



**NEED FOR PERSONAL FINANCIAL PLANNING –
A STUDY AMONG THE YOUTH OF VIRUDHUNAGAR TOWN**

¹ Muthulakshmi V and Jaisun² M

¹Ph.D. Research Scholar (Full Time), Madurai Kamaraj University, Madurai

²Assistant Professor, Department of Business Administration,
V.H.N. Senthikumara Nadar College (Autonomous), Virudhunagar.

Corresponding author: muthulakshmisms2019@gmail.com

ABSTRACT

According to the study of the Technical Group on Population Projections, 2020, established by Ministry of Health and Family Welfare, the youth population in India comprises 27.2% of the country's overall population in 2021 and 23.2% of the population in Tamilnadu. The capability of the youth to accumulate assets and save money is extremely important in the age range of 20-30 years, as they move towards their adulthood age and begin to accept their financial obligations and determine their long term financial goals. Unfortunately, a lot of youth lack formal or informal guidance with regard to financial matters. As a result, they might not be ready to make wise financial decisions. Therefore, financial capability is much crucial as youth are increasingly facing higher levels of debt. Lack of proper personal financial plan for the future creates the risk of not having enough money to live and retire comfortably and safely. Lack of financial stability brings stress and strain and lowers the standard of living. However, the male and female youth population in India have distinct financial goals, which create the need for different methods towards the components of personal financial planning in order to achieve these goals. The components of the present study include budget preparation, investment planning, debt management, saving-spending management, insurance planning and tax planning. The disparity in current financial situation in relation to all of these factors clearly shows that in order to build wealth, the male needs support in managing his funds, while the female must engage in high-risk, high-return investment opportunities. This shall help the financial planners and individuals to understand well that a common personal financial plan irrespective of the gender will not result in the accomplishment of financial goals and so there arises a need for separate and different personal financial plans for both male and female youth of Virudhunagar.

Key Words: Finance, Money Management, Personal Financial Planning, Savings, Virudhunagar, Youth.