

Expert Column

Let's Talk Money

By Preetha Wali, co-founder, PAY IT FORWARD

Let's talk money! Not that everybody dreams of making sacks and sacks of it. We are talking about Personal finance. A topic that is not actively taught to most of us during schooling. We usually learn money matters on the go and at the cost of making serious financial mistakes. And then there are a whole lot of myths that surround savings and investments. All this leads to a lot of confusion in investors' minds about the best way to go about it and what suits them. Everyone has dreams and goals, which change per each one's circumstances.

To make matters worse, youngsters tend to fear the word "finance" as they do not understand it thoroughly. They tend to ignore it till it is too late. Youngsters tend to depend on elders for most financial decisions in their lives. The primary reasons for not taking charge of their finances are their beliefs that finance is a grown-up domain, complex and hence tough to understand, full of complicated number crunching etc.

Young adults forget that they come with some strengths that best suit personal finance, like, they are single and are not responsible for somebody else as yet... they can save

without cramping their lifestyle...they can put away just a little, but that will grow into a substantial amount later in the day...

Youngsters tend to believe they do not need to save or invest while they don't earn (only get pocket money or gift money) or as soon as they start earning. They think they can put off the process till a few years when they are closer to taking on more extensive family responsibilities. As a result, they miss out on the opportunity to grow their investments to a large corpus with a smaller amount using the power of compounding they learned in their math class in middle school.

Remember, a penny saved is a penny earned. It's never too early to start thinking wisely about your finances. Think about how it makes you independent, secure, and self-respecting.

We hope this motivates many of our readers to take a hard look at their financial situation and rework where necessary so that they can lead a stress-free life and reach all their life goals.

