaker.

Studies on economics and psychology have found that parents and peer influence, financialliteracy, the level of family income, and also their monthly allowance and financial atti- tude towards money are important decision-makers for students' savings outcomes.(Shim et al., 2012) found that students with higher levels of financial literacy were more likely to engage in positive financial behaviors, including saving money regularly.

The objective of our paper is to examine the complex dynamics of student saving usinga comprehensive

survey procedure and later on various methodological approaches were taken to analyze the received data and come to a conclusion. We firmly believe that our research aims to find the important underlying factors responsible for variation in students' savings and also discuss its implications and policy suggestions.
Despite students saving behaviour being a growing interest of study in the realm of eco- nomics there is still much to learn about. Due to progress in technology and economic conditions, it is crucial to check how these are affecting the students' savings directly and indirectly. Furthermore, research on this topic typically uses traditional savings methods while ignoring the effect of digital currency and financial markets.

## 2. Literature Review

### 2.1 Literature Review on Savings

(Jeevitha & Priya, 2019) study based on Coimbatore city revealed that while most re- spondents saved less than they spent, their spending preferences varied, with a majority of students having savings and awareness of its significance. They commonly opt for sav- ing in savings accounts in case of emergencies. Additionally, students allocated higher amounts toward transportation and educational expenses based on their spending pat- terns.
(Deaton, 1989) in his paper uses various economic models such as the life-cycle hypo- thesis, precautionary savings, and behavioural economics perspective. His finding showsthat savings act as a way for consumption smoothing and also as a means of insurance in case of uncertainty of income streams. Furthermore, this paper highlights the importance of these factors in determining individuals' saving decisions and overall savings rates. (Fiergbor, 2020) using a primary survey in Ghana found that the majority of college stu-dents do not save which could be due to certain contributory factors such as low salaries and economic hardships. Also, the majority of college students do not possess a definite financial management plan such as savings as a result of inadequate financial literacy.

### 2.2 Literature review on Financial Literacy

Financial literacy encompasses individuals' comprehension of financial principles, along with their competencies and capacity to handle money proficiently while making well- informed financial choices. Studies by (Calvet et al., 2007) identify common investment mistakes made by households, such as poor asset allocation, market timing errors, and behavioral biases like overconfidence and their perception towards risk and uncertainty. These mistakes are responsible for sub-optimal investment outcomes and lower returns on savings.
(Ouattara, Zhang et al., 2020) focuses on investigating the relationship between financial literacy and poverty reduction within Indonesia. This study aims to reveal how improv- ing the level of financial literacy levels among individuals can contribute significantly to mitigating poverty rates in Indonesia. It delves into the efficacy of various strategies such as financial education programs, improved access to financial services, and the adoption of effective financial management practices in bolstering households' economic well-being and facilitating their escape from poverty traps.
(Murendo & Mutsonziwa, 2017) used FinScope Consumer Survey which assesses how adult individuals source their incomes and manage their financial lives. They found that women have lower financial literacy than men. Furthermore, individuals residing in rural areas exhibit lower financial literacy compared to their urban counterparts. Carrying out regression models they found that financial literacy positively influences savings behaviour for both rural and urban individuals.
(Jamal et al., 2016) in his study distributed structured questionnaires to 1728 under- graduate students using a convenient sampling technique studying at higher education institutions across major cities in Sabah,

Malaysia. Results revealed that family involve- ment, peer influence, self-control, and financial literacy play an important role in nurturing students' savings behavior. In addition, students are said to have a more favorable fin- ancial attitude when financially literate. Financial attitude, however, does not have a mediation effect on the relationship between financial literacy and savings behavior

## 3. Data

### 3.1 Data Collection

The study was conducted based on a primary survey conducted through a Google form which was kept live for nearly a month. A form was sent to students from different institutions with qualifications and educational backgrounds. Our survey reached out to nearly a thousand people almost 700 of them were male students and the rest were females. Out of the 205 responses 151(response rate-21.57%) were male respondents and 54 (response rate-17.67%) were female respondents. The primary data collected was from a well-prepared questionnaire that used measures including savings rates, savings goals, attitudes towards saving, and financial literacy. We firmly believe having an in-depth look at the mentioned measures will enable our analysis to be more accurate.

The survey we sent out consisted of 6 sections.

1. **Background Information:** This part asked for data like the name of the student, their gender, educational background and qualification, the state to which they belong, etc.
2. **Financial Situation:** This section was responsible for collecting data regarding the family income of the student, their primary stream of income, on average how much they earn and save per month, how frequently they use the different modes of transactions, etc.
3. **Financial Behavior:** Here we wanted to collect data on the financial behavior of an individual through questions like how thrifty they are, what kind of financial accounts they possess, whether they save regularly or not, how often if at all they track their spending, whether they read to gather financial knowledge or not, etc.
4. **Influence:** This collected data on the various kinds of factors that can influence the financial decisions of the student like whether they had any formal education in finance or economics, whether their parents discuss finance with them or not, and other sources which exposed them to financial knowledge.
5. **Financial knowledge:** Our aim in this section was to get an overall idea about the students' grasp of finance through some basic questions. We assigned marks to correct answers and created an index to categorize their financial knowledge.
6. **Spending and Saving Attitudes and behavior:** Through this section, we got to know about where the students spend their money and how eager they are to know more about finance.

### 3.2 Characteristics of the Data

Our data consists of 205 responses from over 5 states of India, out of which there are 151 male responses and 54 female responses. The responses can be categorized into 112 students who were hostelers and 93 students who were hostelers. The mean age of the students in our sample is 20.8.

Our data consists of students from diverse educational backgrounds, to be specific we have seen students from over 10 different degrees like B.Sc, B.A., B.Tech, BBA, M.Sc, M.A., etc. The students also come from various financial backgrounds. To classify the students based on their financial backgrounds we have their annual family income Female participants' average propensity to save (0.30317) is lower than the average propensity to save among male students (0.37621). It has also been observed that there is

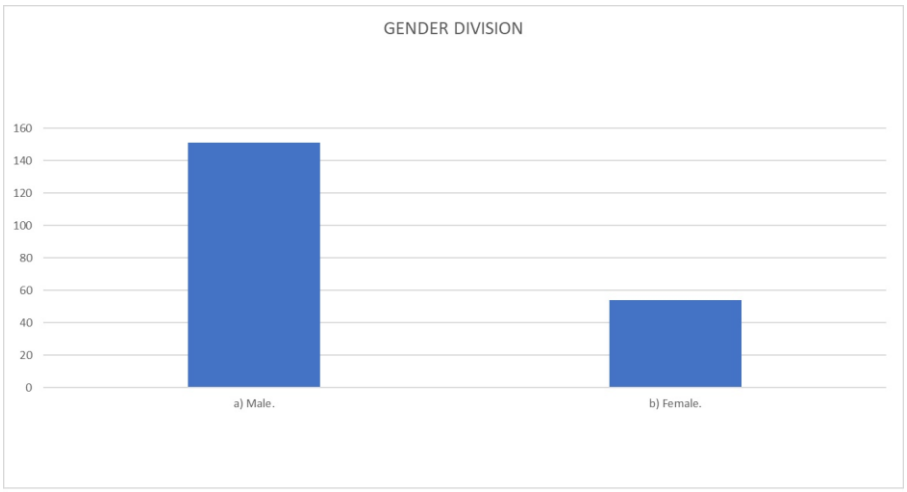


**Figure 1: Gender Division**

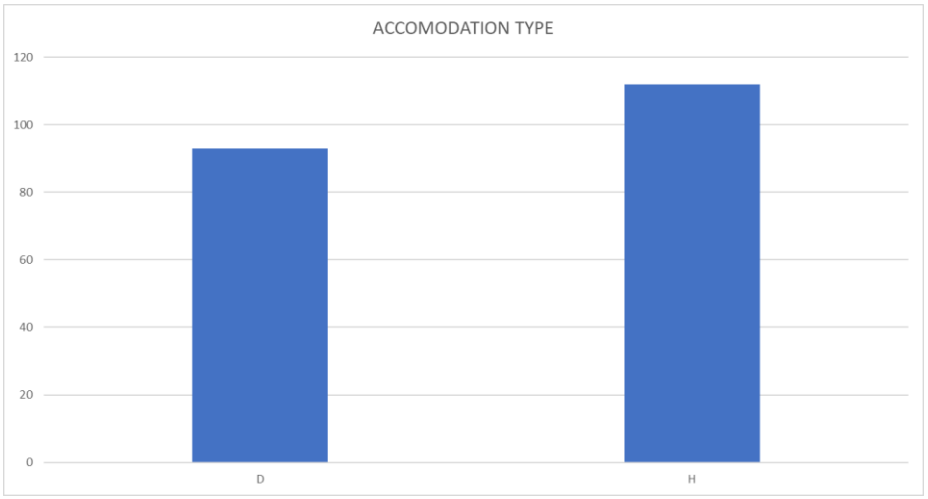


**Figure 2: Accommodation**

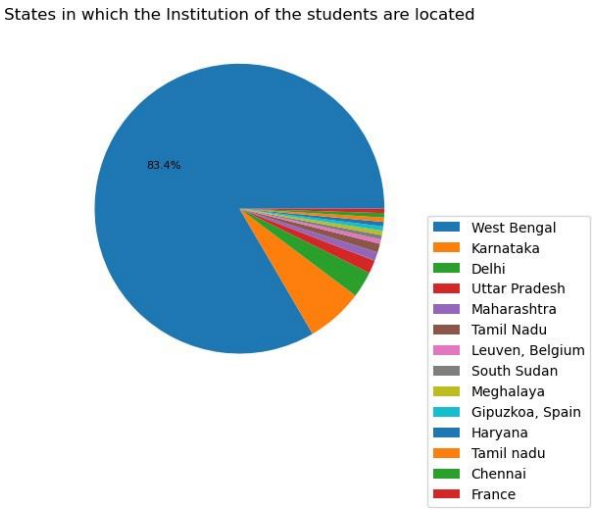


**Figure 3: Institute Locations**

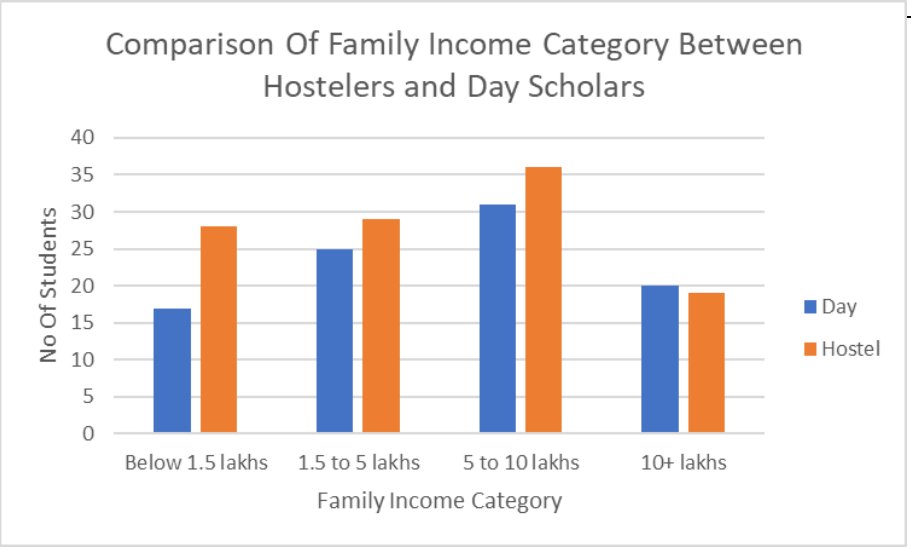


**Figure 4: Family income division among accommodation variable**

a huge disparity among hostelers/residential students and day scholars' average propensityto save the former being (0.26482) while the latter being (0.46708).

## 4. Objectives

The primary aim of this project is to find the variation in savings among students across different dimensions like educational background, gender, and type of accommodation, and find the factors that influence their savings decisions.

## 5. Analysis

First of all, we tried to find out whether students are interested in savings or not. For this, we have taken our hypothesis as

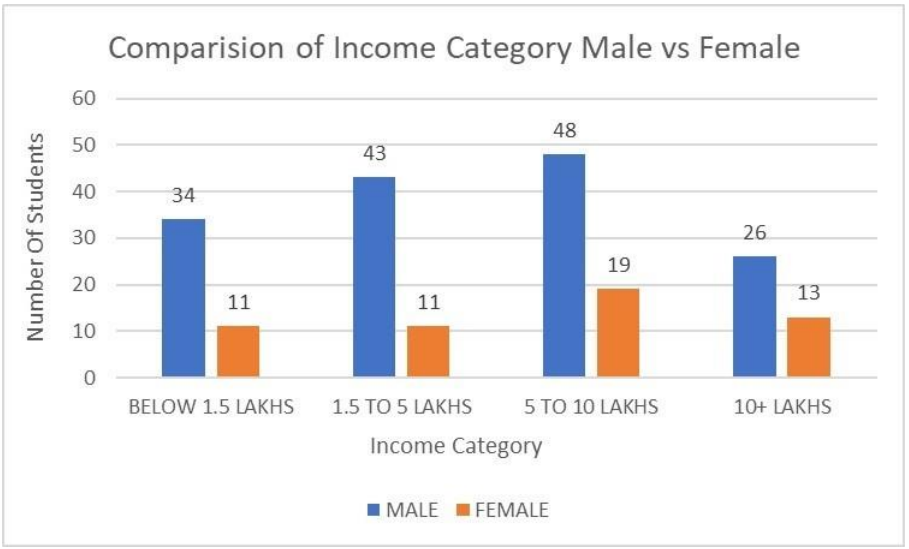


**Figure 5: Family income division among gender variable**

$H_0$: There is no significant difference between the number of students interested in savingmoney and those who are not..

$H_1$: There is a significant difference between the number of students interested in savingmoney and those

who are not.. Based on the Pearson chi-squared test, we found that $\chi^2 = \sum \frac{(O-E)^2}{E}$ = 59.02579 at a significance level = 0.01, degrees of freedom = 1, and p-value = 1.55619E-14. Since the obtained value is greater than the table value we reject $H_0$ in favor of $H_1$. Hence, there is a significant difference between the savings and non-saving habits of college students.

**Table-1: Chi-squared Test On Savings**

| Are Students Interested In Savings? | O(Observed Values) | E(Expected values) | $(O-E)^2$ | $\chi^2 = \frac{(O-E)^2}{E}$ |
|---|---|---|---|---|
| Yes | 158 | 103 | 3025 | 29.36893 |
| No | 47 | 102 | 3025 | 29.02579 |
| Total | 205 | | | 59.02579 |

**RANK CORRELATION BETWEEN KNOWLEDGE INDEX AND SAVINGS RATE:**

| | |
|---|---|
| COEFFICIENT | 0.125508 |
| n | 205 |
| t | 1.802473 |
| DF | 203 |
| Pvalue | 0.072954 |

**KNOWLEDGE INDEX:-**

We created this index to assign marks to each student based on the questions they answered in our financial knowledge section. We awarded one mark for each correct answer given and zero for each incorrect answer. This included various questions that tested students on how much they knew about finances and investing.

We also asked the students if they had any finance or economics courses or if they were enrolled in any course where at least a part of the course was dedicated to finances. Forthis part, the marks were assigned as follows:-

If enrolled in a course fully dedicated to economics or finance two marks were assigned, if enrolled in any course where a part was dedicated to finance/economics one mark was assigned, else no marks were awarded.

After assigning marks to each of them, we devised a 10-point scale that identified their grasp of financial knowledge. Then we assigned a rank to them using Microsoft Excel's(RANK.AVG) feature.

SAVINGS RATE:-

In the financial situation section, we asked the students for their average monthly income from all streams of revenue and their average monthly savings. The savings ratewas calculated by using the formula

(monthly savings/monthly income). Then we again ranked the savings rate using Microsoft Excel's (RANK.AVG) feature.

After assigning ranks to both of these variables we ran a Spearman's Rank Correlation test between the two. From this test, we conclude that the level of financial knowledgesignificantly affects the savings rate of a student.

SPEARMAN'S RANK CORRELATION:-

$$\rho = 1 - \frac{6 \sum d_i^2}{n(n^2-1)}$$

**REGRESSION ON BACKGROUND OF PARTICIPANTS:-**

In the case of regression analysis, we check to analyze the data received from the back-ground information section. It will enable us to find the importance of our participants' background in case of savings which will further help us to pick important regressors in the later part of our studies

$$srate_{ib} = \alpha + \beta_1 \times female_d + \beta_2 \times hostel_t + \beta_3 \times pocketmoney_f + \beta_4 \times inc1.5to10_j + \beta_5 \times inc5to10_k + \beta_6 \times inc10_l + \epsilon_{ib}$$

where $srate_i$ stands for savings rate given as $(\frac{Savings\ per\ month}{Allowance\ per\ month})$ which is regressed over $female_d$ where 1 is for females and 0 is for males, $pocketmoney_f$ for students who receivepocket-money as their primary source of income, $hostel_t$ where students living in hostel taken as 1 and day scholars as 0 and family income category $inc1.5to10$ is the dummy variable for income between 1.5 lakhs to 5 lakhs taken as 1,$inc1.5to10_j$ is the dummy vari- able for income between 5 to 10 lakhs taken as 1, $inc10_l$ is the dummy for income above 10 lakhs taken as 1, $\epsilon_i$ is the error term. We have to omit the family income category below 1.5 lakhs as it causes multicollinearity. We decided to keep separate variables for income categories over 1.5 lakhs as logically higher family income individuals should save more.

We found that pocket money is statistically significant with p=0.00218 and shows a neg- ative impact on savings rate coefficient=-12.024 i.e. as pocket money increases savings rate of students falls. We have also found that with rising family income students are shown to be much more careful with their spending. Please refer to Table A1.

**REGRESSION ON FINANCIAL BEHAVIOR :-**

For the financial behavior section, our regression model included savings rate as thedependent variable, and for the independent variable

$$srate_{ifk} = \alpha + \beta_1 \times female_d + \beta_2 \times hostel_t + \beta_3 \times noinvest_{di} + \beta_4 \times cashpayment_{dc} + \beta_5 \times phpay_{dp} + \beta_6 \times stockmfinvest_{sm} + \beta_7 \times creditcard_{cc} + \epsilon_{ifk}$$

we have taken $female_d$ where 1 is for females and 0 is for males, $hostel_t$ where students living in hostel taken as 1 and day scholars as 0, $noinvest_{di}$ dummy where 1 is for not investment in any kind of financial assets as such as stocks, crypto, bullion, gold, $phpay_{dp}$ dummy taken as 1 for UPI app usage rating greater than 3 out of 5, $cashpayment_{dc}$ taken as 1 for cash payment usage rating greater than 3 out of 5, $stockmfinvest_{sm}$ for investing in stocks or mutual fund taken as 1, $creditcard_{cc}$ dummy taken as 1credit card usage rating greater than 3 out of 5.

We found $phpay_{dp}$ statistically significant with a p-value of 0.0432 and as usage of $phpay_{dp}$

increase savings rate falls. This particular finding shows that phone increases the willing- ness to spend Falk, Kunz, Schepers, and Mrozek (2016) Falk et al., 2016 also had a similar finding. To check for the influence of female and hostel variables for not being interested in investing in any kind of asset. $noinvest_{di} = \alpha + \beta_1 \times female_d + \beta_2 \times hostel_t + \epsilon_{di}$ we found marginally significant with p = 0.055 which is really close to being statistically significant and coefficient = 0.14417. It implies that hostelers are less likely to invest in any asset. Please refer to Table A2 We will come to the results section to discuss in detail why this happens

$srate_i = \alpha + \beta_1 \times female_d + \beta_2 \times hostel_t + \beta_3 \times thrift_{dt} + \epsilon_i$

where $thrift_{dt}$ is the dummy variable taken as 1 for students who think they are thrifty. From this regression, we found statistical significance that p-value = 0.0144 and coeffi- cient = 9.2560 and it implies that those who are thrifty are more likely to save. This is an obvious result. Please refer to Table A3.

We have also regressed other financial behavior variables over females and hostel

$budgettrack = \alpha + \beta_1 \times female_d + \beta_2 \times hostel_t + \epsilon$

and found marginally significant that hostel students are less likely to keep track of their budget with p-value = 0.070. Please refer to Table A2

$contributesavings = \alpha + \beta_1 \times female_d + \beta_2 \times hostel_t + \epsilon$

gave us that hostelers are less likely to contribute to a savings account p-value = 0.0557. Please refer to Table A2. From,

$contributeinvestment = \alpha + \beta_1 \times female_d + \beta_2 \times hostel_t + \epsilon$

hostelers are less likely to investment account p-value = 0.0988 and coefficient = -0.11057.

Please refer to Table A2

$readfinance = \alpha + \beta_1 \times female_d + \beta_2 \times hostel_t + \epsilon$

and found females are less likely to read books on financial knowledge p value = 0.0692 and coefficient = -0.16072. Please refer to Table A2

$extrawork = \alpha + \beta_1 \times female_d + \beta_2 \times hostel_t + \epsilon$

gave a significant finding that hostelers are less willing to work extra hard with p-value = 0.00125 to meet their expenses, same goes for female with p-value = 0.05961. Please refer to Table A2. From another regression

$missclass = \alpha + \beta_1 \times female_d + \beta_2 \times hostel_t + \epsilon$

we found that hostelers are less likely to miss classes p-value = 0.000446 and same for female with p-value = 0.010385. Please refer to Table A2

**REGRESSION ON INFLUENCE:-**

Influence plays a vital role in the saving patterns and financial knowledge of individuals. (Putri & Wijaya, 2020) found in his study that parental influence, peer influence, and media influence have a relationship with financial literacy

$srate_{ii} = \alpha + \beta_1 \times female_d + \beta_2 \times hostel_t + \beta_3 \times friendsinf_{fi} + \beta_4 \times saveparent_{sp} + \epsilon_{ii}$

$friendsinf_{fi}$ is a dummy variable with 1 for students who think they are influenced by their friends gave a rating greater than 3 out of 5 and $saveparent_{sp}$ dummy = 1, for stu- dents who think they save more than their parents. We found that $saveparent_{sp}$ regressor is statistically significant with p-value = 0.0144 and it implies that students who feel that they are more likely to save than their parents have a higher savings rate. Please refer toTable A4.

We have also regressed other influence variables over both hostel and female at the same time and found from regression

$nocourse = \alpha + \beta_1 \times female_d + \beta_2 \times hostel_t + \epsilon$
with p-value = 0.0322 that hostelers are less likely to take any course on economics andfinance. Our findings from this regression equation. Please refer to Table A5 $professionalinf = \alpha + \beta_1 \times female_d + \beta_2 \times hostel_t + \epsilon$
show that hostel residents are also less likely to seek professional help with a p-value =0.0354. Please refer to Table A5. From,
$saveparent = \alpha + \beta_1 \times female_d + \beta_2 \times hostel_t + \epsilon$
We have also found marginally significant that females usually save more than their par- ents with p-value = 0.0566 which is very close to being statistically significant. Please refer to Table A5

**REGRESSION ON FINANCIAL LITERACY SECTION:-**
In the case of the financial literacy section, we looked for any important relationshipsbetween each question with dummy regressor females and hostels.
$Q1 = \alpha + \beta_1 \times female_d + \beta_2 \times hostel_t + \epsilon$
hostelers are less likely to answer question-1 correctly with a p-value = 0.0552. For ques-tion 2 also
$Q2 = \alpha + \beta_1 \times female_d + \beta_2 \times hostel_t + \epsilon$
hostelers also showed that they are less likely to answer correctly with p-value = 0.0507.
$Q3 = \alpha + \beta_1 \times female_d + \beta_2 \times hostel_t + \epsilon$
findings include hostelers are less likely to answer question-3 correctly p-value = 0.0894.
$Q4 = \alpha + \beta_1 \times female_d + \beta_2 \times hostel_t + \epsilon$
again hostelers are less likely to answer question-4 with p-value = 0.08921.
$Q6 = \alpha + \beta_1 \times female_d + \beta_2 \times hostel_t + \epsilon$
shown that females are less likely to answer question-6 p-value = 0.0685.Please refer to Table A6.
REGRESSION ON SPENDING -
We defined the last 4 weeks' spending rate = $\left(\frac{last\ 4\ weeks\ spending}{last\ 4\ weeks\ earnings} \times 100\right)$

$$spenrate_{is} = \alpha + \beta_1 \times female_d + \beta_2 \times hostel_t + \beta_3 \times bengal_{bi} + \beta_4 \times scholarship_n + \beta_5 \times pocketmoney_f + \beta_6 \times inc1.5to10_j + \beta_7 \times inc5to10_k + \beta_8 \times inc10_l + \epsilon_{is}$$

where $spenrate_{is}$ is a quantitative regressor which is the last 4 weeks of spending rate of the student described above, $scholarship_n$ is a dummy which is 1 for students who receive a scholarship as their primary source of income, $bengal_{bi}$ dummy = 1 for students living in West Bengal.
It was found that Bengal is a significant regressor with p-value = 0.00244 and its coeffi- cient is negatively related to $spenrate_{is}$ which implies students living in West Bengal have shown a tendency to be spending less within the last 4 weeks. Please refer to Table A8
Now, we again used each variable from the spending attitude section regressed over
$entertainment = female_d + hostel_t$
and found that hostelers spend less on entertainment, p-value = 0.011. Please refer to Table A9
$presents = female_d + hostel_t$
gave us the finding that hostelers are less likely to buy presents for people, p-value = 0.0729. Please refer to Table A9

**REGRESSION ON FINANCIAL ATTITUDE:-**

Financial attitude refers to an individual's perception, emotions, and beliefs about money and finance. It encompasses their opinions, confidence, and disposition toward financial matters

In our questions, students had to rate the importance of each item on a scale of 1 to 5, 1 being the least and 5 being the most. Since this section was optional some students did not answer all the questions. Due to this, we had to first fill the empty cells with 1 so that the regression could be carried out on a sample size of 205 throughout. This can be justified by our method of taking dummy variables as 1 for students rating above 3. Therefore, the auto-filled cells will be 0 and not act as an inappropriate way to improve our findings.

$$srate_i = \alpha + \beta_1 \times female_d + \beta_2 \times hostel_t + \beta_4 \times impreadmoney_m + \beta_5 \times impinsulove_{ins} + \beta_6 \times impfeelsaveimp_s + \beta_7 \times impbuyins_{ib} + \beta_8 \times impuncertain_{unc} + \beta_9 \times impfinanceworry_{fw} + \beta_{10} \times impcapablefinance + \beta_{11} \times impcontrolfinance + beta_{12} \times impsiprogram + \beta_{13} \times impspendless + \beta_{14} \times impfinancial.records + \epsilon_i$$

where all the dummies after $hostel_t$ will only equal 1 for their rating greater than 3 out of 5, $impreadmoney_m$ for those who have an interest in reading about money man- agement, $impinsulove_{ins}$ for feeling life insurance is an important way to protect loved ones, $impfeelsaveimp_s$ who feel putting away money each month for savings or invest- ments is important, $impbuyins_{ib}$ = feel capable of handling their financial future (e.g. buying insurance or investments), $impuncertain_{unc}$ = who feel uncertain about where my money is spent, $impfinanceworry_{fw}$ = who feel their finances are a significant source of worry, *impcapablefinance* = for feeling capable of using their future income to achieve their financial goals, *impcontrolfinance* for feeling in control of my financial situation, *impsiprogram* = Planning and implementing a regular savings/investmentprogram is important, *impspendless* for feeling that they spend less than their income, *impfinancial.records* for maintaining adequate financial records Our findings are stat-istically significant and they imply that those who are uncertain about their spending aremore likely to have lower savings rates, p-value = 0.0240 and that those who feel con- trolled by their financial situation are more likely to save, p-value = 0.0349. Please refer to Table A7. $impreadmoney_m$, $impinsulove_{ins}$, $impfeelsaveimp_s$, $impbuyins_{ib}$, $impuncertain_{unc}$, $impfinanceworry_{fw}$, *impcapablefinance*, *impcontrolfinance*, *impsiprogram*, *impspendless*, *impfinancial.records* are individually regressed over $impspendless = \alpha + female_d + hostel_t + \epsilon$ we found some important results females are more likely to spend less, p-value = 0.0678.Please refer to Table A10.

$impsiprogram = \alpha + female_d + hostel_t + \epsilon$

females feel that planning and implementing a regular savings/invest program is import-ant, p-value = 0.048. Please refer to Table A10.

$impcapablefinance = \alpha + female_d + hostel_t + \epsilon$

females feel capable of handling their future finance p-value = 0.073. Please refer to TableA10.

$impfinanceworry_{fw} = \alpha + female_d + hostel_t + \epsilon_{fw}$

females felt that their finance is not a significant part to worry about p-value = 0.080.Please refer to Table A10.

$impuncertain_{unc} = \alpha + female_d + hostel_t + \epsilon_{unc}$

females are uncertain where their money is spent p-value = 0.0692. Please refer to TableA10.

$impfeelsaveimp_s = \alpha + female_d + hostel_t + \epsilon_s$
females feel saving a part of their allowance is important, p-value = 0.0429. Please referto Table A10.
$impinsulove_{ins} = \alpha + female_d + hostel_t + \epsilon_{ins}$
shows that females feel that insurance is meant to protect their loved ones given, p-value = 0.0468. Please refer to Table A10.

## 5.1 Results

1. From our study, we have found out that hostelers have a deficiency in financial literacy. We have drawn this conclusion from several observations. We have seen that they are less likely to take professional help with money management and are also less likely to take any courses on finance or economics which shows that this group of students have less exposure to learning about money management. Another important factor that contributes to a person's finances is how their family influences them. We have found evidence that hostelers are less likely to hail from a family where finances are openly, discussed. They also don't regularly contribute

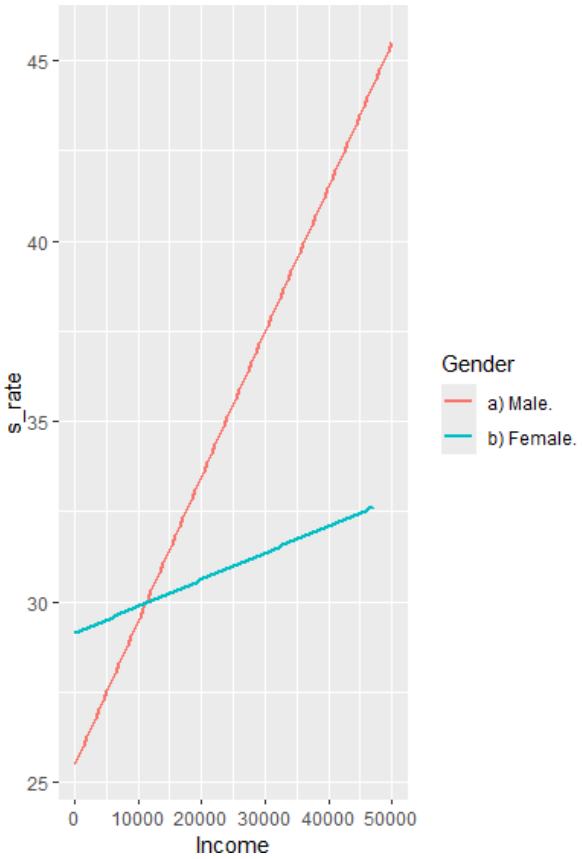


**Figure 6: Saving rate in Male vs Female**

to a savings or investment account(less likely to invest in stocks, crypto, bullion, and other assets) many have reported that they do not even have an investment account. We have also seen that hostelers are less likely to track their spending regularly this can also be attributed to the fact that they are lacking in structured financial habits due to a lack of good influence from parents and peers. It is also seen that hostelers pay less for entertainment and are also less likely to buy gifts for others.

2. Even though we have found in our study that females are less likely to read booksabout finances, and

also less likely to have their finances planned out. It is also seen that females are uncertain about where they spend their money. This can be attributed to a huge part of our female sample belonging to a higher income stratumwhere finances are more likely to be openly discussed within the families. Females feel that they need to spend less on their income while also feeling that they needto procure insurance for their loved ones. Female students are also more likely to save than their parents. It can be seen that females are less likely to miss classes to meet their expenses by working extra hours. It is indicative of the fact that parents are hugely responsible for taking care of their financial needs.

3. Those who use UPI apps frequently have relatively lower savings rates. This could be due to various offers /gifts(cashback, discounts, etc.) presented by these apps which incentivize the user to purchase the good or service. Students with pocket money as their main stream of income have a lower savings rate this implies thatstudents who earn mainly from pocket-money don't have to work hard to earn their income and hence may choose to splurge their income. Students who belong to a higher family income strata have higher savings per income level this could be dueto financial socialization among high-income group families as they may encourage their children to learn about money management from a young age.

## 6. Conclusions

So it is evident from our results that there is a serious need to promote financial literacy among students, particularly among female students and hostelers. This can be achieved through the help of parents and institutions by regularly organizing seminars and work- shops on money management and financial knowledge an institution can help its studentsin achieving financial freedom.

Parents can also play a crucial role in shaping their son/daughter's financial future, they help their children with financial decisions by openly discussing finances within the house- hold itself, while also encouraging them to seek professional help regarding money man- agement and investment. They can also be introduced to budgeting tools and apps like personal registers or apps like the Khatabook app which are widely advertised on the internet to develop good savings habits. The fact that having pocket money as the main source of income and the heavy dependence on UPI payment apps reduces savings rate among students indicates that lack of guidance from parents or teachers can lead one to become irresponsible and not make properly structured financial decisions.

### 6.1 Scope for further research

Since our paper gives a holistic view of gender and individual accommodation savings it leaves many more interesting findings left to be discovered from our survey data like preferences towards different goods and services for different variables. Also, a deep analysis of financial socialization was left out as it was beyond our research interest. This is responsible for affecting the savings rate directly.

With more data, it would also be possible to identify other possible factors that influencea student's savings behavior such as if there are any state-wise distinctions or variations across age groups which in turn would lead to better decisions regarding the promotionof financial literacy among students.

### 6.2 Limitations of the Data

- The sample was collected through systematic sampling and hence might not be a proper representation of the population of students.
- The survey consisted of 58 questions so the students might have gotten impatient while answering evident from our low response rate of around 20%.
- The study is purely based on the 205 responses only.

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