



Saving Behaviour of Rural Youth: A Case Study in Mangalam Village

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ABSTRACT

Saving is the income not spent, or deferred consumption. Methods of saving include putting money aside in, for example, a deposit account, a pension account, an investment fund, or as cash. Saving also involves reducing expenditures, such as recurring costs. In other ways it is defined as the income left after consumption. First and foremost, saving money is important because it helps protect the people in the event of a financial emergency. Additionally, saving money can help to pay for large purchases, avoid debt, reduce your financial stress, leave a financial legacy, and provide you with a greater sense of financial freedom. Along with that, the people can hold off their money in various terms like gold, financial securities and like things. The liquid saving is in the form of bank deposits, Chitti's, Hundis, Neighbourhood savings, local funds...etc. This may equip the people to face the financial emergencies in future.

Keywords: Saving, Financial emergency, financial securities.

INTRODUCTION

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Major saving components are categorised into 8; they are

- a. Savings Accounts.
- b. Certificates of Deposits.
- c. Stocks.
- d. Bonds.
- e. Mutual Funds.
- f. Real Estate.
- g. Commodities.
- h. Annuities.

The above-mentioned items are also belonging to the investments too.

REVIEW OF LITERATURE

NCAER (1964) conducted a study and published their reports in an article namely 'Attitude towards and motivation and saving'. It says that by considering the saving habits of the people, only people having a higher income saves their income in terms of financial securities. Dr. Ajay & Dr. Singh (1979) conducted a study in Delhi to realize the saving perceptions of households. It also reveals the reasons behind the same.

OBJECTIVE

1. To Study about the saving habits of rural youth.

METHODOLOGY

The study conducted in a local area that is Vadakkencherry by taking a sample of 80 persons. The method of sampling is snow ball sampling and they were being selected on arbitrary random basis. Simple numerical calculation including table has been used to study the same.

DATA ANALYSIS

Table.1: Gender

SI No	Male	Female	Other	Total
1	39	41	0	80

Source: Primary Data

The table explains the sample distribution. It shows about 39 persons from the total respondents are male and 41 are female.

Table.2: Category

SI No	BPL	APL	General	Total
1	48	28	4	80

Source: Primary Data

The total samples are categorised into three. They are; APL, BPL and General. In these groups, about 48 belongs to the BPL category, 28 belonging to APL, and only 4 belongs to General category

Table. 3: Age group

SI No	Age	Male	Female	Other	Total
1	15-19	9	8	0	17
2	20-24	8	7	0	15
3	25-29	14	16	0	30
4	30-34	8	10	0	18
5	Total	39	41	0	80

Source: Primary Data

This table explains the age wise categorisation of the total sample, again it classifies on the basis of gender. It shows about 17 respondents belonging to the age category of 15-19, out of it 9 are male and 8 are female. In 20-24 category, the total sample population is 15. In 25-29, it is 30. Out of it 14 are male and 16 are female. And in 30-34 category, it is 18. Out of it about 8 are male and 10 are female

Table.4: Education

SI No	Education	Frequency
1	LP	8
2	UP	32
3	SSLC	18
4	HSE	12
5	Graduation	5
6	Above Graduation	5
7	Total	80

Source: Primary data

The total sample are classified according to the education qualification. Out of 80 samples, 8 persons having a qualification of LP, 32 having UP, 18 having SSLC, 12 having Higher Secondary, 5 having graduation and only 5 having above graduation.

Table.5: Occupation

SI No	Occupation	Male	Female	Others	Total
1	Primary Sector	35	36	0	71
2	Secondary Sector	3	2	0	5
3	Tertiary sector	1	3	0	4
Total		39	41	0	80

Source: Primary data

On occupation wise classification shows that, 71 persons belonging to Primary sector, 5 belonging to secondary sector and only 4 belongs to tertiary sector.

Table.6: Income Level

SI No	Category	Total
1	< 10000	71
2	10000-20000	5
3	20000-30000	4
4	30000-40000	0
5	40000-50000	0
6	>50000	0
Total		80

Source: Primary Data

The table explains the Income wise categorisation of the total sample. It shows about 71 persons belonging to a category of less than 10000, 5 persons belonging to a category of 10000-20000, and 4 persons belonging to the category of 20000-30000.

Table.7: Level of Saving

SI No	Saving	Number
1	< 5000	37
2	5000-10000	16
3	10000-15000	6
4	15000-20000	5
5	20000-25000	4
6	25000-30000	4
7	30000-35000	3
8	35000-40000	0
9	No Saving	5
Total		80

Source: Primary Data

By considering the saving level of the total sample, about 37 persons trying to save an amount lesser than 5000. 16 Persons saving an amount in between 5000-10000, 6 persons saves an amount of 10000-15000, 4 persons belonging to a category of 20000-25000, another 4 persons belonging to 25000-30000 category, and only 3 saves an amount of 30000-35000. Along with that, about 5 persons who do not have any kinds of saving.

Table.8: Component of Saving

SI No	Type of Saving	Total
1	Savings Account	28
2	Post Office	20
3	Gold	8
4	Land	0
5	Financial Securities	0
6	Chitti	5
7	Local Fund	22
8	Neighbourhood	15
Total		98

Source: Primary Data



By considering the types of saving done by the people, about 28 persons saves in the form of keeping saving bank accounts, 20 persons have post office saving, 8 in forms of gold, 5 in chitti, 22 are in local funds and 15 in neighbourhood groups. The thing is that no one tried to keep their savings are in financial securities and land. In conclusion, the saving habits of rural youth are increasing, and at the same time an advanced form of saving is not known to the rural youth, especially in the form of financial securities. In the case of annuities too, this is applicable. The major conclusion from the study is that, till now also the primitive type of savings continues in rural areas, which means the advancement in the fields of savings are not known to the rural people.

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