

FINANCE

Lesson Plan by TRUSS

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What is Money?

Money is the medium we use to get what we need in exchange for it. Now how did the money come to exist? People used to use a barter system when society wasn't as developed. This system was when 2 people wanted something from each other, they used to exchange it. For eg: Mukund and Prasanna are 2 cavemen. M wants some flour and has a goat which he can give in exchange. Now P wants a goat and he has flour to give in return. So now they would exchange their goods and both would be satisfied. But then what if P did not have flour in return to give and instead had a vase. M would be a bitch and not take it since he wouldn't want it. So the Barter system would not be very helpful. To make it simpler for us humans to buy things, money was created, something everyone wanted.

Handling Money

So now when humans had money they could not go around spending it however they like and buying everything and anything like M. There needed to be some regulations and restrictions regarding money. There also needed to be some laws about it. So who made these laws? The government

Banking

The government has soo.. Many responsibilities right? So what would they all look into? Now what they did was, They made one institution for the whole country which would look after its

money matters. Any guesses? It's RBI. So now RBI looks after all the other banks in India and what they are doing also decides how much money should be printed and circulated.

Saving Money

With the banks lending money to the people, one must also be careful while dealing with others' money as well as your own. Since handling money is a life skill that everyone must know. Saving money is not just enough now, you must save money SMARTly but before that why must you do it?

Without savings, when you want to purchase something, you have to borrow money. Borrowing is expensive because not only do you have to pay it back; but you also have to pay interest, often at a high monthly rate. Saving lets you avoid the interest you have to pay while borrowing money.

Needs and Wants

While you are saving money, you basically start cutting yourself from the expenditures. But while you do that you need to keep in mind where you can restrict yourself from spending and where it is absolutely important to. This is where the concept of Wants and Needs comes into place. You must be able to differentiate between the expenditures as which ones are wants and which ones are needs.

Wants are just something you wish to have and it is not like something without which you cannot live or your daily life is disrupted without it. Whereas needs are things which people's sustenance depends upon such as water, food, and a house.

Government Schemes -

Educational Loans through Vidyalakshmi Portal is an easy and effective system of getting educational loans so that no student leaves his/her education mid-way due to lack of funds. Common education loan application form is available for students. Visit: www.vidyalakshmi.co.in

1. CBSE Udaan scheme

The CBSE Udaan scheme for girls is implemented by the Central Board of Secondary Education, under the Ministry of Human Resources Development, Government of India. The goal of this scheme is to increase the student enrolment of girls in prestigious engineering and technical colleges across India. Students should go to their CBSE school to participate in this program.

- Offers free course materials/online services, such as video-related literature for girl students in the 11th and 12th grades.

- Virtual interaction courses for girl students in the 11th and 12th grades.
- Peer learning and mentoring opportunities for all deserving girl students
- Study helpline resources to clear students' doubts.
- Continuous observation and recording of students' progress.

Eligibility to enroll in the CBSE Udaan Scheme

- Girl students who are Indian citizens living in India
- Girl students must be enrolled in Physics, Chemistry, or Mathematics in classes 11th and 12th of CBSE-affiliated schools
- The annual family income of the student does not exceed Rs. 6 lakhs per annum
- Selection based on merit according to strict requirements

Lesser interest on loans taken by women: Many leading banks provide home loans to women at a lower rates of interest. In some cases of joint home loans, the banks also offer discounted loan rates if the woman is the first applicant for the specific loan. Averagely, the difference in the rate of interest is nearly 0.05%. In addition, women also get discounted car loans from banks as compared to their male counterparts. The net interest savings across the period of the loan allow women to save higher, provided the rate of interest remains the same throughout the loan tenure. This is even more beneficial when families take a large loan via a woman applicant. Apart from low-interest rates, some banks also waive any loan processing charges for women.

Mahila Shakti Kendra for overall women development:: This program by the government was launched in 2017 to financially empower women by providing skill development support, digital literacy, employment, and more. Each Shakti Kendra (at national, state, district, and block levels) offers an interface for rural women to avail benefits via training and capacity building.