

Integration of Financial Literacy into the National Curriculum

Handbook for Primary Level Teachers

September, 2022





The State Bank of Pakistan (SBP) is incorporated under the State Bank of Pakistan Act, 1956, which gives the Bank the authority to function as the central bank of the country. The SBP Act mandates the Bank to regulate the monetary and credit system of Pakistan and to foster its growth in the best national interest with a view to securing monetary stability and fuller utilisation of the country's productive resources.



A subsidiary of the central bank of the country, State Bank of Pakistan, NIBAF is a leading institute for the training of central and commercial bankers, micro and rural finance providers and management professionals of the country. It has extensive capabilities and expertise to design, develop, deliver and manage different types of training programs, workshops and seminars in subjects relevant to Economics, Banking, Finance and Management.



Pakistan Alliance for Early Childhood (PAFEC) is a national alliance of Early Childhood Development (ECD) stakeholders in Pakistan. PAFEC is registered with the Securities and Exchange Commission of Pakistan (SECP) under section 42 of the Companies Act, 2017. The Alliance is governed by a high-profile Board of Directors consisting of serving and retired government officials, representatives of civil society organisations and academia who are making a difference in the fields of early childhood development, education, health, nutrition, child protection and community development. The Alliance's secretariat is located in Islamabad.

Document:
Prepared for:

Integration of Financial Literacy into National Curriculum – Primary Level
Pakistan Alliance for Early Childhood (PAFEC)

Prepared by:

Mera Maan Private Limited
info@meramaan.org – www.meramaan.org/

Submission Date:

August 17, 2022
Revised as of September, 2022

Acknowledgement

The National Institute of Banking & Financing designed a project with the aim to develop financial literacy curriculum and to integrate it into the National Curriculum at Primary Level education in Pakistan so that the subject can be institutionalized and sustained over time. For this purpose, **NIBAF has engaged the services of “Pakistan Alliance for Early Childhood (PAFEC)** after a rigorous and appropriate selection process. The specific tasks under this project are; a) to develop financial literacy curriculum in selected subject areas and to integrate it into the National Curriculum from Grades 1 to 5; b) to create a training manual to train teachers at the Primary Level and a handbook for the trained teachers to take with them to educate students and their colleague teachers on the basic concepts of financial literacy. The PAFEC management would like to acknowledge the efforts of several parties involved in developing these training materials.

PAFEC pays its gratitude to the technical support provided by Muhamad Rafique Tahir, former Joint Educational Advisor of the Ministry of Federal Education & Professional Training, as well as the curriculum and subject experts, who ably supported the development of this training material by contributing their knowledge, experience, and valuable feedback.

Special thanks to the NIBAF team who provided the leadership and guidance in developing and implementing the initial version of the training materials during the pilot teacher training programme held at NIBAF on 2-3 August 2022, with 40 primary school teachers across Islamabad. A special note of thanks to the participating teachers for their review and suggestions for improvement.

Many people were involved in preparing this training material, without which it would not have been possible to complete this course. Of particular note are the efforts of Shahnaz Kapadia Rahat, CEO, Mera Maan Pvt. Ltd., who has put in her 36 years of module and curriculum development experience into designing the training material. Likewise, the efforts and contributions of Daniyal Kapadia Rahat and Chanzé Ahsan are worth mentioning, who provided continuous support, relevant information, and ground facts that made the development of this training module possible. The Mera Maan graphics team has also played a vital role in putting together the information in a logical sequence and making its presentation beautiful.



Khadija Khan
Chief Executive Officer
Pakistan Alliance for Early Childhood



Table of Contents

Acronyms	3
Introduction	5
1. Money	9
PT 1.1 RECOGNIZE MONEY BETTER	11
PT 1.2 WHICH IS HEAVIER?	12
PT 1.3 COUNTING MONEY	13
PT 1.4 KEEPING MONEY SAFE	14
PT 1.5 NOTES FROM FAR, FAR AWAY	15
PT 1.6 KNOW REAL FROM FAKE	17
2. Income	19
PT 2.1 SOURCES OF INCOME	21
PT 2.2 INCOME – ACTIVE & PASSIVE	22
PT 2.3 EARN TO SPEND	23
PT 2.4 EVERY WORK IS VALUABLE	25
PT 2.5 WORK IS WORK!	27
3. Expenses	29
PT 3.1 NEEDS OR WANTS	31
PT 3.2 REDUCE NECESSARY EXPENSES	32
PT 3.3 INCOME MAKING EXPENSE	33
PT 3.4 RECORD YOUR EXPENSES	34
4. Purchasing	35
PT 4.1 INTELLIGENT SPENDING	37
PT 4.2 MARKET SURVEY	39
PT 4.3 MARKETING TACTICS	40
PT 4.4 LET'S BARGAIN	41
PT 4.5 SMART BUYER	42
PT 4.6 ONLINE PURCHASING	44
5. Saving	45
PT 5.1 ALIF AND NOON – WHO IS BETTER?	47
PT 5.2 SAVINGS – WHY AND HOW	48
PT 5.3 WHY SHOULD I SAVE?	49
PT 5.4 DEVELOPING A SAVINGS PLAN	50
PT 5.5 KEEPING ASSETS SAFE	51



6. Banking	52
PT 6.1 BANKING SERVICES	56
PT 6.2 UNDER A PILLOW OR IN A BANK	57
PT 6.3 WELCOME A BANKER!	58
PT 6.4 VISIT A BANK!	58
PT 6.5 MY FIRST ATM CARD	59
PT 6.6 ONLINE PAYMENTS	61
7. Inflation	62
PT 7.1 RISING COSTS	65
PT 7.2 INFLATION, POP!	66
PT 7.3 COMBAT INFLATION – HOUSEHOLD TACTICS	67
PT 7.4 COMBAT INFLATION - BUSINESS TACTICS	68
PT 7.5 TRACKING PRICE CHANGE	69
PT 7.6 REDUCING EXPENSES TO COMBAT INFLATION	71
8. Investment	72
PT 8.1 REAP WHAT YOU SOW	75
PT 8.2 INVESTMENT – WHY & HOW?	76
PT 8.3 TAKE A RISK TO EARN A REWARD	77
PT 8.4 INTERVIEW AN ENTREPRENEUR	78
PT 8.5 MY BUSINESS VENTURE	79
PT 8.6 SOCIAL AND CIVIC INVESTMENT	80
9. Entrepreneurship	81
PT 9.1 EVERY OPPORTUNITY A BUSINESS!	83
PT 9.2 FROM A DREAM TO REALITY	84
PT 9.3 IDENTIFY BUSINESS OPPORTUNITIES	85
PT 9.4 REALITIES OF ENTREPRENEURSHIP	86
PT 9.5 WHY SHOULD I BE AN ENTREPRENEUR?	87
10. Financial Planning	88
PT 10.1 ABC OF BUDGETING	90
PT 10.2 IMPACT OF FINANCIAL DECISIONS	91
PT 10.3 BUDGETING FOR A SOCIAL CAUSE	92
PT 10.4 UNDERSTANDING FINANCIAL RELATIONSHIPS	93
PT 10.5 STAYING WITHIN A BUDGET	94



Acronyms

AED	Arab Emirates Dirham
ATM	Automated Teller Machine
CPI	Consumer Price Index
COVID	Coronavirus Disease
FL	Financial Literacy
NFLP	National Financial Literacy Programme
NFLP-Y	National Financial Literacy Programme for Youth
NIBAF	National Institute of Banking and Finance
PAFEC	Pakistan Alliance for Early Childhood
PKR	Pakistani Rupee
POS	Point of Sale
PT	Primary Theme
SAC	Shariah Advisory Committee
SBP	State Bank of Pakistan
USD	United States Dollar

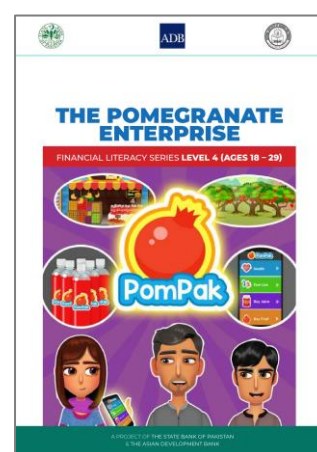
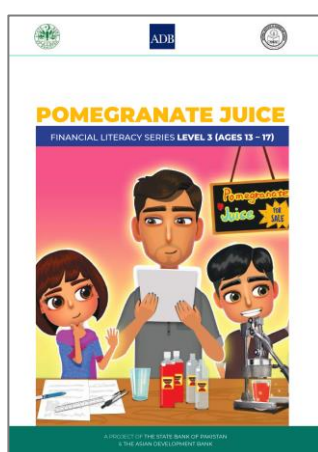
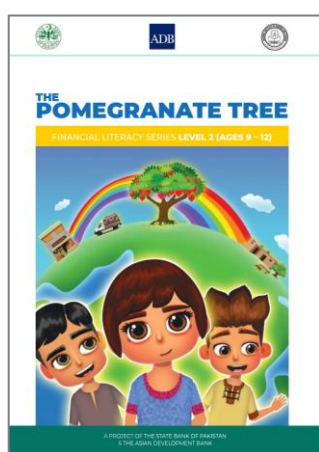
Introduction

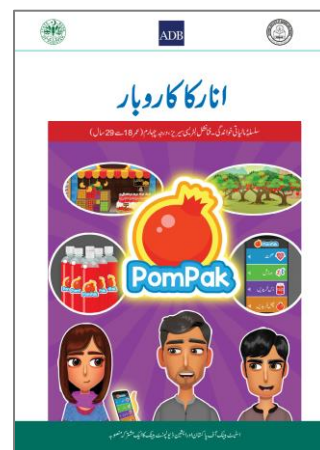
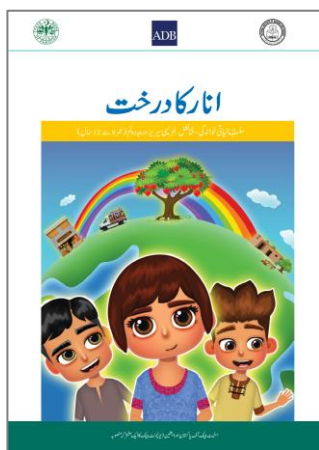
Financial literacy is the cognitive understanding of financial elements and skills such as money, income, expense, purchasing, saving, banking, inflation, investment, entrepreneurship, financial planning. The skills associated with financial habits and norms allow a person to more easily make financial decisions based on their attitudes, values, emotions, social norms, and contextual cues. These skills help people decide what's desirable and possible financially and guide their day-to-day behaviours, ranging from decisions about splurging on a treat to how much to save in a retirement account.

According to the "Access to Finance" survey carried out by the State Bank of Pakistan (SBP) in 2015, more than 50% of the adult Pakistani population (53%) is financially excluded. SBP defines financial exclusion as a lack of access to formal financial services such as quality payments, savings, credit and insurance services which meet their needs with dignity and fairness. In this regard, only 2.4% of the population has access to credit from traditional financial sources. Concepts such as saving, investing, and budgeting are still nascent for most Pakistanis, with many lacking essential money and financial planning skills.

Recognizing the urgent need to improve Financial Literacy (FL) amongst the masses, the government of Pakistan took the initiative to support and enhance the financial literacy ecosystem in Pakistan. As a result, the State Bank of Pakistan launched its National Financial Inclusion Strategy (NFIS), which included two programs conducted over the past decade, i.e., the National Financial Literacy Programme (NFLP) and the National Financial Literacy Programme for Youth (NFLP-Y).

The State Bank of Pakistan implemented the NFLP for approximately 1.5 million low and middle-income households. The training material was story-based and specially designed for low-literate participants, including participatory, interactive activities. However, since this program targeted marginalized and impoverished families, the chances of them saving, and becoming part of the banking economy remained low. Keeping in mind the Pareto principle (the 80-20 rule, i.e., 20% of the people end up contributing to 80% of the savings in an economy), a new program was conceptualized for different aged educated youth. This initiative is called NFLP-Y and is led by the National Institute of Banking and Finance (NIBAF). The aim is to take financial literacy messages to children and youth in selected schools, colleges, and universities. This target audience comprises of three age groups, i.e., children: ages 9 - 12 years; adolescents: ages 13 – 17 years; youth: ages 18 - 29 years). Designed as a stand-alone intervention, the NFLP-Y is implemented through a cadre of trained trainers implementing face-2-face training, using three offline modules/storybooks (in English and Urdu): the Pomegranate storybooks.





To date, the NFLP-Y has conducted more than 21,000 training sessions in 45 districts of Pakistan and trained around 10,00,000 students through face-2-face training.

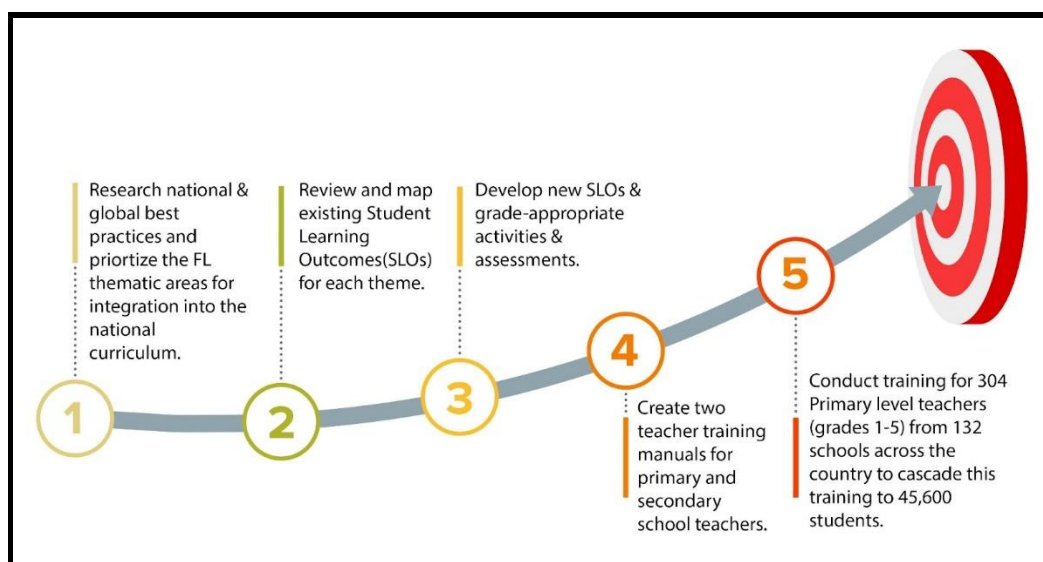
The State Bank of Pakistan's 'PomPak – Learn to Earn' App is a fun way to learn how to make, grow, and keep money. Those who complete this free game get a completion certificate as well. The game's scope is equally loaded as users learn about saving money, frugal living choices, borrowing, ethical behaviour, budgeting, and different financial tools banks offer.

E-Learning Outreach



- 9-12 year (100,080)
 - 13-17 year (127,948)
 - 18-29 year (362,201)
- Total Enrollments: **590,229**

Based on their experiences implementing stand-alone financial literacy courses, the State Bank of Pakistan and NIBAF concluded that the next step was integrating financial literacy into the National Curriculum of Pakistan at primary, secondary and tertiary levels to enable intergenerational transformation leading to sustained knowledge, skills and attitudinal change. NIBAF announced a project to this end, and Pakistan Alliance for Early Childhood (PAFEC) won the contract to integrate Financial Literacy into the National Curriculum for the Primary Level (Grade 1-5). The steps taken for the implementation of this project are as follows:





The Handbook contains ten prioritized financial literacy themes as follows:



The repository of activities, and the session details, are indicative. The teachers can use these to develop new activities or adapt to their student's unique needs and circumstances.

We hope, as teachers, you enjoy the activities proposed in this Handbook and use these extensively in your various classes. We have added an Action Plan (as Annex-1) which you may use to plan the integration of the financial literacy content into the different subjects you teach.

We wish you the best of luck.



Money

1

I. What is Money?

Money is a medium of exchange used for the payment of goods and services. The value of money comes from an agreement between all people that certain forms of money can be exchanged for goods and services.

Money originated to avoid the complications associated with bartering. Instead of exchanging five goats for a cow, a person could now buy a cow and sell five goats using money. One of the earliest forms of money was metal, such as gold or silver. Since then, money has transformed into coins, notes, plastic money (credit and debit cards), and digital money. The system of money generally used in a country is called currency. The currency of Pakistan is the Pakistani Rupee.

Adults exchange money when they buy things. Children learn that people, things, and money have value as they grow and start to make financial choices. In this theme, children will learn that adults exchange money for something, money is finite (in limited supply), and some features separate an authentic note from a counterfeit.

II. Key Messages About Money?

Q-1

What does paper money in Pakistan look like?

Money comes in different sizes, colours, values, and symbols, as highlighted in the table below:

Note	Color/s	Numerals	Monument	Size
10	Green	10 / ١٠	Khyber Pass, Peshawar	Smallest
20	Brown, Orange and Green	20 / ٢٠	Mohen-jo-Daro in Larkana	Slightly larger
50	Purple and Blue	50 / ٥٠	Karakoram Peak	Slightly larger
100	Red and Pink	100 / ١٠٠	Quaid-e-Azam Residency in Ziarat, Quetta	Slightly larger
500	Green and White	500 / ٥٠٠	Badshahi Mosque in Lahore	Slightly larger
1000	Blue and White	1000 / ١٠٠٠	Islamia College in Peshawar	Slightly larger
5000	Brown and Pink	5000 / ٥٠٠٠	Faisal Mosque in Islamabad	Largest

For those that are visually impaired, the following braille features are incorporated in all notes:

 KQ0029029 Rs. 20 (1 Line)	 SY1433103 Rs. 50 (2 Lines)	 VU5764174 Rs. 100 (3 Lines)	 PL2245893 Rs. 500 (1 Dot)
 XA5449993 Rs. 1000 (2 Dots)	 DG2216730 Rs. 5000 (3 Dots)		



Q-2

Where does money in Pakistan come from?

According to the Constitution of Pakistan, only the State Bank of Pakistan has the right to print and issue bank notes.

Q-3

What is the value of money?

All money has an inherent value. The State Bank of Pakistan determines the value of each note it prints, and that value is accepted across the country. Rs. 100 has more value than Rs.10 because the former has more paisa than the latter.

Q-4

What is money used for?

Money is used as a medium of exchange for goods and services.

Q-5

Is all money real money?

Certain features of an authentic note distinguish it from a counterfeit or fake. These features are highlighted in Activity (T) 1.6.

Q-6


How has money transformed through time?

Money has evolved. Beginning with seashells as payment, followed by bartering, metal coins, paper money, plastic cards, and now digital money.

III. **Learning Outcomes:** By the end of the session, learners will be able to...

1. Identify ways in which money is used as an exchange for goods and services.
2. Recognize the unique features of currency.
3. Appreciate the value of money.
4. Count coins and currency notes of different values.
5. Recognize the purchasing power of a note varies.
6. Recognize that money is finite and that only the State Bank of Pakistan can create it.
7. Differentiate an authentic note from a fake.
8. Compare Pakistani currency with foreign currency.

IV. Repository of Activities for Students

Activity	RECOGNIZE MONEY BETTER					
PT 1.1	پیسوں کو پہچانو					
Learning Outcome	By the end of the session, learners will be able to: <ul style="list-style-type: none"> Recognize the unique features of money. 					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 1-5

Step-1: Ask students to pull out any coins or money notes they may have brought for use that day. Ensure you have a few higher-value notes in your pocket to show the students.

Step-2: Now, ask the students to collect two complete sets of notes and coins that exist as money, i.e., notes of Rs. 10, 20, 50, 100, 500, 1000, and, if possible, 5000 (you can arrange this).

Step-3: If you have collected two sets of notes and coins, then place these on a flat surface where it is possible to see both sides of the coins and notes. Now ask the students to walk up to the table with their notebooks and jot down some key features of the notes and coins, e.g., size, colour, visual, and number.

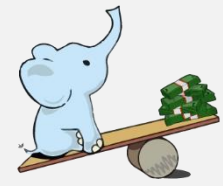
Step-5: Using the information in the key messages, highlight that the monuments are visible in the various notes. Ask the students where these monuments are and what is its significance.

Step-5: If time and resources permit, have the students develop sketches or posters highlighting the key features of notes and coins.

Step-6: Ask the students some quiz questions, such as: What is the note's value with Badshahi Mosque? Where is the Badshahi Mosque located in Pakistan? What is its history? Have similar discussions for the other notes as well.

Step-7: Ask the students how the visually impaired would recognize coins and notes. Tell them that all notes are different in size and have a unique feature that can, through touch, distinguish the notes.



Activity	WHICH IS HEAVIER?					
PT 1.2	کس کا مول زیادہ؟					
Learning Outcome	By the end of the session, learners will be able to: <ul style="list-style-type: none">Recognize that purchasing power of a note varies.					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 1-3

Step-1: Ask students to pull out currency notes in the denominations of 10, 20, 50 and 100. If you have some paper tape, display the four notes on the board.

Step-2: Ask the students how these notes differ. Expect responses such as size, visuals, colour, and the numbers written on the notes.


Step-3: Ask the students which of the four notes has the most value. They may point to Rs. 50 as having the most value. Ask the students what 'having the most value' means. Generate a discussion and highlight that a higher value means you can purchase more with Rs. 50 as compared to Rs. 10 or 20. So one will be able to buy more toffees with Rs. 50 as compared to Rs. 20.

Step-4: Ask the students why Rs. 50 is more valuable than Rs. 10 or 20? It is essential to explain that one Rupee has 100 paisas. Ask the students how many paisa are there in Rs. 10. And Rs. 20? And at Rs. 50?

Step-5: Conclude the discussion by emphasizing that money exists as notes and coins. And all notes and coins have a value associated with them, which is written on the notes and coins. The note with the higher denomination has more value and, therefore, more purchasing power.

Step-6: If appropriate, give the students a home task where they have to calculate the number of paisas in notes of various denominations.



Activity	MONEY TRANSACTIONS					
PT 1.3	پیسوں کا لین دین					
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none">Identify ways in which money is used as an exchange for goods and services.Count coins and currency notes of different values.					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 2-5

Step-1: A few days before the session divide the students into two groups, i.e., buyers and sellers. Assign tasks as follows:

BUYERS: Ask the group of buyers to DRAW and bring notes for a value of Rs. 50. They can decide the denominations, i.e., one note of 50, or 10 notes of 5; or 2 notes of 10, 4 notes of 5, and 5 notes of 2, etc. It is up to them. Tell the students that they must make the notes as real as possible.


SELLERS: Ask the group of sellers to DRAW products on separate pieces of paper, such as toy cars, toffees, chocolate, vegetables, fruits, chips, ice cream, etc. They should put one product on one piece of paper, so if they want to bring 2 products, it will be on two pieces. Assign a value to every drawn product, e.g., a toy car for Rs. 35, toffee for Rs. 5, chocolate for Rs. 15, orange for Rs. 10, etc. Tell the students that no product can be for more than Rs. 50.

Step-2: On the day of the session, have all the sellers stand on one side of the class. They must hold their paper product/s and loudly advertise to attract buyers. The buyers must engage with the sellers and purchase the products they want by paying for them. Remind the buyers of the concept of needs and wants and that money is finite. In this case, all the buyers have only Rs. 50.

Step-3: Observe the engagement between the buyers and sellers. Notice how the buyers and sellers keep accounts and whether they count their money correctly.

Step-4: Wrap up the activity by asking the students how they liked it and whether they correctly counted their money during various transactions. Ask the buyers and sellers what would happen if they did not count the money they gave and received. Explain that 'hisab kitab' is essential to protect their money. Also, highlight that you must jot down what you purchased and how much.



Activity	KEEPING MONEY SAFE					
PT 1.4	پیسوں کی حفاظت					
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none">• Recognize the unique features of money.• Appreciate the value of money.					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 2-3

Step-1: Ask the students what are valuables? Agree that any item that one would not like to lose is valuable. Ask the students if they can think of things that are valuable to them and why. It can be a favourite toy, jewellery, watch, or money. Probe the students for why something is of value. It could be because someone special gave it to you or because precious memories are attached.


Step-2: Ask the students if they think money is valuable. Agree that money has value since it can be used to buy other valuables. Ask the students where they should keep their valuables. Expect answers such as in a safe place. Ask the students what a safe place is. Explain that this may be a place which is not accessible to others, where the item can be protected from being damaged or stolen, etc.

Step-3: Ask the students where they can place money to keep it safe. Draw a fridge, a washing machine and a flowerpot. Ask the students if they would put their money in these places. The answer is a 'BIG' no. Ask them where money is placed to keep it safe. Brainstorm and note on the board. Some responses include wallet, pouch, money box, safe, and bank. Tell the participants that wallets protect the notes from tears and damage. A money box and safe keep the money safe from being stolen. It also deters spontaneous spending by self.

Step-4: Ask the students where they keep their money. Facilitate brainstorming and note student responses on the board. Many children say they put their money in a savings box or galla. Ask how many of the children do NOT have a money box. Ask the students if they were to make a money box at home, how would they do so. Note ideas on the board, and emphasize that attractive money boxes can be made by recycling card box boxes, tin containers, glass bottles etc.

Step-5: Conclude that there may be two categories of money boxes. One can be opened at will so that money can be easily accessed. And two, the type that is sealed, and money can be accessed only by destroying the box. There are pros and cons for both.



Activity	NOTES FROM FAR, FAR AWAY					
PT 1.5	مختلف کرنسی، مختلف قدریں					
Learning Outcome	By the end of the session, learners will be able to: <ul style="list-style-type: none">Compare Pakistani currency with foreign currency.					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 4-5

Step-1: Tell the students that every country has a currency, i.e., an agreement between the people of that country that certain forms of money will be exchanged for goods and services. Tell the students that the currency for Pakistan is rupees, which should not be confused with the Indian Rupee or the Indonesian Rupiah.

Step-2: Ask students to name other country currencies and notes on the board.

Step-3: Ask students if they think the value of all currencies is the same in the world, i.e., can one buy the same things with the U.S. \$10 as with Rs.10? The answer is NO. Ask the students why this is so. Explain that just as there is agreement on the value of a currency within the country, there is also a system to compare currencies across the countries.

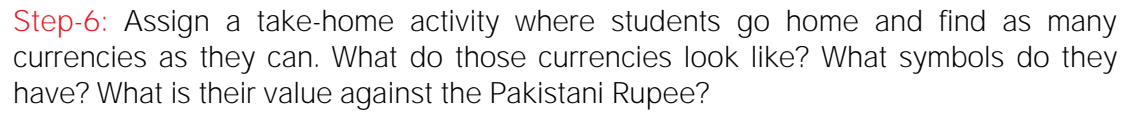
Step-4: Now, write the following currencies on the board. Either prepare yourself to write the current rates for each currency, or as a task, ask the students to find the latest rates, and note the values on the board:

U.S. dollar (\$)	1	=	?
Australian dollar (\$)	1	=	?
British Pound (£)	1	=	?
Euro (€)	1	=	?
AED (ا.د)	1	=	?
Indonesian Rupiah (Rp)	?	=	Rs.1

Ask students what they notice. Take some comments and highlight them as follows:

- Different countries have different currencies that look different as well. Ask students to name various countries and currencies on the board. Clarify that U.S. dollars are different from Australian dollars, and Euro is the currency for European Union and all countries associated with it.
- The Pakistani currency may be stronger or weaker in value against other currencies. If a currency is stronger than the Pakistani Rupee, it takes more Rupees to buy one 1 unit of that currency.


Step-5: Provide students with word problems to calculate the value of a Pakistani rupee against other currencies or one foreign currency against another. For example, how many rupees are in USD 5? How many paisas are in Rp.1? If possible, ask students to bring pictures of different currencies and share them with the class, so they can recognize that notes and coins look very different worldwide.



Step-7: Prepare yourself to respond to additional questions, such as why some currencies are stronger than others, how is the exchange rate determined, what causes currency rate fluctuations, etc.

[illegible]



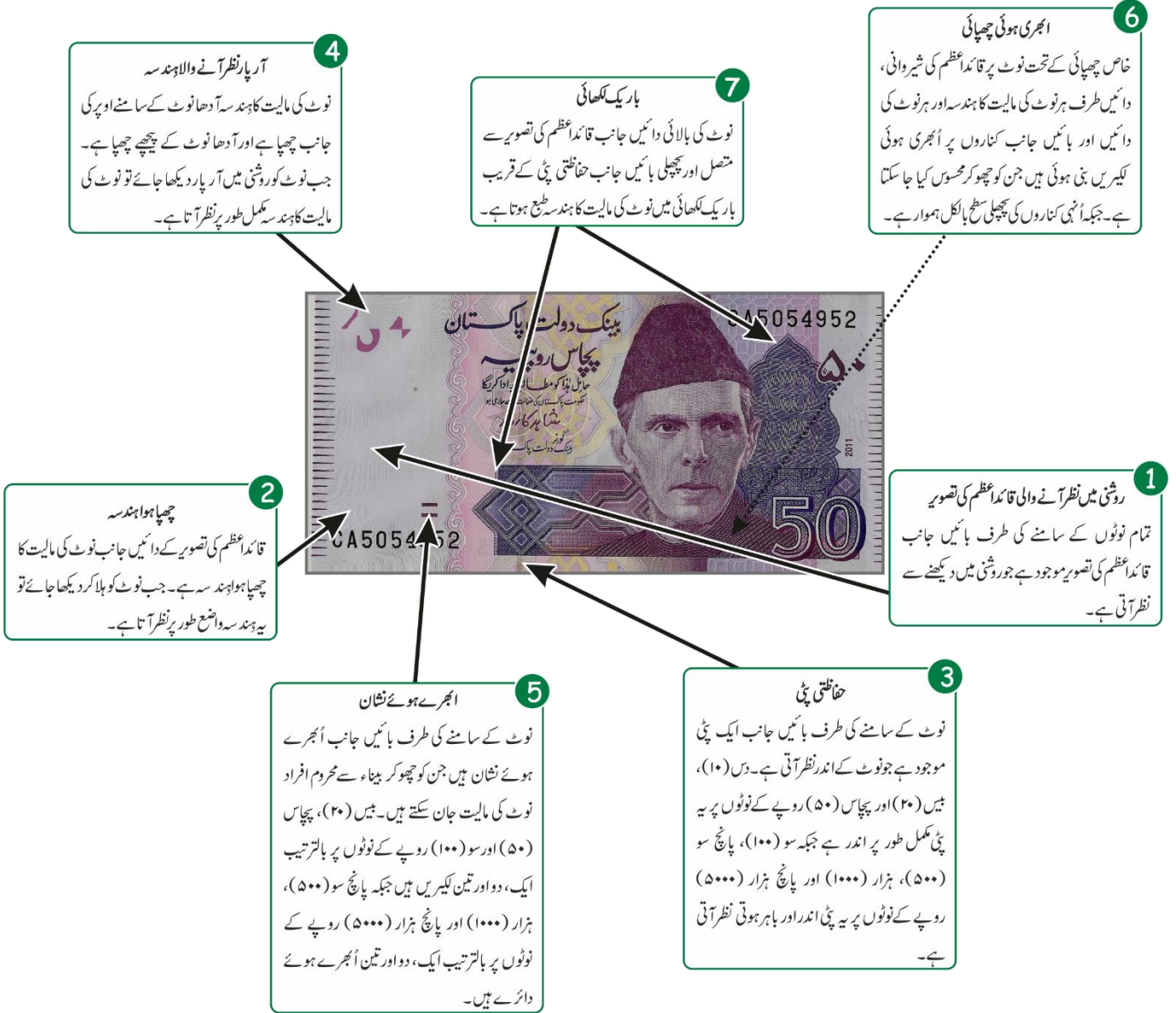
Activity	KNOW REAL FROM FAKE					
PT 1.6	اصل کی پہچان ضروری ہے					
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none">• Differentiate an authentic note from a fake.• Recognize that money is finite and that only the State Bank of Pakistan can create it.					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 4-5

Step-1: Hold a 50 rupee note in your hand and ask students if they think it is a natural note or fake. Pass around the note and let the students feel it. Most students may say that it is a real note. Ask them what indicators they used to say the note is real. They may not have any specific answers.

Step-2: Tell the students that 8 checks are built into every printed currency to ensure it is real. One by one, go through the indicators or security features of a note (see visual below). Emphasize to students that if even ONE feature is missing on a note, it is a counterfeit and must be reported. Ask students to pull out a note and observe these features. Also, encourage students to go home and share this information with their parents and family members. Inform students that there are only two types of notes: real notes and counterfeit notes. ONLY the SBP of Pakistan has the right to produce and issue notes in Pakistan. If ANYONE else

Step-3: Ask students why it is important to distinguish real notes from fake? Tell them that circulating any fake notes is a criminal offence punishable by law. One can only use those notes printed by the State Bank of Pakistan. Tell the participants that since certain miscreants in society print and circulate fake notes, every citizen must know how to distinguish a genuine note from a fake. And if they ever come across a phoney note, they must immediately report it to the police.

نوٹ پہچاننے کی 7 نشانیاں





Income

2

I. What is Income?

Income is money an individual or business receives to provide labour, produce a good or service, or invest capital. Individuals typically earn income through wages or salary, while businesses earn income from selling goods or services above their cost of production.

There are four types of income, i.e., earned or active income, portfolio or investment income, passive income and inherited income. Examples of each kind of income are given below:

- Earned or active income: wages or salary, day job, labourer, fees for part-time or consulting work, customer service work, etc.
- Passive income: renting properties, becoming a shareholder in a company, having a savings account that earns profit, buying stock in various corporations, investing in mutual funds, becoming a part owner of a company, renting or leasing equipment, etc.

An additional source of income for some is the inheritance or gifted income, where one may receive assets, including cash and property, from others or after someone dies. The best scenario is where people have access to multiple sources of income to generate money, which they can then use to meet their needs and wants.

II. Key Messages About income

Q-1

Why should one earn an income?

Income provides economic resources that shape choices about housing, education, child care, food, medical care, and more. Wealth, the accumulation of savings and assets, helps cushion and protect us in times of economic distress.

Q-2

What can one do with an income?

Income brings in money which is converted into spending and saving.

Q-3

Why have an active income?

An active income ensures that there is a consistent income stream that allows you to make money in a short and defined period of time i.e., salary. Often, an active source of income is necessary in order to lay the foundation for a passive source of income.

Q-4

What is the advantage of a passive income?

Money is limited or finite. It helps generate extra cash flow, whether through running a side business or just getting a little extra dough each month, especially as inflation rages throughout the economy.



Q-5

Who is capable of earning a better income?

- Those with better education
- Those with better goodwill and work experience
- Those who have full-time jobs rather than part-time or seasonal work
- Those who have received training and have better skills and knowledge
- Those who have the capacity to work very hard
- Those who live in areas with many jobs opportunities
- Those who have better social connections
- Those who have multiple sources of income, i.e., active income, portfolio or investment income, passive income

Q-6

What must one do to increase income?

Increase level of effort, time, skills, education, contacts and connection. One should also learn to live within ones means to lead a quality and dignified life.

Q-7

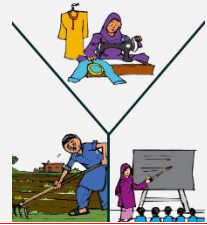
Do children have a source of income?

Some have pocket money, some receive cash gifts from relatives and parents, some engage in activities such as giving tuition, selling old toys, books, old clothes (with parents' permission), recycle packing and packaging material, etc. Some children may also perform additional tasks for the family (other than shared responsibility) and earn an income to meet the target for the purchase of a particular item such as a computer, toy, stationery, etc. Children must distinguish between shared responsibilities as members of a family and home tasks that earn them money.

III. **Learning Outcomes:** By the end of the session, learners will be able to...

1. Recognize that income is a source of money.
2. Understand that money is finite and must be earned.
3. Describe the different sources of earning money.
4. Distinguish between passive and active sources of earning money.
5. Recognize that money is received in exchange for work.
6. Appreciate the importance of hard work as a means of increasing their income.
7. Recognize that there are different ways of expanding one's revenue stream.

IV. Repository of Activities for Students

Activity	SOURCES OF INCOME				
PT 2.1	کمائی کے ذرائع				
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none"> Recognize that income is a source of money. Describe the different sources of money. Recognize that money is received in exchange for work. 				
Subject/s	Urdu	Islamiat	Math	G.K	S.St
Grade/s	1-3				

Step-1: Ask the students who fulfils their needs and expenses and earns money for them. The obvious answer will be their family members.

Step-2: Show a picture of a boy or girl counting money. Tell the students that the boy is Ali - or the girl is Alina, and they are counting their income. Ask the students how they think Ali or Alina got their income. **Students' responses will include pocket money and allowances, gifts, eidi, close relatives, sale of old books and clothes, etc.**

Step-3: Ask the students if like Ali and Alina, they also receive money? It is likely that most children receive pocket money and cash gifts and eidi from family members and relatives. Ask the students what is the name we can give to the money received by them? Tell them that it is called their income.


Step-4: Ask the students how is income earned? First give your example. Tell the students that you are a teacher employed with a school. You have a job to do, in which you undertake many tasks, e.g., prepare lessons, teach the classes, mark students' copies, etc. Ask the students what you get in return. Tell them that you are paid a salary each month for your teaching job. This salary is your income.

Step-5: Tell the students that every family also has one or more sources of income. Ask students to identify how their family gets their money. Ask the students to share the jobs and professions of their family members. Responses will include reference to jobs, business, investments. Conclude the discussion with the critical message that income is the source of money that is received after doing some job or work.

Step-6: Conclude the discussions by highlighting that money is earned through jobs, business and investments. And money earned is called an income.

Step-7: Give the students a home task. Ask them to find out the income source of three family members or relatives and note the information in their notebook for future sharing.



Activity	INCOME – ACTIVE & PASSIVE					
PT 2.2	آمدن - فعال غیر فعال					
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none">• Recognize that income is a source of money.• Describe the different sources of money.• Distinguish between passive and active sources of earning money.					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 3-5

Ask students to list different essential and non-essential expenses that they have observed at their homes. Ask students to compare the two types and decide which is better.

Step-1: Write this question on board and let the students to solve it.

Sadia's father is a banker. His monthly salary is Rs.60,000. Sadia's mother is a tutor and gets Rs.25,000 from tuition. Find out the total income that is earned by Sadia's parents?

The children will solve and get answer i.e., Rs.85,000.

Step-2: Now tell the students that her grandfather also lives with them. He also earns money but he does not go out for work as he has shops on rent. He receives a monthly income of Rs. 50,000 from the rent on his many shops.


Step-3: Ask the children what is the difference between the earning of Sadia's parents and her grandfather. **The students may say that Sadia's parents get money by actively working or spending their time, while her grandfather earns without working.**

Step-4: Explain to the students the concept of active and passive earning. Clarify that an active income is earned by actively working every day and putting in time, for example going to a job or running a business. A passive income can be earned without putting in any time or effort, e.g., getting pension benefits, allowances, rent, or from return on investments. **In other words, it is money made 'while you are sleeping'.**

Step-5: Ask the students if they know of people around them who do not go for work but still have a good earning. The students may give examples of pension holders, those who have given their house or shops on rent, those who have shares in other people's businesses, etc.

Step-6: Conclude the discussions by highlighting that sound financial planning is where a person has both sources of income, i.e., active and passive.



Activity	EARN TO SPEND					
PT 2.3	کماؤ گے تو پاؤ گے					
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none"> Understand that money is finite and must be earned. Recognize that money is received in exchange for work. Appreciate the importance of hard work as a means of increasing their income. 					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 1-5

Step-1: Prepare in advance the following:

- 30 pictures of various items with price written on them. One slip of paper should contain only 1 picture with a price tag. No picture item should cost more than Rs. 15 and all prices should be in multiples of 5 (for easy transaction). The picture items may include a ball (Rs. 5), a doll (Rs. 10), a toy car (Rs. 20), bread (Rs.15), milk (Rs. 20), etc.
- Paper notes in denomination of Rs. 5 (20 notes), 10 (20 notes), 20 (15 notes) and 50 (5 notes).
- Write on slips of paper 7 tasks: clean the board (Rs.10 – 3 persons needed), draw a ball on the board (Rs. 5 – 3 persons needed), draw a scenery (Rs.15 – 3 persons needed), bring water for the teacher (Rs.20 – 2 persons needed), bring a flower (Rs.15 – 1 person needed), sing a song (Rs.20) – 3 persons needed, sing the national anthem correctly (Rs. 50 – 2 persons needed).


Step-2: Write the word INCOME on the board. Ask the students how they fulfill their expenses and needs. Tell the students that the money they receive as pocket money, cash gifts, or for any work done is income.

Step-3: Place the picture items on a flat surface where all are visible to the students. Ask the students what is required to purchase these items. Expected response is money. Tell the students that the price of each item is written on the picture card. Ask the students how much money they have? Some may have brought lunch money. Tell them that for the time being, those who have money can buy the items with their real money (which would be returned later).

Step-4: Now ask those who do not have any money if they would like to earn an income and use that to buy the picture items? Display the 7 tasks on the board, with the associated pay and the number of jobs opening. Ask all students to apply for the job. But inform them that there are only 17 jobs opening, meaning that not everyone will get a job. Select the 17 students who will do the job. Then let them complete their jobs and pay them.

Step-5: Now ask everyone once again whether they want to purchase the picture items. Those who earned money through doing the jobs will now be able to buy. Ask everyone how much they were able to earn. Explain that the income they earned is finite or limited so they have to be careful and protect their income so that it is enough for all their needs and wants.



Activity	EVERY WORK IS VALUABLE					
PT 2.4	ہر کام کا دام					
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none">• Describe the different sources of earning money.• Appreciate the importance of hard work as a means of increasing their income.• Recognize that there are different ways of expanding one's revenue stream.					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 1-3

Step-1: Use the following link to prepare yourself with some points regarding the different occupations of Holy Prophets of Allah.

<https://youtu.be/v4AbGyeJx6c>

Then ask the students the following questions:

- Why kinds of skills did the prophets of Allah have?
- What did they use their skills for?
- Was it important for them to have these skills? Why?

Conclude the discussion by highlighting that every human being, men, women, transgender people must utilize their intellect and skills to do a job, generate an income. After getting answer from students, conclude that doing some job or task is necessary for earning money.

Step-2: Tell the students that they can do little tasks or jobs in the class and around the school and earn money. Display a Classroom Task Chart on the board. Explain the task description and ask the students to select themselves for each job written on the chart. Give each task or job a value, e.g., 1 star, 2 stars, 3 stars, etc. Explain why some jobs or tasks get more stars as compared to others. To get help in making a Classroom Task Chart, see the visual attached at the end of the activity.

Step-3: Further tell them that after 3 days the names of students will be changed and in this way every student will get a chance to earn money.

Step-4: Announce that each student will earn money according to the quality of his/her work. You will note down the quality by placing stars on the name tags of the students.

Step-5: At the end of month announce the earning per student in form of stars/fake money.



Build Your Own Job Helper Chart



Kindness Helper	♥
Substitute	👤
Botanist	🌱
Zoologist	🦁
Center Helper	👧

Class Jobs	
Line Leader	👤
Caboose	👤
Kindness Helper	♥
Song Helper	👤
Schedule Helper	🕒
Sweeper	👧
Door Holder	👧


Song Helper	👤
Placemat Helper	👤
New Friend Helper	👤
Weather Helper	🌈
Transition Helper	👤



PRESCHOOL
inspirations

Greeter	👤
Table Helper	👤
Paper Helper	👤
Librarian	👤
Organizer	👤



Activity	WORK IS WORK!					
PT 2.5	چلتے پھرتے کماؤ					
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none">• Recognize that money is received in exchange for work.• Appreciate the importance of hard work as a means of increasing their income.• Recognize that there are different ways of expanding one's revenue stream.					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 2-5

This activity will facilitate the making of a list of jobs that the children can do at home to 'earn' their allowance/canteen money/or things they want their parents to buy. Send the Jobs Chart home with the students to share with their family. Also send a note home describing to parents that they may choose to give real or fake money to their children, and encourage them to use their children's "save", "spend" and "give" containers.

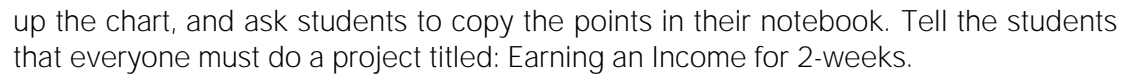
Step-1: Write the word JOBS on the board. Ask the students what they understand by this word. Describe a job as a task or piece of work, especially one that is paid. Ask the students what kinds of jobs they are familiar with and brainstorm a list on the board.

Step-2: Ask the students why different jobs have varying pays. For example, a scientist may be paid more than a gardener. A driver may be paid more than a cook. And a manager may be paid more than the peon. Similarly, if there are 10 teachers in a school performing more or less the same tasks, they may still be getting a different salary. Some of the reasons for income variation are due to education, work experience, better training, better skills and knowledge, capacity to work hard and smart, better contacts and connections, better communication skills.

Step-3: Tell the students that regardless of pay, all jobs are crucial, and therefore all jobs, and job holders, should be deeply respected. Just as the teacher performs a critical role in the school, so does the gardener, the sweeper and the security guard. Regardless of the income they earn, their work is of much value. Imagine if the sweeper does not come to work for 2-days. What would happen?

Step-4: Ask the students if they have ever undertaken small jobs (chores) that has earned them money. Most students may say no. Ask the students if they can do small tasks in their neighborhood, or for the family, that can earn them an income. Use the link (https://youtu.be/J_Duz9y-ohc) to learn more about "A Story About Earning". Adapt the story and share it with the students to inspire their thinking. Distinguish between forced labor, and the utilization of free time that can convert into decent work that will earn them an income. Or else refer to this interview (<https://www.youtube.com/watch?v=XX8NChnSV7Q>) conducted by Pakistani motivational speaker, Hammad Safi. Following the interview, guide a discussion on how students can encourage their mothers and sisters to seek an income, in spite of environmental factors restricting their income-earning capacity.

Step-5: Now facilitate a brainstorming on the kinds of tasks students can do at home and in their neighborhood to generate an income and note the points on a chart. Hang



Step-6: Send a note to the parents to explain the concept of time-work-income to them, and to encourage them to find ways for the students to generate paid work for two weeks – either around the house or the neighborhood.

Step-7: If required, make a plan with other teachers to pay the students by buying or utilizing their skills to encourage them.

Step-8: Encourage the students by discussing this project for at least 5-minutes until the end of the task period.

[illegible]



Expenses

3

I. What are Expenses?

An expense is the exchange of money for an item, service, or any other category of costs. Before the advent of money or hard currencies, people used to trade goods or services to meet their needs and wants. However, since the introduction of some form of money, people have been using it to purchase goods or services.

Expenses can be necessary or unnecessary. Necessary expenses satisfy needs, e.g., food, water, clothes, housing, and unnecessary expenses satisfy wants, such as toys, fancy meals, outings etc. Where income is limited, expenses for unnecessary items can, and should, be avoided or reduced. For example, money spent on eating can be avoided or reduced by cooking at home. While the expenses for necessary items cannot be avoided, they too can be curbed or reduced, e.g., the cost of household electricity bill can be reduced by turning off unwanted lights.

Expenses can also be income-generating and non-income generating. Income-generating expenses refer to expenses that create an income. For example, if you buy a sewing machine to make clothes that you later sell, the expense of the sewing machine is income-generating. However, if you use your sewing machine to sew your clothes or help out those in your neighbourhood (without payment), the sewing machine becomes a non-income generating expense because it does not create more income. Both types of expenses depend on your intent. The same sewing machine can look different depending on whether you intend to make income from that expense or not.

II. Key Messages about Expenses

Q-1

What are expenses?

An expense is the exchange of money for an item, service, or any other category of costs.

Q-2

Why makes an expense?

Expenses satisfy needs (essential groceries, utilities such as electricity, gas, internet) and wants (toys, games, socializing).

Q-3

How can you be smart about your expenses?

It is very important to distinguish between your needs and wants and find ways to reduce necessary and avoid unnecessary expenses.



Q-4

What is an income-generating expense?

An expense that makes money for you. It can be useful because it helps generate revenue.

Q-5

What is an income-generating expense?

An expense that makes money for you. It can be useful because it helps generate revenue.

Q-6

What is a non-income generating expense?

An expense that does not make money for you.

Q-7


How to track expenses?

In addition to separating needs and wants, it is important to regularly note expenses so that it is possible to know how much was spent, when, and on what. A spending diary is one tool to help with such tracking.

III. **Learning Outcomes:** By the end of the session, learners will be able to...

1. Distinguish between necessary and unnecessary expenses.
2. Describe the importance of budgeting as a way to manage and control costs.
3. Distinguish between income generating and non-income generating expenses.
4. Describe ways to eliminate or reduce non-essential and wasteful expenditures.
5. Describe how recording expenses can lead to more disciplined spending.

IV. Repository of Activities for Students

Activity	NEEDS OR WANTS ضروریات یا خواہشات					
PT 3.1						
Learning Outcome	By the end of the session, learners will be able to: <ul style="list-style-type: none"> Distinguish between necessary and unnecessary expenses. 					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 1-5

Step-1: Ask the students to list in their notebook how much money they get within a year and from what sources (pocket money, canteen money, on Eid, gift, other). Tell them that this constitutes their income for the year. Ask them to now think about how they spend this money, i.e., what do they buy? Do they spend their money on needs or wants?

Step-2: Write 'expenses' on the board. Remind them that the act of spending money is an expense. Make two branches under the word 'expense'. Write necessary (needs) under one branch and unnecessary (wants) under the other.

Step-3: Ask the students what are necessary expenses. Clarify that some things are essential, and must be bought to meet human needs. For example, going to school, eating lunch, wearing clothes, etc. Expenses that meet needs are necessary. Ask students to brainstorm necessary expenses (needs) they incur, e.g., purchase of school stationery, copy, books, transport, food at the canteen, etc. Ask for examples of necessary expenses at the family level, e.g., bills for electricity, gas, house rent, school fees, essential transport, clothing, basic food, toothbrush, soap, etc.


Step-4: Ask the students what unnecessary expenses are. Explain that some things are unnecessary to buy but make you happy, so you want to have them. They are called wants. For example, buying a new toy and eating ice cream are both wants. Expenses that meet wants are unnecessary. Ask the students to brainstorm some unnecessary expenses (wants) they may be spending their money on, e.g., junk food, candy, movie tickets, video games, toys, games, etc.

Step-5: Ask the students why it is essential to distinguish between needs and wants. Tell the students that if one has unlimited money, both needs and wants can be fulfilled. However, if one does not have enough money, it is better to cut unnecessary expenses than necessary expenses.

Step-6: To further distinguish needs and wants, give an example. If one is hungry, the hunger can be satisfied with Rs. 50 roti/salan or a burger for Rs. 200. The roti salan is a need, while the burger is a want. For a student, a simple pencil eraser is a need, whereas a fancy flashy designer pencil and a toy-shaped eraser are a want.

Step-7: Explain that money buys both needs and wants. Sometimes people confuse their needs and wants and spend too much money on things they want. Then they run out of money for necessities, savings and giving.

Step-8: Conclude the session by telling the students that the definition of needs and wants may change with time and situation. For example, during the COVID-19 pandemic, mobile phones, laptops/computers, and internet connectivity became needed. Ask for other examples of wants that are now a need.

Activity	REDUCE NECESSARY EXPENSES					
PT 3.2	ضروری اخراجات. احتیاط کے ساتھ					
Learning Outcome	By the end of the session, learners will be able to: <ul style="list-style-type: none"> Describe ways to eliminate or reduce non-essential and wasteful expenses. 					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 2-5

Step-1: Write on the board ‘Necessary Expenses (needs)’. Tell the students that there are certain expenses that one must incur to meet necessary costs or their needs – at their personal and family levels. Ask them what would happen if these costs were reduced. Expect responses – more money would be available for savings, giving and spending on wants.


Step-2: Under ‘Necessary Expenses (needs)’ make two forks and write family and personal. Ask students to brainstorm some family-level expenses for needs. E.g., parents’ hard-earned money spent on food, utilities, transport, clothing, shoes, school books, uniforms, etc. Ask students to brainstorm some needs under personal, i.e., purchase of stationery, snacks and food from the canteen, transport expenses.

Step-3: Ask the students to discuss in small groups ways in which they can contribute to reducing necessary expenses at family and personal levels. Some points to highlight include:

- Family level: Waste not, want not, i.e., turn off unwanted lights and save electricity; eat only as much as you need; take as much food as you will eat; do not waste food; recycle bio-degradable food and vegetable waste into manure; etc.
- Personal level: Take good care of your belongings, including clothes, shoes, books, and stationery, so they last longer. Use recycled textbooks, and properly use your copies to last longer. If possible, car share or bike share your rides to school. Bring homemade sandwiches or other items to eat in school, and buy snack items in bulk by pooling with a group of friends.

Step-4: Conclude the discussion by asking the students to share this concept with their family members and identify more ways in which they can reduce necessary expenses.



Activity	INCOME MAKING EXPENSE					
PT 3.3	خرچوں میں کمائی					
Learning Outcome	By the end of the session, learners will be able to: <ul style="list-style-type: none">Distinguish between income generating and non-income generating expenses.					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 3-5

Step-1: Write on the board “EXPENSES”, and under it write “INCOME MAKING” expenses and “NON-INCOME MAKING” expenses. Ask the students what they understand by income making and non-income making expenses.

Step-2: Clarify that while both types of expenses require spending money, a kind of expense will lead to income saving or income generation in the immediate or long-term. Probe the students for examples.

Step-3: Share and briefly explain the following examples of ‘income making’ expenses:


- To purchase seeds and input supplies for commercial farming
- To buy a fruit tree for sale of fruits in future
- To pay fees to develop a skill or access education which will be used to secure or job or set up a business
- To purchase a bicycle to earn income through bike pool
- To buy a solar panel and battery to sell electricity to neighbors

Step-4: Ask the students for examples of non-income-making expenses. Share and briefly explain the following examples of ‘non-income making’ expenses:

- To buy a fruit tree to eat its fruit
- To buy rose plants to enjoy the beauty of the roses
- To purchase an item to decorate the home
- To treat friends to fries in the canteen

Step-5: Conclude the discussion by asking students to share the concept of income-making and non-income-making expenses with their family members and identify ways the family can decrease their spending on non-income-making expenses.



Activity	RECORD YOUR EXPENSES					
PT 3.4	سارے خرچے شمار کر					
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none">Describe how recording expenses can lead to more disciplined spending.					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 3-5

Step-1: Before the session, collect 7-10 sales receipts to demonstrate in class. Begin the session by asking the students how many of them have purchased from a shop.

Step-2: Ask those who have if they have ever asked for a sales receipt. Pass out the sample sales receipts to the students, and ask them what information they see on the receipt. Inform the students that a receipt indicates the date of purchase, items purchased, amount, and the name and address of the seller.

Step-3: Tell the students that sound financial management practice demands that sales receipts be saved for two reasons: as evidence in case the item needs to be returned or exchanged; as a record of what your money was spent on. Explain that if they maintain receipts as records for their purchases, it will be possible to calculate, by month end, how much money has been spent during that period and on what.

Step-4: Tell the students that they can put the same information in their notebook even if they do not get a receipt. Tell the students that as a home task, they are to develop a simple expense record having five columns, i.e., date, item, seller, amount, and comment. Ask the students to maintain this record for at least two weeks for all purchases; check the students' record after two weeks.

Step-5: Ask the students to share this information with their family members so that they may also systematically record their expenses.



Purchasing

4

I. What is Purchasing?

Purchasing is the act of buying goods or services of the right quality, in the right quantity from the right source delivered to the right place at the right time at the right place.

Teaching a child how to responsibly and smartly shop for groceries, clothing, or other essential items is a key step in preparing them for financial and functional independence in the future. It is an important financial skill that educators and other supporters should spend time on when preparing a child for the transition into the “real world.” This theme focuses on teaching students the importance of how to shop thoughtfully and conscientiously, how to save money while doing so, and how to help the environment and the economy by making responsible and smart purchasing choices.

By the time they are 5-6 years old, children become conscious of how adults make choices about what they purchase. Factors that influence buying can include family values, personal preferences, financial freedom or constraints, or the available budget. People often pay more for something that’s important to them – for example, free-range (desi) eggs or organic vegetables. Some may prefer to buy the cheapest product so that there is more money left over for other things the family needs.

Children must be guided on responsible and smart purchasing choices. This includes considering the price and value of an item before they buy it, their budget, not succumbing to irresponsible marketing, advertising and pressure to buy, and to have personal consumer values like wanting to support the local economy by purchasing locally produced items, or saving the environment by making green purchasing choices.

II. Key Message About income

Q-1

What is the difference between expenses and purchasing?

Purchasing is to acquire something by paying for it. A purchase refers to that item and service towards which the outflow of money is being directed. An expense is an outflow of money as payment for an item, service etc. It is the cost incurred in or required for something.

Q-2

What are some factors that contribute to SMART buying?

There are three major steps to becoming a smart buyer:

- Obtain prices and terms from more than two sellers
- Obtain full information (about price, quality, quantity and terms) from all sellers
- Negotiate with sellers

Q-3

How has purchasing changed in the last 5 years?

Online shopping is the activity or action of buying products or services over the Internet. It means going online, landing on a seller’s website, selecting something, and arranging for its delivery. The buyer either pays for the good or service online with a credit or debit card or upon delivery.



Q-4

What are some advantages and disadvantages of online shopping?

- Advantages: convenience, better prices, more variety, easy to send gifts, more control, easy price comparisons, no crowds, no sales pressure, feedback from other customers, privacy for discreet purchases.
- Disadvantages: shipping problems and delays, risk of fraud, less contact with the community, spending time online, complicated return, you don't know exactly what you are getting, unfriendly, scammy or complicated websites, no sales assistance.

Q-5

What behaviors and values that can lead to better purchasing?

The urge to get the best value for your money; to curb the temptation to buy impulsively as a result of advertising and marketing attempts; to keep in mind certain values when making purchasing decisions, e.g., will the product harm health or the environment, will it harm or positively promote the local economy? Sometimes one may pay more for a better quality or **ethical clothing brand, a product with a longer warranty, or one that's environmentally friendly**, or locally produced. Compare prices and value before you buy!

Q-6

What should you know about comparison shopping?

Understand that similar things may vary in price depending on when one buys (in season may be more expensive than off season), where one buys from (big malls may charge more than small neighborhood shops), and what one buys (a regular shirt will cost far less than a branded one, though the function is the same). When comparing similar products, compare its quality, warranties, after-sales service and return policy.

Q-7

Is a high-quality product always desirable?

Locally made unbranded products are less expensive than imported branded toys. They may be of a lower quality, but if the functions performed are almost similar, and the lower quality does not affect performance, then one should invest in the lower priced product.

Q-8


What leads to impulse buying, and how to curb it?

Advertising and marketing attempts entice children into pestering their parents to purchase for them an item they did not even know about, and which is most certainly not a need. Impulse buying can lead to overspending and parents may spend money just to end up with a bunch of junk that their children may use only once, or which breaks due to its low quality. Children should be made aware of these marketing tactics, so that they can recognize and avoid impulse buying. They should be taught to ask themselves, **before buying anything, "Is it a need or a want?" "Is it worth the price?" "Will I really use it?"**

III. **Learning Outcomes:** By the end of the session, learners will be able to...

1. Compare the price, value and quality of products that they want to purchase.
2. Make smart purchasing decisions based on personal values and key competencies.
3. Identify ways in which one can curb the urge to buy and save the money instead.
4. Ask important questions before making a purchase.
5. Recognize and avoid harmful and impulsive spending decisions.
6. Recognize the importance of shopping within certain norms, more thoughtfully, frugally, cautiously and conscientiously.

IV. Repository of Activities for Students

Activity	INTELLIGENT SPENDING						
PT 4.1	اخراجات عقلمندی سے						
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none"> • Compare the price, value and quality of products that they want to purchase. • Make smart purchasing decisions based on personal values and key competencies. • Ask important questions before making a purchase. • Recognize the importance of shopping more thoughtfully, frugally, cautiously and conscientiously. 						
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s	1-3

Step-1: Draw 5 shops on the board and number each shop.

Put five SIMILAR items in each shop, e.g., pencils, pencil box, ruler, eraser and biscuit, but let the products be different in terms of color, design.

Tag prices to the items, but make sure that the prices differ in the various shops. Shop 1 may have an expensive pencil but the ruler may be cheaper, while shop 2 may have a cheaper pencil and more expensive rule. Vary the prices and keep all prices less than Rs. 10.

Step-2: Tell the students that they each have Rs. 20 to spend on shopping. Ask them to go up to the board and shop. They may spend all their money or not. It is up to them. However, they must note in their copies the following:

1. What did they buy?
2. From which shop?
3. For how much?
4. How much did they spend from their Rs. 20?

The teacher can act as shopkeeper for all 5 shops. The teacher can also depict different behaviors at different shops, e.g., welcoming, indifferent, rude, etc.

Step-3: Once the students have completed their shopping, ask a few students to share with the class what they bought, and how they made their buying decision. Debrief the activity as follows:


- What did the students end up buying? Why did they buy what they did?
- Which shop did they buy from? Why did they buy from one shop and not another?
- Did everyone visit all 5 shops? What did they do when they visited the shops? (check on the quality of items, prices)
- Can the same item be sold in different shops, and at different prices? Why or why not?

- Did everyone end up spending all their money? Did anyone decide not to buy? Why?
- If they could interact with the shopkeepers, what questions would they want to ask about the products?
- Did anyone try to negotiate with the seller? Why or why not?

Step-4: Conclude the activity by highlighting that there are three major steps to becoming a smart buyer:

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.



Activity	MARKET SURVEY					
PT 4.2	مارکیٹ کا جائزہ					
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none">• Compare the price, value and quality of products that they want to purchase.• Make smart purchasing decisions based on personal values and key competencies.• Ask important questions before making a purchase.• Recognize the importance of shopping more thoughtfully, frugally, cautiously and conscientiously.					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 2-3

Step-1: Remind the students of some of the key messages regarding income, expenses and savings. Remind them that it is the act of purchasing that uses their money. Becoming a smart buyer can ensure that they not only buy better products and services, but are able to get these at a better price.

Step-2: Select three students in advance who will set up separate shops in the classroom. Brief these students that they should have some similar and some different items for sale. For the activity the shopkeepers can borrow items from their classmates. Tell the remaining students that they are to act as buyers who will visit these shops to purchase the items. Tell the students that no one will actually buy the products. However, you want everyone to visit shop by shop and ask the sellers questions that will show that they are smart buyers.

Step-3: Allow the activity to progress for 10-12 minutes. Then conclude the activity, and then generate a discussion as follows:


- Which of the three shops did they like the best, and why?
- What are the kinds of questions that the buyers asked from the shopkeepers?
- Did the buyers focus only on price, or did they check the quality?
- What questions did they ask with regard to quality?
- Did any of the buyers request discount?
- Did they offer to buy more for a reduced price?
- Was it useful to compare prices at three different shops?

Step-4: Conclude the activity by highlighting that there are three major steps to becoming a smart buyer:

- Obtain prices and terms from more than two sellers
- Obtain full information (about price, quality, quantity and terms) from all sellers
- Negotiate with sellers

Step-5: Ask the buyers if they found certain products to be more attractive than others, and if so, why? Tell the students that when going shopping, one must aim to get the best value for money. One must also curb the temptation to buy impulsively as a result of advertising and marketing attempts. It is important to never go to a mall or shop when

one is really hungry. There are also certain values to keep in mind when making purchasing decisions, e.g., will the product harm health or the environment, will it harm or positively promote the local economy? Sometimes one may pay more for a better quality or ethical clothing brand, a product with a longer warranty, or one that's environmentally friendly, or locally produced. Compare prices and value before you buy!

Activity	MARKETING TACTICS					
PT 4.3	مارکیٹنگ کے حربے					
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none"> Identify ways in which one can curb the urge to buy and save the money instead. Ask important questions before making a purchase. Recognize the importance of shopping more thoughtfully, frugally, cautiously and conscientiously. 					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 3-5

Step-1: One week before the session ask the students to write an essay on how advertising and marketing attempts affects buying decisions. Ask everyone to add in their write-up at least 2 examples of advertising or marketing that has influenced them, or their family members, to buy a product.


Step-2: Tell the students that before collecting their essays, you would like to generate a discussion. Ask the students the following questions:

- What are the kinds of advertising and marketing attempts that take place around us? Ask students to share examples.
- How does advertising take place? Through TV, radio, print, bill boards, on the product itself, etc.
- What are the messages that are given through advertising and marketing initiatives? How does it make people feel? Act?
- Ask the students if announcing 'sales' is a marketing tactic? When is it used the most? Festivals (Eid, Christmas, Independence Day), beginning and end of season, etc.
- Are things cheaper on sale? Why or why not?
- What are the advantages of buying on sale? Is it smart buying?

Step-3: Conclude the discussion by explaining that advertising and marketing attempts entice children into persuading their parents to purchase for them an item they did not even know about, and which is most certainly not a need. Impulse buying can lead to overspending and parents may spend money just to end up with a bunch of junk that their children may use only once, or which breaks due to its low quality. As responsible children, they should be aware of these marketing tactics, so that they can recognize and avoid impulse buying. They should ask themselves, before buying anything, "Is it a need or a want?" "Is it worth the price?" "Will I really use it?"

Step-4: Collect the essays, and keep them as handy notes for later use.



Activity	LET'S BARGAIN					
PT 4.4	سودا بازی					
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none">• Compare the price, value and quality of products that they want to purchase.• Make smart purchasing decisions based on personal values and key competencies.• Ask important questions before making a purchase.• Recognize the importance of shopping more thoughtfully, frugally, cautiously and conscientiously.					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 3-5

Step-1: Ask the students how many of them are good at bargaining? Select 3 students and ask them to prepare themselves for a role play, where they will be expected to bargain.


Step-2: Set up a stationery shop (borrow items from the students) to sell three types of products, i.e., pencils, erasers and sharpeners. Establish a price for each of the products.

Step-3: Tell the students that you will have each of the volunteers come to the shop, one by one, to purchase some products. **The observers should note the buyer's behavior, and the techniques they use to request a price reduction or discount. They should also note which of the buyers showed the best skills, and why.**

Step-4: Have the buyers come to the shop, one by one. Allow them to use various techniques to make you offer them a price reduction or discount. Create some challenge so that interesting points are generated for later discussion.

Step-5: Thank the volunteers and debrief the activity by asking the observers what bargaining techniques were demonstrated through the role plays, and which were the ones that were most effective?



Activity	SMART BUYER					
PT 4.5	ہوشیار باش-خریدار					
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none"> • Compare the price, value and quality of products that they want to purchase. • Make smart purchasing decisions based on personal values and key competencies. • Identify ways in which one can curb the urge to buy and save the money instead. • Ask important questions before making a purchase. • Recognize the importance of shopping more thoughtfully, frugally, cautiously and conscientiously. 					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 3-5

Step-1: Write the word “PURCHASE” on the board. Ask the students to define it. Look for answers such as: exchange of money for a good or service OR simply, buying things. For example, if I buy a bag, I have made a purchase.

Step-2: Now ask students to list some goods or services they or their families may have purchased in the last month. These may include school supplies, clothes, food, toys etc. List these items on the board under “PURCHASE”.

Step-3: Pick an example from the list and invite the class to think about what goes into making a purchase. What do you think/should you think - before buying something? For example:

- If fruit was bought, the buyer may smell, feel, and look at the fruit to determine whether it is of good quality or not. Ask the students if they have ever been cheated while buying fruits?
- If the purchase is made from a street vendor, and there are other vendors standing around, the buyer would have gone to several vendors to compare the variety and price of fruit.
- The buyer would have decided on the quantity to buy, i.e., dozen bananas or a kilo of apple and quality, i.e., freshness, color and size.

Step-4: Now write “SMART BUYING” on the board. Ask the students how they would describe ‘smart buying’. Students may respond that it involves thinking before buying, that you should look at different prices, or that you should inspect the quality of an item before buying it etc. Draw the following table on the board, and conclude the discussion by highlighting that smart buying involves the following:

#	Talk to more than one seller	Obtain full information from sellers	Negotiate if needed with sellers
	Seller -1	What are the terms provided by the sellers? Price, variety, delivery, packing or packaging, after sales services, payment terms, made locally or imported, etc.	Request reduction in price, quantity discount, free delivery, etc.
	Seller -2		
	Seller -3		
	Seller -4		



Step-5: Refer to Column-1. Ask students if it is important to visit and talk to more than one seller. Why? Because it is the right of a customer to obtain market information such as on price, quality, and terms and conditions so that they can bargain the best deal.

Step-6: Refer students to Coloumn-2 and ask them the kinds of information should one obtain about the product. These include:

- Price - what price is the seller offering.
- Quantity - the amount of product you want to buy, and if there is a quantity discount.
- Quality - the quality of the product you wish to buy, in terms of variety, color, size, material, quality of inputs.
- Terms - all the conditions attached to the purchase (e.g., will the payment be made now or later? When will the item be ready? Will you have to pick it up, or will the seller deliver? Is return or free repair possible? Other – is the product made locally or imported? Does the making benefit the local economy? Will the product harm the environment? Protect the environment?

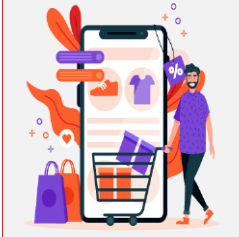
Step-7: Refer to Coloumn-3 and explain that negotiating or bargaining is sometimes an essential part of a purchasing activity. However, one can negotiate with certain sellers, such as at a fruit stand, with the local tailor, small grocery and vegetable shops, etc. It may be difficult to negotiate in big stores or malls, and some places may not negotiate at all (board announcing fixed prices).

Step-8: Close the discussions by referring to the table and reminding the students that smart buying will involve visiting different sellers, getting complete information, and negotiating if necessary. Smart buying allows the buyer to purchase a desired product at the best price. It is a skill that helps consumers get the best deals.

Step-9: Give the students a home task. Ask them to discuss with their parents and other family members the types of questions they ask before buying anything? What is it that they assess before buying various products? Do they bargain? If so, how? Ask the class to make a poster on 'smart buying'.

.....



Activity	ONLINE PURCHASING						
PT 4.6	آن لائن خریداری						
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none">Recognize and avoid harmful and impulsive spending decisions.Recognize the importance of shopping online within certain norms, more thoughtfully, frugally, cautiously and conscientiously.						
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s	4-5

Step-1: Ask students to share any experience(s) they have with online purchasing – do they or their parents purchase goods online? Explain that online shopping has drastically increased over the past few years, primarily due to the COVID-19 pandemic, where people could not physically visit shops and instead flocked to online sites.

Step-2: Highlight that online shopping offers a lot of advantages—convenience, a wider selection of goods to choose from, access to many more merchants, the ability to easily comparison shop, and potentially better prices than you could find locally. But that **doesn't mean online shopping is without its risks**—from order errors, inferior quality goods, undelivered merchandise to payment disputes and data breaches. Fortunately, there are steps you can take to avoid the potential problems and continue to enjoy all the advantages of online shopping.

Step-3: However, before shopping online, it is important to establish some rules and norms which is the focus of today's session. As responsible online shoppers, it is imperative that you should restrain yourself from going on a shopping spree just because you can.

Step-4: The first norm is that you should never shop online without supervision or prior approval from your parents. The second, you should never make a purchase on a credit or debit card without consent from the owner of that card. Thirdly, always choose safe shopping sites, that are well known and never use any online shopping site that is not deemed safe and secure by its users.

Step-5: Remember! Ask students to identify the steps that they can take as responsible online shoppers before buying that will reduce the likelihood of problems later on. Have students discuss their responses. From the discussion, derive concepts of parental guidance, legitimacy, modes of payment (cash or card), product or payment disputes, data and financial information security, wasteful spending. Help students think about the consequences of overspending and the benefits of saving that money instead.



Saving

5

I. What is Saving?

Saving is the portion of income not spent on expenditures in a given period. In other words, it is the money set aside for future use and not spent immediately or consumed. The act of saving is less about income or money and more about behaviour or attitude. One may have an income of Rs. 100,000 and not be able to save a single rupee, while another may be able to save Rs. 1000 from an income of Rs.10,000 per month. A person's ability to save can be supported by having a savings plan comprising three essential elements:

1. A savings goal: What am I saving for? e.g. to purchase an IPAD
2. An amount: How much do I need to save? e.g., Rs. 25,000
3. A time period: How much time do I need to achieve my savings goal? E.g., 12 months

Money saved is helpful in many ways. It can provide financial security and freedom from debt. It can protect people in an emergency that requires immediate finances. Savings can also provide the “seed money” for investments such as stocks, bonds, and mutual funds – which can earn a passive income. Although one's savings are helpful during financial distress, they can also allow you to anticipate a joyful future and therefore be more motivated to save, e.g., to buy a house, a car, for a wedding, or education.

Adults save money in many different ways, e.g., keeping cash at home in a safe or a cupboard, or at a bank in a safe deposit box or a savings account; buying savings products such as prize bonds or profit-yielding savings accounts, deposit certificates, or special savings accounts offering higher returns, and available to retirees, widows, or children. Banks are now offering savings account for Minors (children) as well.

People can exhibit behaviours that can lead to consequences that result in reducing expenses and perhaps indirect savings, e.g., reducing waste (waste not, want not), reducing unnecessary consumption of utilities, materials, personal accessories (a rupee saved is a rupee earned), etc. As mentioned above, savings isn't just about having money left over. It is a way of life!

II. Key Messages about Savings

Q-1

What is saving?

Saving is the portion of income not spent on current expenditures. In other words, it is the money set aside for future use and not spent immediately. More importantly, however, saving is a behaviour and a habit that can be formed.

Q-2

Why should you save?

Saving lets you eventually buy things you might not have enough money for right now. Certain items that are unaffordable today can be within reach tomorrow! If one simply waits and sets money aside, the savings can change a “no, you can't buy this” into “you can buy this, but later.”



Q-3

What are some benefits of saving?

Savings can help you achieve goals that may not be attainable now and may keep you out of financial trouble in emergencies. Savings also earn you independence and respect.

Q-4

How can you enhance your savings skills?

Create a 'savings plan' using the following steps:

- Write down the goal you are saving for. If possible, draw it and paste it where it will be visible most of the time.
- Establish the total amount you need to save to reach that goal.
- Decide how many weeks (months) you will take to reach your savings goal.
- Divide the amount you need by the number of weeks/months you plan to use to achieve your savings goal. That is your savings target per week/month.
- Now think of ways to cut down on necessary and unnecessary expenses to meet the amount you need to save per week/month.

Q-5

Where can you save?

You can save money by putting it in a jar, under a pillow or mattress, or in a savings account in a bank by opening up an account. It is now possible to open up a minor account for children. Saving money in a bank has advantages over saving money at home, such as increased safety, convenience, and profit.

Q-6

What are other behaviours that can facilitate indirect savings?

Reducing waste, reducing unnecessary consumption, distinguishing between needs and wants, etc.

III. **Learning Outcomes:** By the end of the session, learners will be able to...

1. Describe what saving is, and recognize it as a behaviour, habit, and way of life.
2. Identify the benefits of saving.
3. Develop a savings plan and establish a realistic savings goal.
4. Decide where they will save money regularly, in a savings jar/box, with their parents or other adults, or in a minor savings account.
5. Identify ways to increase their savings by reducing necessary expenses.
6. Appreciate the importance of managing their behaviour to initiate and enhance their savings.

.....




Step-1: Ask the students how many of you save. Count the show of hands and note the number on the board. Tell the students that you would like to introduce them to two men, Alif and Noon. Both have their own house. Both have a wife and two children of the same age. Alif earns Rs. 100,000 per month, while Noon earns Rs. 35,000 per month. Alif saves nothing, while Noon saves at least Rs. 1,500 per month. Ask the students, why do you think this is so?

Step-2: Write students' responses on the board. But finally, conclude that 'savings requires a state of mind'. It is a commitment one makes with self. The act of saving is a behaviour, a habit. While the amount of saving is affected by the income level, the act of saving can be for a minimal amount. Ask the students if someone with pocket money of Rs. 10 per day could commit to saving Rs.5 per week.

Step-3: Ask the students to list some of the necessary expenses they undertake daily. For example, money for transport, canteen, stationery. Ask them if they can think of ways to reduce essential costs to increase their savings. Note some ideas and encourage students to save little by little every day.

[illegible]



Activity	SAVINGS – WHY AND HOW					
PT 5.2	بچت - کیوں اور کیسے					
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none">• Develop a savings plan and establish a realistic savings goal.• Identify ways to increase their savings by reducing necessary expenses.• Appreciate the importance of managing their behaviour to initiate and enhance their savings.					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 3-5

Step-1: Ask the students how many of them have savings. Ask 4-5 students to share their saving experiences by answering the following questions?

- How much have you saved, and over what time?
- Why are you saving? Do you have a savings goal?
- Where do you keep your savings?
- What are some challenges you face in maintaining and growing your savings?
- What have you used your savings for?

Step-2: Once all the students have had a chance to listen to the 4-5 personal experiences, generate a plenary discussion and conclude as follows:


- One must have a compelling reason to save. Often, the urge to spend now is stronger than to save for an unknown future.
- Savings allows a person to reduce expenses on a present need for future want. E.g., sharing half a sandwich with a friend so that both of you can save money to meet a savings goal.
- A savings goal serves as a magnet. Draw or write your savings goal and place it like a sign where you will see it often. Such visual display can strengthen one's discipline to save.
- Savings is a habit that must start very early on in life. To develop this habit, the amount of savings does not matter. It is the regularity and frequency of saving that is critical.
- Savings is not always in terms of money. One can also save by reducing expenses. E.g., buying during sales, switching off extra lights, controlling food waste, recycling items, buying in bulk from the wholesale market and itwar bazar (Landa). Share the quotations – waste not, want not, and a rupee saved is a rupee earned.

Step-3: Give the students a home task. Ask them to interview their parents using the following questions:

- How much have we saved, and over what time?
- What are our immediate, medium-term and long-term savings goals?
- Where do we keep our savings?
- What challenges do we face in maintaining and growing our savings?
- What have we used our savings for?

If possible, have 1-2 students share their interviews with parents with the entire class.

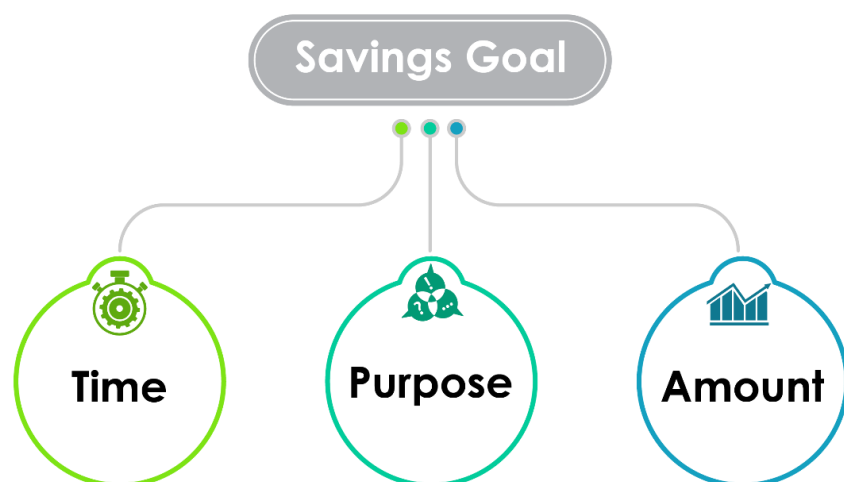


Activity	WHY SHOULD I SAVE? میں بچت کیوں کروں؟					
PT 5.3						
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none">Identify the benefits of saving.Develop a savings plan and establish a realistic savings goal.Appreciate the importance of managing their behaviour to initiate and enhance their savings.					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 2-5

Step-1: Ask the students to think of 1-2 big items they have wanted to purchase for some time, but their parents cannot buy them right now. Note students' responses on the board. It may include items somewhat expensive items, including games, toys, sports items such as bicycles, roller blades, football, etc.


Step-2: Ask the students if they had to put together to buy the listed item, where would the money come from? Probe and note that the money would be drawn from their saving. Ask the students what is the relationship between income, expense and saving? Write on the board – $\text{income} - \text{expense} = \text{savings}$, and highlight that if in any month their income is more than expenses, then they will have savings.

Step-3: Tell the students that once a purpose has been identified, it is time to develop a savings goal. To finalize a goal, three things are required, i.e., the purpose for saving; the amount of money to be saved; and the time period in which you want to reach your goal. Ask the students to choose one of the listed items on the board, and put a price to it. And then decide the time period in which they want to purchase the item.



Step-4: Tell the students that having a savings goal will make the act of saving more enjoyable and possible. It will motivate them to protect their money for a bigger purpose, and curb their unnecessary expenses. Sometimes when the item to be bought with the savings is very attractive, it allows one to reduce necessary expenses, e.g., reducing canteen expenses to half.



Activity	DEVELOPING A SAVINGS PLAN					
PT 5.4	بچت کی منصوبہ سازی					
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none">• Develop a savings plan and establish a realistic savings goal.• Identify ways to increase their savings by reducing necessary expenses.• Appreciate the importance of managing their behaviour to initiate and enhance their savings.					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 1-5

Step-1: Tell the students that you would like to introduce them to Samina, who is a student like them, and wants to save Rs. 900 in 2 months to buy her mother a gift for her birthday.

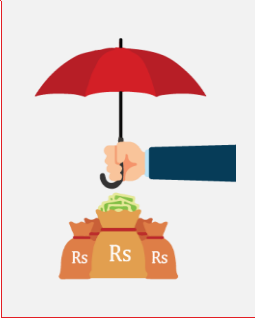
Step-2: Make the following matrix on the board. Highlight the following:

- Samina's current savings is Rs 300.
- She receives Rs. 450 monthly as pocket money (her income). (Write Rs. 450 in months 1 & 2)
- From her monthly pocket money, she generally spends Rs. 125 on copies and stationery, Rs. 25 on sweets, Rs. 25 on new toys, and Rs. 25 on a toothbrush.
- With her current spending, will Samina be able to meet her savings goal?

Step-3: The answer is NO. She would be short by Rs. 100. What would Samina have to do to meet her savings goal? She would have to reduce her expenses by Rs. 100. Ask the students what she can cut down on. Agree that she can reduce her costs on toys and sweets and meet her target.

Step-4: Encourage the students to set a savings goal and make a savings plan. Ask the students to share this lesson with their family members, and check how they set a savings goal and make a savings plan.



Activity	KEEPING ASSETS SAFE					
PT 5.5	اثاثہ جات کی حفاظت					
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none">Describe what saving is, and recognize it as a behaviour, habit, and way of life.Decide where they will save money regularly, in a savings jar/box, with their parents or other adults, or in a minor savings account.Appreciate the importance of managing their behaviour to initiate and enhance their savings.					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 1-5

Step-1: Ask the students if they have ever lost anything that they really value? Such as a favorite toy, book, shoes, shirt, etc. Ask them what made that item valuable in the first place. Was it just the cost? Often what is lost is not only about the cost. It is because of the memories associated with that item, e.g., a dear person may have gifted an item, or the thing may have precious memories associated with it.

Step-2: Ask the students what they must do to keep items and belongings safe. Some expected responses maybe - to keep them in safe places and take care of them.

Step-3: Tell the students that one of the people's assets is savings. And even though one may not have the same association with savings as one does with a favourite toy, it is still essential to keep your savings safe, for it is your savings that can buy you a toy or book which will become your favourite.

Step-4: Ask students what are the dangers that their savings can face. It can be stolen. It can be misplaced. The money in savings can be damaged. Or you or your family members may be tempted to use the money for unnecessary or necessary expenses.

Step-5: Ask the students what are some ways to keep their savings safe? Brainstorm and note on the board. Make sure that some of these points are covered: savings box with a lock on it; savings box from which money cannot be withdrawn (without breaking the box); a minor account in the bank; with a responsible and trustworthy adult; purchase a prize bond or savings certificate.



Banking

6

I. What is Banking?

Banking is defined as the business activity of accepting and safeguarding money owned by other individuals and businesses and then lending out this money to conduct economic activities that will make a profit or cover operating expenses.

Banking has been around since the first currencies were minted, and wealthy people wanted a safe place to store their money, and banks were set up to play a significant role in supporting that. Ancient empires also needed a functional financial system to facilitate trade, distribute wealth, and collect taxes. Banking supported the empires to pay for foreign goods and services with something that could be exchanged easily. Coins of varying sizes and metals eventually replaced fragile, impermanent paper bills. Coins, however, needed to be kept in a safe place, and ancient homes did not have steel safes. Earlier, wealthy people stored their coins and jewels in the basements of temples or other underground establishments. Banks were to play a significant role, just as they do today.

The banking system today consists of a group or network of institutions that provide financial services. It is an industry that handles cash, credit, and other financial transactions for individual consumers and businesses. The banking system is in the business of protecting money for others. A bank is a financial institution licensed to accept deposits and make loans. When banks lend this money, they generate a surplus that creates profits for the bank and its customers. There are two banking systems in Pakistan: conventional and Islamic. Islamic banks adhere to the principles of the Islamic Sharia.

Nowadays, there is also a significant increase in people's accessibility to a bank. Children under the age of 18 years can open a minor account and enjoy all the benefits of making a bank account. In addition, online banking has reached the furthest peripheries of Pakistan and continues to eliminate the need for physical banks.

In most countries, banks are regulated by the national government or central bank. In Pakistan, banks are regulated by the State Bank of Pakistan.

II. Key Messages About Banking

Q-1

What is the State Bank of Pakistan?

The State Bank of Pakistan is the Central Bank of the country. It plays a vital role in the country's economy. Critical functions of the SBP include, but are not limited to:

- Regulating the financial sector and protecting consumer rights: SBP regulates and supervises banks and other financial firms to ensure that they are managed soundly and that the rights of consumers who deal with them are protected.
- Managing money supply and issuing currency: SBP issues Pakistan's currency and controls the amount of currency in circulation. It uses its control of money to try and keep prices stable to manage inflation and to make borrowing and saving easier to promote growth.
- Managing foreign exchange reserves and the rupee exchange rate: SBP manages and invests in Pakistan's foreign currency reserves. It also controls the exchange rate between the Pakistani Rupee and other foreign currencies.



- Setting mark-up rates and promoting economic development in Pakistan: SBP uses its role as the central bank and as the supervisor of the private sector to promote economic development in Pakistan. It also determines the mark-up rate for borrowing and saving.

Furthermore, The SBP regulates banks and other financial institutions to make sure:

- Soundly managed banks: Banks and other financial institutions are soundly managed.
- Consumer protection: Customer deposits are secure, and their rights are protected.
- Fair rates for services: Bank service charges to customers are fair and reasonable.
- Fair savings rates: Banks provide fair and reasonable savings rates to customers.
- Fair lending practices: Banks make loans to customers fairly and reasonably.

Q-2

What is Islamic Banking?

There are two banking systems in Pakistan: Conventional and Islamic.

Islamic banks comply with Sharia rulings and their practical application. There are four Islamic boards in Pakistan, each representing a different Fiqh. When any new Islamic product is introduced into the market, the product is vetted by each committee. All four Fiqhs must unanimously accept it before it can be integrated into the system. All boards consist of qualified Islamic experts with years of banking and Islamic experience. The SBP regulates Islamic banks through its Shariah Advisory Committee (SAC), which ensures that each Islamic bank properly follows Sharia rulings.

Q-3

What are some services that the bank provides?

Banks manage money for individuals and businesses, such as:

- Accept Deposits: Banks accept cash deposits from their customers and keep the money safe in customer accounts. Stashing hard-earned money under the bed, in a piggy bank or in a dresser drawer isn't uncommon when it comes to keeping saved money. However, one of a bank's key services is keeping money safe.
- Make loans: Banks make loans to individuals and businesses
- Transfer: Banks help customers transfer money, including through mobile banking.
- Pay: Banks help customers make payments through mobile banking and credit and debit cards.
- Exchange: Banks help customers exchange money in one currency for cash in another currency.
- Guarantee: Banks issue a guarantee of payment for business customers to help them grow their businesses.

Q-4

What kind of loans do banks make?

- Individual loans: Banks make loans to individuals, so they have money to buy or build a home, buy a vehicle, or use for other purposes. When banks issue a credit card, they make a loan to the user each time they use the credit card to make a payment.
- Business loans: Banks make loans to businesses that enable them to buy or develop land, buildings, or equipment or use it for other business purposes.
- Guarantee: Banks issue a guarantee of payment for business customers to help them grow their businesses.



Q-5

What are the two types of customer accounts for deposits?

- Current accounts: These are accounts in which customers can freely deposit and withdraw money. Usually, customers do not earn a profit or mark-up on the funds deposited in the current accounts.
- Savings accounts: These are accounts in which customers deposit money for a specified time. Customers earn a profit or mark-up on the funds deposited in the savings account.

Q-6

What is a minor savings account?

Some banks in Pakistan are now offering a Minor Savings Account which can be opened on behalf of a child in the name of the father or mother or a court-appointed guardian and the minor. The core intent is to inculcate within the child a savings habit at a young age. It is tailored to meet a child's future financial needs in a planned and convenient manner. Some details on the Minor Savings Account are as follows:

- Can be opened to any child aged between one day and 18 years.
- Can be opened with a minimum amount of PKR 100/-. There is no limit on the maximum amount of investment.
- The cheque book (for the principal account) and the Pocket-Money Card is issued jointly in the name of the minor and the father/mother/ guardian.
- The Pocket-Money Card can be used to access the monthly profit in cash from any ATM or for shopping at retail outlets.
- The online use of Debit Cards is available once registration procedures have been duly completed.
- Profit is calculated on the monthly average balance.

Q-7

What are the different types of banking channels?

A bank can reach its customers and provide services in various ways. This includes through:

- Branches - physical centers that customers can visit
- Kiosks – Small bank books are usually found in shopping centres and transport hubs. They are usually STAFFED by bank representatives.
- ATMs – Automated Teller Machines (ATMs) are machines customers can visit. They are usually not STAFFED by bank representatives.
- Cards – Plastic cards issued by the bank and used to make payments. Credit cards help make payments using money borrowed from the bank, and debit cards help make payments using money deposited in your bank account.
- Retail POS – Banks provide Retail Point of Sale systems to shops, restaurants, and other retailers. The retailers use these systems to charge customers who use bank cards. This system can include the cash register, computer, bar-code, and card-scanning machine at the check-out counter in a store.
- Call Centers – Customers may call centres to help make deposits and manage money. Bank representatives operate call centres.
- Mobile and Internet Banking – customers can use their phones, laptops, and tablets to access their banks and arrange loans.



Step 3: Lead the session by asking the students to share their information in the class. Make sure to highlight the following services: accept deposits, make loans, transfer, pay, exchange, and guarantee.


This image shows a blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.



Activity	WELCOME A BANKER!					
PT 6.3	بینکر کو خوش آمدید					
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none"> Describe the purpose, functions and services of a bank. Describe the benefits of keeping money in a bank Explain the types of bank accounts and the benefits of having one. Explain the features of a Minor Account and why every child should have one. 					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 3-5

Step 1: Visit a bank close to your school and ask the Bank Manager to visit the school and deliver a 60-minute session for students in grades 3-4: what is a bank? The session should cover, at a minimum, the following: importance of banks and banking; the various services offered by a bank; the kinds of accounts for deposit and savings; the ability to make a minor account; Islamic banking (profit vs interest); online banking, messages students can take home for their parents; messages for the students as future contributors to society.


Step 2: Have students write an essay on the topic "what is a bank?"

Activity	VISIT A BANK!					
PT 6.4	بینک کا دورہ					
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none"> Describe the purpose, functions and services of a bank. Describe the benefits of keeping money in a bank Explain the types of bank accounts and the benefits of having one. Explain the features of a Minor Account and why every child should have one. 					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 3-5

Step-1: Arrange with a local bank for taking a group of 25-30 students for an exposure visit to a bank. Ensure that the person who will guide the students is briefed about the age of the visiting group.

Step-2: Before the visit, brief the class about what a bank is, banking, and the services offered by a bank. Give them a brief history of the bank to be visited and an idea of how a bank is physically set up, including a counter for deposits and interacting with clients, a safe deposit vault, etc. Encourage the students to think of questions to ask the bank employees to clarify their understanding of banks.



Activity	MY FIRST ATM CARD					
PT 6.5	میرا پہلا ATM کارڈ					
Learning Outcome	By the end of the session, learners will be able to: <ul style="list-style-type: none"> Identify various banking channels, including online banking. 					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 1-2

Step 1: Begin by demonstrating an ATM card. You may show a real one, a picture, or a drawing on the board. Ask students what an ATM card is.

Step 2: Invite students to share their responses. Emphasize that an ATM card is a plastic card given by a bank that allows you to access your account.

Step 3: Ask students why ATMs are essential. Highlight that ATMs create convenience. You can withdraw from and deposit money into an ATM. Also, you use an ATM card in ATMs, which are open 24/7. Use the diagram below to highlight the various functions of an ATM.



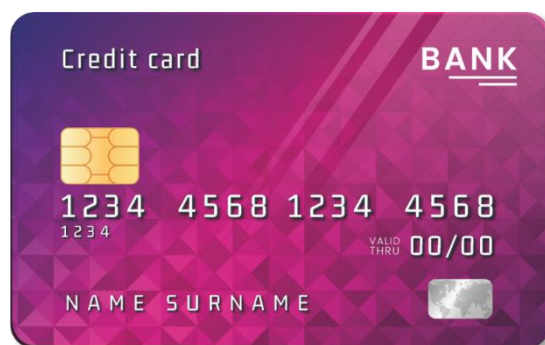


Step 4: Ask students to draw their ATM card – they may be as creative and imaginative as they like when making one. All cards should have:

Their full name

- Their bank's name (imaginary)
- Their account number (imaginary)
- The card type: Visa or Mastercard

The date the card was issued (the date of the session) and the card's expiry date (imaginary). You may use the reference picture below for guidance:



Step 5: Ask students to think about their favourite toy (or anything else they may want, like a gaming console, candy etc.) Students should write down and draw what they wish to in their notebooks. If the thing they want costs Rs. 5000, and they use their ATM cards to make a purchase, ask students to calculate how much money is left in their account if they have a balance of Rs. 7200 in their bank account.


Step 6: Finally, ask students if they can use an ATM card to purchase at any shop. Acknowledge that ATM cards are only available at stores with a Point of Sale (POS) system. Ask students if they have ever seen such a system. The POS system contains the following:



Such systems are available at the check-out counter of any store that accepts ATM cards as payment.

Step 7: Conclude the session by assigning a take-home activity where students ask their parents to show them their ATM cards. Ask students to pay attention next time their parents use an ATM and to keep a lookout for POS systems in their area.



Activity	ONLINE PAYMENTS					
PT 6.6	ڈیجیٹل ادائیگی					
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none">Identify various banking channels, including online banking.					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 4-5

Step 1: Begin the session by sharing the following scenario:

Samina loves bows and wanted to buy a new one. She knew her mother ordered things from an online store. Samina also knew her mother's password for the account. She logged in and searched "bows." Samina received hundreds of results and got very excited. She kept putting every bow she saw in her mother's online cart. In the end, because her mother's bank account was linked with the app, the payment was processed, and Samina spent Rs. 5000. When a big box of bows arrived at Samina's house, her mother was shocked.

Step 2: Ask students whether Samina was right or wrong in ordering bows using her mother's account. Why? Emphasize that Samina was wrong because she did not ask her mother's permission before making an online purchase and spent a lot of money.

Step 3: Ask students what else could have gone wrong in this scenario. Highlight that Samina could have been scammed because she wasn't carefully examining the online market, or she could have spent even more money than she did because all the money in her mother's account was linked with the app.

Step 4: Then, ask the student what Samina's mother could have done differently to prevent this incident.

1. She could have explained how online markets work. Essentially, online markets link with your bank account. When you purchase online, money from your account is transferred to the company running online markets.
2. She could have told Samina that you have to be very careful when online shopping because you can buy a product that gives misinformation. Therefore, you have to look at each product in detail carefully.
3. She should explain why having a password on the app is essential. A password prevents anyone from going into someone's online account and making purchases as Samina did. While her mother could have kept her password from Samina, it is okay for Samina to know so long as she promises not to use the app (or make any other online purchases) without permission.

Step 5: Finally, ask students to share the moral of the story. Do they think online shopping is bad? Emphasize that it is not, so long as you're careful and always ask your parent's permission before making an online purchase.

Step 6: Have students stand, raise their right hands and repeat the following oath after you: "I [student's name] promise never to make an online purchase without my parents' permission until I am old enough to have my account." You may also have students write the oath in their notebooks. Sign the pledge acknowledging it as their teacher and ask the students to have it signed by their parents as well.



Inflation

7

I. What is INFLATION?

Inflation is a general increase in the prices of goods and services in an economy. Each currency unit buys fewer goods and services when the general price level rises. Consequently, inflation corresponds to a reduction in the purchasing power of money. Inflation affects everyone in the economy: workers, businesses, people on fixed incomes, lenders and borrowers. For example, consumers need to keep track of the prices of items they purchase. When inflation is high, they must spend more time shopping, looking for the best deals. For those with fixed incomes, inflation means their payments won't stretch as far as they could before, and people will have to buy less. If inflation is moderate (prices are increasing slightly), they may have to cut back on non-necessities like travel, movies, or eating out. They might have to cut back on necessities like utilities and food if inflation is high.

What causes inflation? In the short term, high inflation can result from a hot economy — where people have a lot of surplus cash or are accessing a lot of credit and want to spend. If consumers eagerly buy goods and services, businesses may need to raise prices because they lack adequate supply. Or companies may choose to charge more because they realize they can raise prices and improve their profits without losing customers. Another reason for inflation is cost-push inflation, where there is an increase or upward trend in production costs (such as wages and raw materials), which increases consumer prices irrespective of the level of demand. The increased price of the factors of production leads to a decreased supply of these goods.

Too much inflation is considered harmful to an economy, while too little inflation is also considered unhealthy. Many economists advocate for a middle-ground of low to moderate inflation, of around 2% per year. Generally speaking, higher inflation harms savers because it erodes the purchasing power of the money they have saved. However, it can benefit borrowers because the inflation-adjusted value of their outstanding debts shrinks over time.

II. Key Messages

Q-1

What is inflation?

Inflation is a sustained upward movement in an economy's overall price level of goods and services. It corresponds with a loss of purchasing power for a currency utilized within the economy.

Q-2

What is the effect of inflation?

Because of inflation, the value of the rupee, also called its purchasing power, reduces. As a result of inflation, it will take more currency units to buy the same goods and services.

Q-3

What are some ways to combat inflation?

There are ways to combat or better manage inflation, e.g.,

- Get rid of debt
- Make a budget and stick to it
- Start saving money and invest in assets that will hold their value

- Reduce costs where possible, e.g., recycle clothes, shoes, books, uniform
- Grow your vegetables and raise chicken
- Enhance both active and passive income


Q-4

What are the causes of inflation?

Inflation happens when the supply of a good cannot keep up with demand (demand-pull inflation); or when the costs of inputs needed to produce a good or service increase (cost-push inflation), leading to increased costs and decreased supply.

Q-5

What is an example of demand-pull inflation?




Demand-Pull
EXCLUSIVE JOGGERS
RS.1000 RS.1500

When Demand for goods/ service exceeds production capacity.

- During the Covid-19 pandemic, masks previously selling for Rs. 5 were sold for Rs. 500.
- When people hoard items such as sugar, wheat, and rice, it causes a temporary and artificial shortage of supply, forcing prices to increase, thus leading to inflation.

Q-6

What is an example of cost-push inflation?



Cost-Push
BALLOONS
RS.5 RS.10

HELIUM
RS.10 RS.20

When production costs increase prices.

- An increase in workers' wages, and costs of inputs, raises production costs of manufactured items, thus raising prices.

Q-7

How is the rate of inflation calculated?

Inflation is calculated using the current and base CPI as follows:

- $((\text{Current CPI} - \text{Base CPI}) / \text{Base CPI}) \times 100$
- 2021 Base CPI: 100 (example)
- 2022 Current CPI: 110 (example)
- Rate of Inflation: $(110-100)/100 \times 100 = 10\%$ (between the years 2021 and 2022)



Q-8

How is inflation measured?

The Consumer Price Index or CPI is among the most common measures of inflation, capturing the average price change paid by consumers over time for a basket of goods and services. In Pakistan, the CPI is calculated and published monthly by the Bureau of Labor Statistics. Any country's CPI consists of a basket of goods that are, on average, in everyday use for consumers. An average basket consists of 8 major categories of products and services linked to housing, apparel, transportation, education and communication, recreation, medical care and food and beverages. In Pakistan, this basket contains 487 daily-use items from 40 cities and 76 markets. These are items used by the majority of people and do not include luxury items.



After determining the prices of the basket of goods, the government of Pakistan uses a formula to give that basket an Index (CPI). The Base year is given a CPI of Rs.100 and is then used to compare the CPI in other years.

Q-9


Is inflation bad for the economy?

Inflation affects a rise in prices, which consumers feel. However, the answer to whether inflation is good or bad is much more complicated since it is one of many variables used to determine the condition of an economy. Doctors may use a thermometer to check their temperature if a person falls sick. However, the thermometer is one of the multiple tests to check a patient's health. Similarly, inflation is one test to see how healthy an economy is, but there are other tests. Therefore, you cannot use inflation alone to determine whether the economy is in trouble or not.

III. Learning Outcomes: By the end of the session, learners will be able to...

1. Describe inflation as a rise in prices or a fall in purchasing power over a period of time.
2. Identify the two causes of inflation.
3. Calculate the rate of price change.
4. Appreciate the importance of intelligent management to overcome the adverse effects of inflation.

IV. Repository of Activities for Students

Activity	RISING COSTS					
PT 7.1	ہائے یہ مہنگائی					
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none"> Describe inflation as a rise in prices or a fall in purchasing power over a period of time. Identify the two causes of inflation. 					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 2-5

Step 1: Before coming to class, list five snack items that are popular with children and have been available in the market for 4-5 years (2016). Find out the items' price from 5 years ago and their current prices.

Step-2: Begin the session by asking students to recall some of their favourite snacks such as cocomo, slanty, etc. Write on the board the five snack items and their prices in 2016 and now

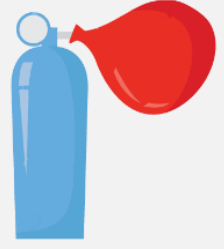
Step 3: Ask the students to note and discuss the difference between an old price and a new one. Ask them what their conclusion is. Responses should include that the prices for all items have increased over the years, some more than others.

Step-4: Ask the students if they hear their parents discussing that 'menghai' ho gai hein. Most will say yes. Ask them if they can think of what household expenses have increased. Look for responses such as eggs, milk, sugar, wheat, utilities, etc.

Step-5: Ask the students why things have become more expensive. Explain that it may be because it costs more now to make and sell something, or there are more people demanding something, and there is insufficient supply, leading to an increase in price.

Step-6: Conclude the session by emphasizing that the cost of most items changes over time. While it is more common to see a price rise, which is inflation, certain products become cheaper over time. Ask them if they can think of any examples. Technology and technology-based products such as computers and mobiles tend to get cheaper over time.



Activity	INFLATION, POP!					
PT 7.2	غبارے جیسی مہنگائی۔ پھٹے گی!					
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none">Describe inflation as a rise in prices or a fall in purchasing power over a period of time.Identify the two causes of inflation.					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 2-5

Materials Required: 1 Funnel, 1 Plastic bottle (500 ml), 1 Cup Baking Soda, Vinegar, 1 Balloon, 1 Large Rubber Band

Step 1: Tell the students you would like to show them a fun experiment today.

Step 2: Demonstrate the experiment in front of the entire class, or if resources permit, assign each student or group of students the resources needed to experiment themselves.

Step 3: Walk students through each step of the experiment as follows:

- Place the smaller end of the funnel in the balloon and use the larger end to add baking soda to the balloon (note: you may prepare a balloon(s) filled with baking soda ahead of time).
- Use the funnel to fill half the plastic bottle with vinegar (note: you may fill a bottle(s) with vinegar ahead of time).
- Tie the balloon's open end to the plastic bottle's mouth using the rubber band.
- Empty the content of the balloon into the plastic bottle. The reaction between the vinegar and the baking soda will produce gas which will cause the balloon to inflate.


Step 4: Discuss the experiment with the students by linking the reaction of the balloon to inflation. Highlight points as follows:

When baking soda came in contact with vinegar, the reaction caused the balloon to inflate. Similarly, when the demand for goods and services increases and the costs for making those goods and services also increase, this creates a reaction in the economy, causing prices to increase. This price rise is called inflation.

Step-5: Ask the students what would happen if the quantity of baking soda or vinegar was increased or decreased. Agree that the extent to which the balloon will inflate will vary.

Step-6: Conclude that certain reactors in the economy may cause a price rise (for example, an increase in the money supply). If more of these reactors are added to the economy, it may result in a more significant price rise.



Activity	COMBAT INFLATION – HOUSEHOLD TACTICS					
PT 7.3	مہنگائی سے لڑائی - گھریلو حربے					
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none">• Describe inflation as a rise in prices or a fall in purchasing power over a period of time.• Identify the two causes of inflation.• Appreciate the importance of intelligent management to overcome the adverse effects of inflation.					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 4-5

Step-1: Assign the students a home activity where they will interview their family members about inflation and note responses in their notebooks.

Step-2: Facilitate the students to develop a questionnaire as follows:

- When you were my age, what was the cost of eggs, milk, chicken, sugar, shoes, house rent, etc.? What year was this?
- What was the total family income at the time?
- Which products and services have become more expensive over the past 5-years? Why?
- Are there any products or services that have become cheaper? Why?
- Why does inflation occur?


Step 3: In the next class, debrief the home assignment as follows:

Ask for 2-3 volunteers to discuss their interviews with their family members. Highlight that the prices for various products have increased over time, as has total family income. Tell the students that currently, Pakistan's minimum wage is 15,000 Pakistani rupees per month, while the minimum wage rate for an unskilled worker in Punjab and Sindh is Rs. 25,000. Ask them why prices rise over time, and briefly describe the demand-pull and cost-push inflation.

Step-4: Conclude the session by highlighting that although the amount of income may have increased for many, the money's buying power may have reduced over time. Ask the students how they can assist the family in combating inflation. Highlight that there are ways to combat or better manage inflation, such as:

- Get rid of debt
- Make a budget and stick to it
- Start saving money and invest in assets that will hold their value
- Reduce costs where possible, e.g., recycle clothes, shoes, books, uniforms
- Grow vegetables and raise chicken
- Find opportunities to enhance both active and passive income



Activity	COMBAT INFLATION - BUSINESS TACTICS					
PT 7.4	مہنگائی سے لڑائی۔ کاروباری حربے					
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none">• Describe inflation as a rise in prices or a fall in purchasing power over a period of time.• Identify the two causes of inflation.• Appreciate the importance of intelligent management to overcome the adverse effects of inflation.					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 4-5

Step-1: Set a time with the canteen manager to come to class for a 20-minute interview about inflation and how it has affected his business.


Step 2: Tell the students you would like them to interview the school's canteen manager, to get his perspective on how prices have changed over the years. Ask the students what questions they would like to ask the canteen manager, and make a list on the board. The questions may include:

- How have prices of goods changed over the years? Have they increased? Are there any products whose price has decreased? Which ones?
- Why do prices increase?
- What implications do rising prices have on buying? Has the number of students buying from the canteen increased or decreased over time? What about the quantity of purchase?
- How do companies deal with the rising costs? Do they always increase the price, or do they reduce quantity?
- How has the canteen manager dealt with the rising prices?

Step 3: Encourage students to ask the canteen manager additional questions.

Step 4: Conclude the activity by reiterating the causes of inflation, i.e., demand-pull and cost-push, and highlight that when inflation hits, it affects everyone, the buyers, sellers, families and businesses. One should therefore learn how to manage and combat inflation.



Activity	TRACKING PRICE CHANGE				
PT 7.5	قیمتوں کے اتار چڑھاؤ کی ٹریکنگ				
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none"> Describe inflation as a rise in prices or a fall in purchasing power over a period of time. Identify the two causes of inflation. Calculate the rate of inflation in percentage. Appreciate the importance of intelligent management to overcome the adverse effects of inflation. 				
Subject/s	Urdu	Islamiat	Math	G.K	S.St
Grade/s	4-5				

Step-1: Write on the board ten regular and easy-to-purchase items, along with their quantity, e.g., 12 bananas, six eggs, 2-litre milk, 1 kg sugar, one tin of dalda ghee, 2 litre petrol, 2 kg pulses, 6-eggs, 4kg chicken, 1 kg rice.

Step-2: Ask students to make six columns in their notebooks as follows:

#	Items	Price This Year	Price Last Year	Change in Price	Rate of Inflation

Step-3: Ask the students to fill column 2 with the list on the board.

Step 4: Now, ask students to label the four additional columns as follows: "price this year," "price last year," "change in price," and "rate of inflation."

Step 5: Give the students the task of finding the last year and current prices of the listed products in the next three days and filling out columns 3 and 4. They can obtain this information from family members or shops in the market. Give them 2-3 days to complete the task. Once they get the information for columns 3 & 4, they should calculate column 5 (price change).

Step 6: Once the students have completed their research, and filled out Columns 3, 4 and 5, share with them the following formula for calculating 'price change':


$$(\text{New Price}) - (\text{Old Price}) / (\text{Old Price}) * 100$$

Step 7: Demonstrate one example as follows:

Price of milk last year = Rs. 145

Price of milk this year = Rs. 180



Activity	REDUCING EXPENSES TO COMBAT INFLATION					
PT 7.6	مہنگائی سے لڑائی - اخراجات پر قابو					
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none">• Describe inflation as a rise in prices or a fall in purchasing power over a period of time.• Identify the two causes of inflation.• Appreciate the importance of intelligent management to overcome the adverse effects of inflation.					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 3-5

Step-1: Tell the students that you would like to share a story involving Ahmed, Asma and their family. Tell them that Ahmed and Asma went to buy groceries with their father one day. Throughout the market visit, the two saw that their father seemed unhappy and anxious. When they returned home, their mother asked the father why he seemed upset. Ahmed's father told his mother that the prices of everything had gone up, and he could not purchase many items on the buying list. Ask the students if they have faced a similar situation in their homes.

Step-2: Ahmed's mother consoled his father and told him they would find a way to manage expenses better and beat the growing inflation. That evening, Ahmed's mother called the entire family for a family meeting. She told everyone that the family was facing difficulties because of the inflation, and together they would have to find ways to manage family finances. She asked everyone for suggestions on what to do.

Step-3: Ask the students to brainstorm ideas for how Ahmed, Asma and their family could combat inflation. Write the students' suggestions on the board while ensuring that the following have also been covered:

- Use terrace and open spaces for kitchen gardening, reducing costs on vegetables and herbs.
- Raise chicken and goat.
- Increase income by using available skills, e.g., stitching, teaching, packing, etc.
- Older siblings teach younger, thus saving on tuition fees.
- Purchase a bicycle for Ahmed and his sister to go to school, thus saving on transport costs.
- Bring food from home to decrease canteen costs.
- Take better care of textbooks and exchange them for next year's second-hand books.
- Take better care of uniforms, shoes, and bags so they may last longer.
- Properly use equipment, furniture, and other home items, thus decreasing repair, maintenance and replacement costs.

Step-4: Conclude the discussion by praising the students for their thoughts and encouraging them to think like Ahmed and Asma. Ask them to have a conversation

with their families about growing inflation and some simple steps and intelligent financial management that the family engage in to combat the same.



Investment

8

I. What is Investment?

Investing is spending money with the goal that it will bring a profit, or more money, in the future. When money is channeled in ventures described above, with the intent to make a profit, it becomes an investment. Some of the most common forms of investing is in real estate, such as buying a house or an apartment, or purchasing precious commodities such as gold or jewelry. Investment options are also available within financial markets, e.g., purchase of stocks, mutual funds, or foreign currencies. People also invest in businesses and in entrepreneurs.

Investors receive a return on their investment in the form of income and/or growth in value of their investment over time. People can more easily achieve their financial goals by investing steadily over many years, reinvesting dividends, and capital gains to compound their returns. Investors have many choices of investments that differ in expected rates of return and risk. Riskier investments tend to earn higher long-run rates of return than lower-risk investments. Investors select investments that are consistent with their risk tolerance, and they diversify across a number of different investment choices to reduce investment risk.

People who are graduating from their poor economic conditions, those who are involved in self-employment should be aware of the importance and method of investing their money. Students who begin with student investments can learn how to do financial research and assess risk. Starting to save early and investing what is saved gives more time to grow money. It also establishes the good habit and mindset that is carried through life. So, learning about investing at an early stage of life is important for children. Investment serves as an efficient tool for:

- Wealth creation
- Generating income
- Tax benefits
- Meeting financial goals
- Economic development

Not all investments are the same, and not all investments guarantee immediate returns. Unlike savings accounts and products that guarantee a profit, investments cannot guarantee returns. There is an element of risk to investments. Bad investments can lead to money being partially or completely lost. It is therefore critical to carefully assess investment options, by checking out past trends, and talking to people that have made successful investments.

II. Key messages About Investing

Q-1

What is investment?

An investment is an asset or item acquired with the goal of generating income or appreciation. Appreciation refers to an increase in the value of an asset over time, e.g., purchase of land. When an individual purchases a good as an investment, the intent is not to consume the good but rather to use it to create wealth for the future.



Q-2

Why invest?

'Investing' is more than building rainy day savings. Investing is an effective way to put your money to work while you are sleeping or otherwise engaged, and potentially building wealth. Smart investing may allow your money to outpace inflation, earn additional income, and increase in value.

Q-3

What are the differences between saving and investing?

- On a practical level, savings involve putting aside money today for immediate use or use in the future. It is done on the principles of safety, liquidity and availability.
- Investment is putting money into a productive activity to multiply it. While for investment, returns for use at some time in the future are given more importance than safety, liquidity and availability.

Q-4

What should one invest in?

Some of the most common forms of investing is in real estate such as buying a house or an apartment, or purchasing precious commodities such as gold or jewelry, or purchasing stocks, mutual funds, fixed income certificates or foreign currencies. Before deciding where to invest your money, it is critical to seek the advice of financial professionals and people that have made successful investments in the past.

Q-5

Are large sums of money needed for investment?

There is a common thinking that a lot of money is needed to start investing, but that is not true. If one were to set aside and invest only Rs. 100 per day for 30 years in a savings account, this could grow into over one million rupees. Children, teenagers, young adults, teachers, entrepreneurs, or stay-at-home parents should all learn to save and invest their money so that it can grow into a lot more money over time.

Q-6

What is the first step towards investment?

Effective budgeting and saving money are the first steps towards investment. Setting aside small amounts of money at an early age may lead to a large sum after some years. This money can be used as an investment to grow money multiple folds.

Q-7

What are the risks associated with investing?

There is a risk of losing money when your investments lose value, are stolen, mismanaged, destroyed or damaged. Usually, the potential for higher returns carries with it a higher risk that you may lose some or all of your money. Therefore, people must invest according to how much risk they are willing to take. Also, investment should be diversified, i.e., one must not put all eggs in one basket, because if the basket breaks you could lose everything. It is also a good idea to balance high and low risk investments or savings – this is like mixed cropping: if beans don't germinate, then the maize could.



Q-8

Are all investments sound?

All investments have an element of risk. Bad investments can lead to money being partially or completely lost. It is critical to carefully assess investment avenues before making an investment, and only invest what you can bear to lose.

Q-9

Can investment be done in partnership with others?

Investments can also be made in partnership with other people, wherein, 2 or more, contribute equal or varying amounts of money, and the return on the investment are shared. If it is a business, there are two factors to consider when estimating profit share. One, how much money each person has put in the business, i.e., what is their investment in the business. And two, how much time or effort has the person contributed towards the business.

Q-10

Are all investments done for money returns?


No, charitable investments don't yield profits, and are made to support other people in need, or to support solutions to certain social problems. Social investment refers to investment in people or resource. If you strengthen another person's skills or capacities, then you are engaging in social investment. This could be in ways as simple as teaching someone, giving someone a job etc.

Civic investment is quite like social investment, except it is a high impact – targeting cities, towns, countries etc. For example, if you carpool to school, you reduce the impact of global warming which affects the whole world. Most importantly, both kinds of investment do not return any money.

III. **Learning Outcomes:** By the end of the session, learners will be able to...

1. Identify different investment avenues that may lead to financial freedom in the future.
2. Focus on savings with an investment goal in mind.
3. Recognize the risks and rewards associated with investing.
4. Explain the concept of social and civic investment.
5. Recognize that investment can be done in partnership with others.
6. Appreciate that investment can be made for other than money returns.

IV. Repository of Activities for Students

Activity	REAP WHAT YOU SOW					
PT 8.1	جو بوو گے وہ کاٹو گے					
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none"> Identify various investment avenues that could lead to financial freedom in the future. Focus on savings with an investment goal in mind. 					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 1-3

Step-1: Set the stage by informing students that in this activity they will become familiar with the elusive idea of ‘investing money!’ Ask students to describe what it means to invest money. Invite responses and guide the discussion to highlight that investing money is simply ‘money making money’ Explain the difference between ‘working for money’ and ‘money making money’ in simple terms.

Step-2: Tell the students that today you will describe the process of investing using a familiar action that they are familiar with like planting vegetable seeds to grow in a garden. Ask the students what is needed for the plant to grow? Agree that it needs sun, water, manure. Tell the students that the concept of investment is also similar to planting a seed. Consider that the seed is money and the care and attention are the investment. In return, students can expect one of two outcomes. Either the seed will sprout vegetables which can be used by the students or even sold for money. This will mean that your investment made has returned a profit. The second outcome is that there is no fruit, and your seed does not grow at all. In this case, the investment you made would be lost completely. Explain to children the risks and rewards associated with making an investment through this vegetable seeding example.

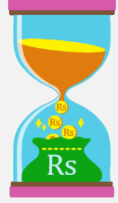
Step-3: Ask the students if setting up a kitchen garden, where the vegetables will be grown and sold, can be a form of investment. Ask them why or why not. Explain that it is a form of investment where a certain sum of money is put in today for return (when vegetables are sold) in future.

Step-4: Give the students a home task. Ask them to discuss with their parents and choose a vegetable that they will grow at home, e.g., tomatoes, bitter gourd (kerala), kaddu, for sale in the future. Ask them to bring answers to the following:

1. What vegetable did they choose to grow, and why?
2. What are the inputs needed to grow the vegetables (pots, soil, fertilizer, seeds, water)?
3. How much will these inputs cost?
4. How many kilos of the vegetables will they be able to grow and sell?
5. What is the probable market value of the vegetables that will grow?
6. Who will buy their vegetables?
7. For how much will they sell the vegetables?
8. Will they make more money than invested, or less?

Step-5: Request some of the students to present their investment plan to the rest of the class, or to submit to the teacher for marking.



Activity	INVESTMENT – WHY & HOW?						
PT 8.2	سرمایہ کاری کیوں اور کیسے؟						
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none">Identify different investment avenues that may lead to financial freedom in the future.Focus on savings with an investment goal in mind.Recognize that investment can be done in partnership with others.						
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s	3-5

Step 1: One week before the session, give the students a home task. Ask them to interview their parents and extended family to find out whether they have made any investments, and if so in what? Ask them to write some points in their notebooks for discussion in class.


Step-2: Welcome the students to the session. Tell them that before discussing their points, you would like to do a quick quiz by asking them some questions:

- What is investment?
- How is it different from savings?
- Why is investment important? You make money while you are sleeping.

Step-3: Ask the students to refer to their home task. Ask them if they had good interviews? Now ask them to give you some ideas of the kinds of investments their family made by their family. Expect responses such as purchase of land or building, prize bonds, gold, motorbike for use as product distributor, cars used as public transport, in a business, etc. Explain that sometimes if a venture requires a lot of money, it is possible for 2 or more people to invest in the venture and become partners.

Step-4: Conclude the session by explaining that there is always risk associated with investments. They do not guarantee profit. Investments may lose value, they could be stolen, mismanaged, destroyed or damaged. Usually, the potential for higher returns carries with it a higher risk that you may lose some or all of your money. Therefore, people must invest according to how much risk they are willing to take. Also, investment should be diversified, i.e., one must not put all eggs in one basket, because if the basket breaks you could lose everything. It is also a good idea to balance high and low risk investments or savings – this is like mixed cropping: if beans don't germinate, then the maize could.



Activity	TAKE A RISK TO EARN A REWARD					
PT 8.3	خطرہ لو گے تو انعام پاؤ گے					
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none">Recognize the risks and rewards associated with investing.Recognize that investment can be done in partnership with others.					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 4-5


Step-1: Ask the students, what does it mean to ‘take a risk’? Explain that it is to do something where the results are not definite, i.e., the venture may result in loss, failure, etc. Ask the students if they can identify the times when they have taken a risk? Ask for examples and confirm that a person is taking a risk when it comes to things like trying new foods, new behaviors, new skills such as presentation, playing sports and simply stepping out of our comfort zones.

Step-2: Ask the students why anyone should take risks in life. Explain that taking a risk to achieve a goal requires courage to face the fear of uncertainty. No matter the outcome, either way, we grow through the process and become more resilient and confident. Better yet, building those skills helps in taking more risks and improves the chances of achieving future goals.

Step-3: Tell the students that every time a person invests money, they are taking a risk, in anticipation that at the end of the day there will be a reward. Explain that a positive correlation exists between risk and return: the greater the risk, the higher the potential for return or loss. Using the risk-reward tradeoff principle, low levels of uncertainty (risk) are associated with low returns and high levels of uncertainty with high returns. Highlight that all investments have an element of risk. Bad investments can lead to money being partially or completely lost. It is critical to carefully assess investment avenues before making an investment, and only invest what you can bear to lose.

Step 4: Tell the students that it is really important to research investment opportunities by talking to financial management experts before making an investment. Also, one can invest in partnership with others to reduce future potential loss.



Activity	INTERVIEW AN ENTREPRENEUR					
PT 8.4	انٹر پرائیور کے ساتھ گپ شپ					
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none">Identify various investment avenues that could lead to financial freedom in the future. Recognize that investment can be done in partnership with others.					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 4-5

Step-1: Tell the students that one of the most popular forms of investment is to put the money into a business, with the aim to generate a profit (i.e., money making more money!). Organize the students into 4-5 groups. Tell them that today they will generate a list of questions to ask an entrepreneur about business investments, risks and rewards.

Step-2: Ask each group to brainstorm the list of questions they will ask the entrepreneur, and jot the same in their note books. Give the groups 15-20 minutes to generate the list of questions. Then ask groups to share their questions, and consolidate all questions on the board. Make sure that the groups have listed the following questions:

- What is your business? When did you start it? What are your products and services?
- How much money (amount) did you invest in your business? Did you start the business on your own or did you have a partner?
- Where did get the money for the investment? Your own savings or a loan? If loan, from where did you get it?
- How much sales do you generate in a month? In a year?
- How much profit do you earn?
- What risks have you faced in your business?
- What has been your return on investment?
- Did your earnings meet your expectations?

Step-3: Invite an entrepreneur in close vicinity of the school for an interview with the students. Prep the entrepreneur in advance to expect some of the above questions.

Variation: If it is challenging to find someone to interview in and around the school, the teacher interviews an entrepreneur using the above questions, and shares the story with the students.



Activity	MY BUSINESS VENTURE					
PT 8.5	میرا کاروبار					
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none"> Identify different investment avenues that may lead to financial freedom in the future. Recognize the risks and rewards associated with investing. Recognize that investment can be done in partnership with others. Appreciate that investment can be made for other than money returns. 					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 4-5

Step 1: Tell the students that the task at hand is to develop a proposal to invest in a business that they will implement in school. Tell the students that they will develop the proposal as a group. Divide students into six groups.

Step-2: Tell the groups that they are one enterprise unit. Together they need to make and sell 20 sandwiches could be pakora/samosa) in the school and the neighboring market (if possible).

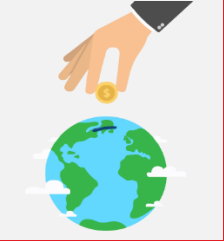
An investment identifies a venture that they will invest in and ask them to think about a business that they would then have to invest in. For example, students may find that they can make and sell 20 sandwiches during breaks at school.

Step 3: After students have identified a business, ask them to brainstorm:

- All the resources the business would need (to make sandwiches, for example, they would need ingredients like bread, mayonnaise etc.)
- What quantity they would like to produce (for example, 20 sandwiches)
- The total cost of producing the product
- How much they wish to sell their product for (here, students may determine their own margin of profit. For example, 10% above the total cost of production)
- Who will buy their product (students from their class, students from other classes, teachers etc.)
- How much of the product they aim to sell (for example, 20 sandwiches)
- How much revenue will their business generate in one day
- How much is each person willing to invest in and work for the business (more work and more investment would mean a greater rate of return)
- What would the final profit of the business be and how much return would each person get based on the amount they invested

Step 4: After students have completed their brainstorming session, ask all groups to share their ideas with the rest of the group along with their share of return from the business. Emphasize that the return in a business is calculated from (the amount of investment and work put into the business)



Activity	SOCIAL AND CIVIC INVESTMENT					
PT 8.6	سماجی حصول کے لیے سرمایہ کاری					
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none">• Explain the concept of social and civic investment.• Recognize that investment can be done in partnership with others.• Appreciate that investment can be made for other than money returns.					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 3-5

Step 1: Begin by highlighting that students learnt that one can invest in land, or jewelry, or bond, and expect a monetary return. Then pose a question to the class: is there any kind of investment that does not have a profit or monetary return?

Step 2: As students respond, guide the discussion towards social and civic investment, and write both types of investment on the board.

Step 3: Then divide the class into six groups and ask them to provide two examples of each of the following categories:

1. Social investment at home (cleaning the house, taking care of younger siblings)
2. Social investment at school (teaching another classmate, sharing your stationary with others)
3. Social investment in the community (arranging a food drive, picking up litter)
4. Civic investment in the community (raising awareness regarding an issue – such as global warming, arranging a community walk to clean garbage)

The point to emphasize in this session is that investment does not solely refer monetary gain and return. There are other kinds of investment that do not require money yet can still have an impact on society. Investment also does not have to occur alone. In this case, by organizing a walk with others, for example, you invest in partnership with others.



Entrepreneurship

9

I. What is Entrepreneurship?

Entrepreneurship refers to the process of creating a new enterprise and bearing any of its risks to make a profit. The person who creates a new enterprise and embraces every challenge for its development and operation is known as an entrepreneur. Entrepreneurship involves the recognition of opportunities (needs, wants, and problems) and using resources to pursue an idea for a new, thoughtfully planned venture along with any of its uncertainties to make a profit.

The most popular example of entrepreneurship is setting up and growing a new business. For instance, if someone starts an ice cream business, they will be considered an entrepreneur. However, the process of entrepreneurship, and the application of entrepreneurial skills and competencies, can be evident within companies, within governments, in running a not-for-profit organization, and so on.

The entrepreneur is commonly seen as an innovator, a source of new ideas, goods, services, and business procedures. Entrepreneurs are considered creative and innovative individuals who not only establish a new business but are willing to take risks to reap the rewards. Successful entrepreneurs often make a significant impact in societies (or worldwide).

Many great entrepreneurs start with just an 'idea' that will either solve an existing problem or make effective use of an unutilized resource. These entrepreneurs then further mature the idea through market research, discussions, brainstorming and product development, converting the ideas into possible products or services. They then develop a plan for how and from where they will mobilize resources and set a timeline for implementation and growth of the enterprise.



II. Key Messages About Entrepreneurship

Q-1

What is entrepreneurship?

The activity of setting up a business or businesses, taking on financial risks to generate profits.

Q-2

Who is an entrepreneur?

The entrepreneur is someone who has the ability and desires to establish, administer and succeed in a startup venture, along with the risk associated with it, to make profits. Entrepreneurs are often known as a source of new ideas or innovators and bring new ideas to the market by replacing old ideas with new inventions.



Q-3

What are the characteristics of an entrepreneur?

Great entrepreneurs come from all walks of life. There's no single personality profile. However, some specific characteristics and skills are visible in most entrepreneurs, e.g., an entrepreneur is:

- An innovator, a source of new ideas, goods, services, and business/or procedures. Passionate and driven for what they do, not the money they make.
- Adaptable to the ever-changing needs of the market and customers.
- Decisive in the face of difficult situations.
- Risk tolerant and resilient, i.e., able to withstand pressure and recover from difficulties.
- Persistent and committed to a promise, finding solutions to problems and never giving up.
- Confident and able to manage people, money and clients.

Q-4

Why do people become Entrepreneurs?

Some of the reasons why people become entrepreneurs are as follows:

- They want to do something different.
- They want to change the world by solving social issues.
- They do not want to work under anyone else, i.e., to be a boss.
- They want to work flexible hours and from anywhere.
- They can't get a job.
- They don't fit into the corporate environment.
- They are curious, ambitious and hard-working.

Q-5


How do entrepreneurs contribute to society?

Entrepreneurs are job creators, not job seekers. They generate new ideas and opportunities, new resources, and new pathways for self and others. Many enterprises respond to and solve social issues, e.g., private taxi services, a hotel in the marketplace, a pharmacy in remote areas, recycling plants in urban centres, etc. Entrepreneurs that focus on producing products and services that resolve social needs and problems are called social entrepreneurs. Their motto and goal are twofold: *kamai* and *bhalai*, i.e., generate a profit to sustain and make the world a better place.

III. **Learning Outcomes:** By the end of the session, learners will be able to...

1. Recognize the presence of entrepreneurs and their contributions to the economy.
2. Describe the qualities of an entrepreneur, including the 'can-do' attitude in the wake of all the adversities.
3. Explain how business ideas evolve from available resources or existing problems.
4. Describe the step-by-step process of setting up an enterprise, and explain the concepts of risk and reward.
5. Describe how they can apply entrepreneurial competencies in addressing problems in their class, school, home, and community.

IV. Repository of Activities for Students

Activity	EVERY OPPORTUNITY A BUSINESS!					
PT 9.1	ہر موقع ایک کاروبار					
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none"> Recognize the presence of entrepreneurs all around them and their contributions to the economy. 					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 2-5

Step-1: Tell the students that you would like them to realize the extent to which we are surrounded by entrepreneurship and entrepreneurs. Tell the students that no matter where we go – a school, a market, a mosque, a mall, a park – entrepreneurs' products and services surround us. Tell them that we will do a brief activity today. Alternatively, share the following link with students (<https://www.youtube.com/watch?v=dzeDurM7R9A>) and generate a discussion on the mind's ability to generate ideas.

Step-2: Tell the students that the activity is for them to products within the classroom made or traded by an entrepreneur. Tell them this is a brainstorming session, where they must identify a product that exists within the classroom – both those immediately visible and those that cannot be seen because it may be in the bag, hidden as a nail in the furniture, or the socks they are wearing.

Step-3: Start the brainstorming process. Once 50-60 ideas have been generated and listed on the board, begin a discussion as follows:

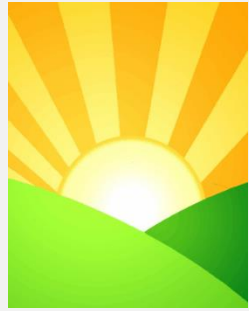
- How many of the listed items are made by entrepreneurs? For example, big and small factories make school bags; uniforms; badges attached to a uniform; wall paint, cement, etc.
- Then some people take the products from the factories and distribute them to shops and markets. They are also entrepreneurs.
- Then there are those entrepreneurs who have shops and sell these products to customers.

Ask the students what would happen if these entrepreneurs did not exist. Highlight that many products and services are produced and marketed by these entrepreneurs, making it convenient for the customers to buy.

Step-4: Ask the students if they can think of other entrepreneurs around them. Some students may have entrepreneurs in their own families. There are street vendors who are also self-employed micro-entrepreneurs. And then some women and men have home-based businesses and can also be categorized as home-based entrepreneurs.

Step-5: Conclude the session by giving students a home task. Ask them to list the names and businesses of 5 entrepreneurs in their family or neighbourhood and share the list with the class next time.



Activity	FROM A DREAM TO REALITY					
PT 9.2	خواب سے تعبیر تک					
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none">• Describe the qualities of an entrepreneur, including the 'can-do' attitude in the wake of all the adversities.• Explain how business ideas evolve from available resources or existing problems.• Describe the step-by-step process of setting up an enterprise and explain the concepts of risk and reward.• Describe the contributions that an entrepreneur makes to the economy.					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 4-5

Step-1: Ask the students to list entrepreneurs around the school, in their family or neighbourhood. Note these names with businesses on the board.


Step-2: Tell the students that their task is to 'meet an entrepreneur' and interview them as follows, and bring the responses to class:

1. How did the entrepreneur come up with a business idea?
2. Does the business solve an unmet problem or need? Does it utilize existing resources or skills? E.g., skills to stitch, availability of a motorcycle hying around, computer skills.
3. When did the entrepreneur set up the business?
4. How much did the entrepreneur invest? Where did s/he find the money to buy the various resources you needed?
5. What are some significant business expenses?
6. Does the entrepreneur make a profit?
7. What risks or challenges does the entrepreneur face in the business?
8. What are some competencies that entrepreneurs must use in their business?
9. According to the entrepreneur, is a business better than doing a job?
10. Is the entrepreneur a job creator? How?

Variation: The alternate is to bring a nearby entrepreneur to the class and have the students interview them using the above questions.

Step-3: Ask 2-3 students to present their interview with the entrepreneur. Make sure that all the questions are answered.



Activity	IDENTIFY BUSINESS OPPORTUNITIES					
PT 9.3	کاروباری مواقع کی شناخت					
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none">• Explain how business ideas evolve from available resources or existing problems.• Describe how they can apply entrepreneurial competencies in addressing problems in their class, school, home, and community.• Describe the contributions that an entrepreneur makes to the economy.					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 3-5

Step-1: Form the students into 5-groups, and tell them that today they will learn how to develop business ideas based on existing problems or available resources.


Step-2: Write the following 5-statements on the board:

1. There is a shortage of snacks and sandwiches in the canteen every day, because of which 50% of the students cannot buy.
2. Students just throw away their textbooks and even unused copies each year.
3. There are empty water bottles, juice boxes, leaves and other waste around the school.
4. A large number of students have free time, in school and out of school.
5. Many students are punished every day for not having complete stationery items.

Step-3: Ask the groups to consider that they are entrepreneurs. Ask them to discuss the business ideas that come to their minds in these situations. Give the groups 15 minutes to discuss.

Step-4: Ask the groups to share their business ideas for each situation. Note these ideas on the board. Encourage the students to think out of the box and generate several ideas. Tell the students that there are no right or wrong business ideas. However, a market survey must be undertaken to convert an idea into an opportunity.



Activity	REALITIES OF ENTREPRENEURSHIP					
PT 9.4	کاروباری حقائق					
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none">Describe the qualities of an entrepreneur, including the 'can-do' attitude in the wake of all the adversities.Describe the step-by-step process of setting up an enterprise and explain the concepts of risk and reward.Describe how they can apply entrepreneurial competencies in addressing problems in their class, school, home, and community.Describe the contributions that an entrepreneur makes to the economy.					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 3-5

Step-1: Ask the students how many of them are interested in becoming an entrepreneur. Ask those interested why they would like to be an entrepreneur. Note some of these points on the board.


Step-2: Tell the students that you will now share statements with them to which they may respond as follows:

- If they agree with the statement, they will show a thumbs-up sign.
- If they disagree with the statement, they must make a thumbs down sign.
- They must show an open palm if they are unsure about the statement.

Step-3: One by one, ask the following questions. Generate a discussion after each question.

1. Owning a business means working fewer hours in the day. (Not true. Those who set up and succeed in business work for many more hours than those in a job)
2. Most people who own a business become rich. (Not necessarily true. It would depend on the kind of business, its market potential, and the person managing it. What is true is that with innovation and expertise, all businesses have growth potential).
3. Most business owners have a college degree in business administration. (Not true. Many have set up a business with no formal education. However, those who are well educated have the advantage of using their education to manage their business better).
4. Owning a business involves little or no risk. You just have to be willing to work hard. (Not true. There is an element of risk associated with all businesses. However, some businesses are less risky than others. Those entrepreneurs who innovate and initiate new products in the market take more risk than those who come in later. However, if successful, the innovators also get the most reward).
5. An entrepreneur's qualities differ from those who succeed in a job. (Most likely true. Entrepreneurs need qualities different from those who do well in employment, e.g., innovators, adaptable, decisive, risk-tolerant and resilient, persistent and committed, and confident managers).



Activity	WHY SHOULD I BE AN ENTREPRENEUR?					
PT 9.5	میں کاروباری کیوں بنوں؟					
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none">• Recognize the presence of entrepreneurs and their contributions to the economy.• Describe the qualities of an entrepreneur, including the 'can-do' attitude in the wake of all the adversities.• Explain how business ideas evolve from available resources or existing problems.• Describe the step-by-step process of setting up an enterprise and explain the concepts of risk and reward.• Describe how they can apply entrepreneurial competencies in addressing problems in their class, school, home, and community.					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 3-5

Step-1: A week before the actual session, ask for 4-volunteers who will prepare a 3–4-minute presentation on 'why I want to be an entrepreneur. Be available to these volunteers as they write their speeches. Make sure that the students talk to a few entrepreneurs while finalizing their presentation and cover some of the following points:

- Entrepreneurs are everywhere and contribute to the economy in many different ways.
- Successful enterprises base their business ideas upon problems or available resources.
- Entrepreneurs ensure business success through passion and their personality.
- Entrepreneurs ensure business success by managing human, financial and material resources.

Step-2: On the day of the presentation, ask the students to remain attentive and note the points that appeal to them.

Step-3: Appoint a panel of judges. Carefully listen to all the presentations and highlight the most appealing points.



Financial Planning

10

I. What is Financial Planning?

Personal Financial Planning is a systematic approach whereby individuals maximize their existing financial resources by properly managing available finances to achieve their financial goals and objectives. Effective financial planning requires mastering and applying two core principles: Making good economic trade-off decisions and understanding financial relationships.

Budgeting is a tool for financial planning. A budget estimates revenue (inflows) and expenses (outflows) over a specified future period and is usually compiled and re-evaluated periodically. Budgets can be made for a person, a group of people, a business, a government, or just about anything else that makes and spends money.

A budget helps create financial stability. By tracking expenses and following a plan, a budget makes it easier to pay bills on time, build an emergency fund, and save for significant expenses such as a car or home. Overall, a budget puts a person on a firmer financial footing for both the day-to-day and the long term.

II. Key Messages on Financial Planning

Q-1

What is planning?

Planning is careful thinking before an action takes place. It allows us to peep into the future and decide in advance how to deal with the situations we will encounter in the future. It involves logical thinking, resource mobilization, and rational decision-making. Planning consists in deciding beforehand what is to be done, when, how and who will do it.

Q-2

What is a budget?

A budget is a plan for spending money each month, a year or any other specified period. It overviews the inflow (income) and outflow (expenses) of money and what's left over.

Q-3

Why does budgeting matter?

Breaking a budget into categories can help children decide precisely what they want to spend money on.

Q-4

What does a budget consist of?

An effective budget will list all sources of income, all categories of regular expenses, the anticipation of any irregular expenses, and the short-term and long-term savings goal.



Q-5

What does it mean to make sound financial trade-off decisions?

Almost all financial planning involves trade-off decisions, e.g.,

- If you spend more money, you will have less money to save.
- You must either increase your income or decrease your expenses to save more money.
- If you invest your money today, you will have less money to spend today. But if your investment gives you a positive return, you will have more money to spend tomorrow.
- You can decide to save money at home and have no income on those savings, or put that money in a savings account and have a gain on that saving.
- Your family may borrow money to invest in a motorcycle to be used as Bikea, or it may decide not to borrow money and forego the additional income.

Q-6

What does it mean to understand financial relationships?

All activities and concepts in financial management are linked to each other. For example, income minus expenses is equal to savings for an individual. Many financial relationships involve time. A good financial planner will think about financial matters over time. For example, if you have a savings goal of Rs. 1000 but can save only Rs. 100 per month, it will take you ten months to reach your goal. You will have to save Rs. 200 per month to reach your goal within five months.

Q-7

What is the 50/30/15/5 rule?

The 50/30/15/5 rule is a budgeting technique that divides a family's take-home income into four categories by percentages. It's a simple way to track your spending and focus on savings. A visual breakdown is as follows: Needs (50%) such as rent or mortgage, car payment, utilities, groceries, fees for education; Wants (30%) such as streaming services, luxury items, vacations; Savings or Debt (15%) such as emergency fund, retirement, rainy day; Sharing (5%) for charity or doing a good deed.

Q-8


What is the benefit of sound financial planning?

It manages an income stream against specific needs and wants to ensure that one's income does not exceed one's expenses. It serves to curb overspending, i.e., exceeding one's income, which can lead to severe consequences, such as debt. It also helps to decide on a reasonable amount to fulfil a savings goal.

III. Learning Outcomes: By the end of the session, learners will be able to...

1. Recognize financial relationships amongst income, expenses, savings, investment, etc.
2. Describe the importance of budgeting as a tool for financial planning.
3. Recognize the need to increase income or reduce expenses to balance inflows and outflows and meet saving targets.
4. Describe the importance of having a spending plan, a saving plan, and a plan for investments.
5. Appreciate the importance of making financial trade-off decisions requiring discipline and delayed gratification.

IV. Repository of Activities for Students

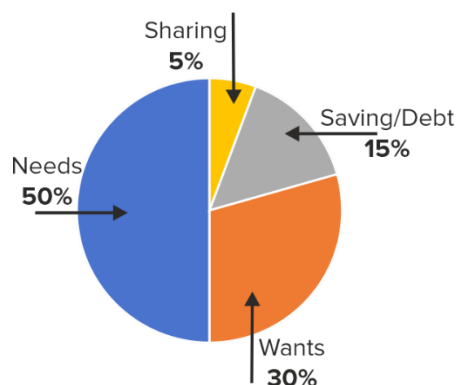
Activity	ABCS OF BUDGETING					
PT 10.1	بجٹنگ کا ا، ب، پ					
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none"> Describe the importance of budgeting as a tool for financial planning. Describe the importance of having a spending plan, a saving plan, and a plan for investments. 					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 1-3

Step-1: Ask the students to describe the budget. Explain that a budget is a plan for what they will do with their money when they get it. E.g., when working adults get paid, they have a plan for that money BEFORE they spend it. Ask the students what would happen if adults immediately spent all their money on fun things. The answer is that they would not have enough money left over for the not-so-fun but necessary things like electric bills, rent, school fees, and bus tickets or fuel for the motorcycle or car.

Step-2: Ask the students what the importance of a budget is. A budget ensures you have enough money for necessary things and limits spending on fun things or wants.

Step-3: Ask the students if a budget is something only adults should worry about once they have living expenses. The answer is NO. Ask the students how many have gotten money to spend for the canteen or received cash on their birthday and decided to save it for something big rather than spend it right away. Congratulate those who have their hands up. Tell them that they have already taken baby steps towards budgeting.

Step-4: Tell the students that they can start budgeting from a very young age till they are adults using the 50-30-15-5 plan, i.e., Needs (50%) such as rent or mortgage, car payment, utilities, groceries, education fees; Wants (30%) such as streaming services, luxury items, vacations; Savings or Debt (15%) such as emergency fund, retirement, rainy day; Sharing (5%) for charity or doing a good deed. Draw a pie chart on the board, as shown in the figure. Tell the students that this form of budgeting is simple. Every time they get money, they should split it into the above percentages. So, if they get Rs. 100, they spend 50 + 30 on needs and wants (buying now), save 15 (put aside for later), and share 5 (give to charity or a good cause) with others.



Step-5: Ask the students how many save money and put aside some money for charity. Ask for some examples of sharing money and note the same on the board. Ask them why it is vital to share money with others. Tell them that one can share many other things, e.g., skills, joy, material, and money.

Step-6: Ask the students to share the discussed concepts with members of their families. Ask them to check the extent to which their family applies the 50-30-15-5 rule.



Activity	IMPACT OF FINANCIAL DECISIONS					
PT 10.2	مالیاتی فیصلوں کے اثرات					
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none">• Recognize financial relationships amongst income, expenses, savings, investment, etc.• Recognize the need to increase income or reduce expenses to balance inflows and outflows and meet saving targets.• Describe the importance of negative anticipation or risk identification as part of the planning process.• Appreciate the importance of making financial trade-off decisions requiring discipline and delayed gratification.					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 3-5

Step-1: Give the students a brief orientation of the key messages about financial planning. Tell the students that you will ask them a series of questions to check their financial planning and management skills.

Step-2: One by one, ask them the following questions, and obtain a response from them. Discuss the financial implication highlighted by each question, and refer the students to discussions that may have occurred under other themes.

1. If your family spends money on an income-generating project (e.g., buying a sewing machine to stitch clothes for sale), what impact will that have on future income? (It can potentially increase family income over time).
2. If my income remains the same and I spend an extra Rs.500 monthly, what will be the effect? (It may affect the savings goal; or lead to overspending leading to borrowing).
3. Your family wants to increase the amount of savings per month. What should it do? (The family should increase income, reduce expenses, or both).
4. Your family has kept their savings under the mattress at home. How would you counsel them? (Find ways in which money can make money. One option is to keep the money in a savings account in an Islamic Bank that generates profits).
5. Your family wants to borrow money to invest in a motorcycle that your elder brother will use as motorcycle transport service. Will you support this decision? Why? (If motorcycle transport services are in demand, then yes since he will make enough money to pay back the loan and generate an income).

Step-3: Conclude the discussion by highlighting the importance of making financial trade-off decisions regularly. Tell the students to remember the 50-30-20 rule in life.

Activity	BUDGETING FOR A SOCIAL CAUSE
----------	------------------------------



PT 10.3

بجٹ سازی بھلائی کے لیے

Learning Outcome

- By the end of the session, learners will be able to:
- Describe the importance of budgeting as a tool for financial planning.
 - Recognize the need to increase income or reduce expenses to balance inflows and outflows to meet saving targets.



Subject/s

Urdu

Islamiat

Math

G.K

S.St

Grade/s

4-5

Step-1: Ask the students to describe planning. Tell them that planning involves careful thinking before taking action. It applies logical thinking, resource mobilization and rational decision-making. Planning involves deciding beforehand what is to be done, by when, how, and who will do it.

Step-2: Tell the students that once upon a time, there was a public area with no access to clean drinking water. There was a primary school close to the site, where the teachers and students were aware of this issue. One day, the teachers and senior students decided to address the public's drinking water issue. Since no one else came forward, the school decided to manage this social issue. A 'safe drinking water committee' was formed to address this problem.

Step-3: Ask the students what was the first thing the Committee did. What is the first thing they would do? (Understand the problem better, identify the solution, and assess what it will cost). They had to find answers to the why, what, for whom, where, by whom, when, and how.

- Why, What, for Whom & Where: The Committee spoke to people in the area, and it was decided that a water cooler placed outside the school would benefit at least 100 people in the nearby markets every day.
- By Whom: The school would support the project through an appointed Committee.
- By When: The project will be implemented within six months.


The next step for the Committee was to determine the cost of the water cooler and its set-up. This was estimated at Rs. 125000.

Tell the students that the above details are critical in financial planning. The amount required is the goal or target.

Step-4: Tell the students that the next step is to determine how to collect the required amount, i.e., Rs. 125,000. For this, the Committee decided the following:

- Donation from the School Management Committee = Rs. 30,000
- Contribution from School Administration – Rs. 30,000
- School Fun Fair (products to be contributed by students) = Rs. 35,000
- Recycling (books, newspaper, bottles) = Rs. 13,000
- Contributions from New Admissions = Rs. 7,000
- Donations from students = Rs. 10,000

Step-5: Conclude the session by highlighting that the above was an example of financial planning, i.e., the inflow and outflow of cash for a specific purpose. Tell the students that the above is an example of a plan. A quotation says, 'there can be many a slip between the cup and the lip'. Ask the students what that means. Explain that there may be reasons why your assumptions may not come true. Therefore, a good plan will consider risks and problems and have backup plans.

Activity	UNDERSTANDING FINANCIAL RELATIONSHIPS					
PT 10.4	مالیاتی تصورات کا تانا بانا					
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none"> Recognize financial relationships amongst income, expenses, savings, investment, etc. Recognize the need to increase income or reduce expenses to balance inflows and outflows and meet saving targets. Appreciate the importance of making financial trade-off decisions requiring discipline and delayed gratification. 					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 1-3

Step-1: Tell the story of Aliya and Amir as follows:

Aliya and Amir were siblings and also good friends. After attending many sessions on financial literacy, they were truly inspired to develop a budget and improve their income and savings. They both received pocket money and also were given Eidi and cash presents on their birthday and other occasions. However, the two decided that this was not enough, and they should also sell sandwiches and stationery in school and make more money.

Step-2: Ask the students the following questions:

1. If Aliya and Amir make more income and their expenses remain the same, what will happen to their savings? (It will increase)
2. If Aliya and Amir spend their money-making sandwiches and buying stationery to sell to others, what is this called? (Investment)
3. If the sandwiches sell for less than their cost of making, what will this be called? (Loss)
4. If there is a loss on sandwiches, what will it impact? (Income)
5. How will Aliya and Amir know they are making a profit on the sandwiches and sale of stationery? (They will know if they have made an initial budget and are tracking income and expenses)
6. If Aliya and Amir have no savings or surplus income but still want to do their sandwich and stationery business, what can they do? (Borrow money from someone or purchase required material and items on credit)
7. If Aliya and Amir can buy the material for their sandwich and the stationery, this will directly impact what? (Their income, their expense, their return on investment)

Step-3: Add more questions if you see a need. Conclude the session by highlighting all the elements of financial planning, i.e., income, expense, purchasing, savings, and investment.



Activity	STAYING WITHIN A BUDGET					
PT 10.5	بجٹ کی حد میں رہنا					
Learning Outcome	<p>By the end of the session, learners will be able to:</p> <ul style="list-style-type: none">Recognize the need to increase income or reduce expenses to balance inflows and outflows and meet saving targets.Appreciate the importance of making financial trade-off decisions requiring discipline and delayed gratification.					
Subject/s	Urdu	Islamiat	Math	G.K	S.St	Grade/s 3-5

Step-1: Tell the students that many must have had a chance to discuss the importance of a budget and how to make one. Congratulate them on this progress.

Step-2: Ask the students to tell you how many of them have stayed within their budget through a show of hands. Clap for those who were able to stay within the budget. Ask the students how many have NOT been able to remain within their budget and why. Count the number of students who have faced challenges in staying within the budget and note them on the board.

Step-3: Now, ask those who faced challenges what were some reasons why they were not able to remain within their budget. Note these on the board. Some reasons may be an unexpected reduction in inflow, unexpected expenses, the temptation to buy something not listed on the budget, money lost or robbed, etc. Ask those who were able to remain within the budget how they managed. Did they not face similar problems?

Step-4: Conclude that it is not enough to make a budget. One must build the discipline to also remain within the budget. One of the most critical skills required to stay within the budget is the ability to say 'no' to others and to oneself. It is also essential to plan, identify, and take advantage of opportunities and resources that can reduce expenses.



GLOSSARY

App

Abbreviation of application. Applications are downloadable software, especially for mobile devices. For example, the State Bank of Pakistan has a mobile phone app to check if a bank note is real or fake.

Assets

Any resource that is owned by a person or business that has monetary value of its own. For example, a business may have an asset in the form of a building it owns.

ATM

An Automated Teller Machine or ATM is a machine operated by a bank that allows you to withdraw money.

Assumption

Financial planning involves making reasoned and intelligent estimates (also called projections) about the future. To do so, we use assumptions or intelligent estimates to plan ahead. For example, if we know the cost of a product is Rs. 1,000 today and we want to estimate its cost at the end of 2 years, we may use an assumption that the annual inflation rate is 6%. In this case, we will make a projection that the cost of the product in 2 years will be Rs. 1,123.60 (i.e., $1000 \times 1.06 \times 1.06$).

Balance Sheet

A balance sheet is a financial statement maintained by a business that follows specified financial accounting standards in Pakistan. A balance sheet shows, as of a specified date, the assets, liabilities and equity of the business.

Bank Account

The record which shows how much money a customer has with a bank.

Banking Channels

A bank will reach its customers and provide them with services through many 'banking channels' or pathways. These include branches, kiosks, Automated Teller Machines (ATMs), mobile apps, Internet banking websites, credit and debit cards, retail Point of Sale (POS) systems and customer call centers.

Basket of Commodities

A basket of commodities, or basket of goods, is a collection of consumer products and services which a country uses to track inflation. By tracking the price of everyday items and services like food, clothing and education, a country can keep track of what percentage of their income citizens are spending on these goods over time.

Borrowing


The money or other item of value that you receive for your use and that you plan to give it back to the giver. For example, you could borrow Rs. 5,000 from a bank and return that money to the bank a year later.

Branchless Banking

Traditionally, banks have provided banking services through physical bank branches operated by bank employees. While they continue to do so, they also provide services through branch less banking, i.e., provision of banking services through pathways or 'channels' other than bank branches. Branch less banking channels include: (1) ATMs; (2) payment cards; (3) mobile phones; and (4) outlets such as post offices and retailers.

Brand

A special name symbol and promise by which a product or service is offered by a business to its



customers. For example, the name "Coca Cola" and its logo and colors are part of a famous international brand. But a brand also represents a promise by a business to its customers. For example, the products sold under the brand name "Coca Cola" taste the same and are made to the same quality standards around the world.

Break Even

Break even means, in relation to a business, the point at which income and expenses equal each other. Often, in the early years of a business, expenses will be more than income. Once there are enough customers and income increases, a well-managed business will get to break even. At this point, income and expenses equal each other. Business owners plan for businesses to get to break even as fast as possible.

Budget

A budget is an estimate of income and expenses over time. In the case of an individual or family budget, the budget will also contain an estimate of savings (income less expenses). In the case of a business budget, the budget will also contain an estimate of profit or loss (income less expenses).

Capital Expenditure

A capital expenditure is money spent by a business to purchase things that can be used over a long period of time. For example, land, buildings and production machinery are types of capital expenditures.

Cash Flow Statement

A cash flow statement is a financial statement maintained by a business that follows specified financial accounting standards in Pakistan. A cash flow statement shows, for a specified period, the cash coming in and going out of the business.

Channel

A pathway or outlet by which a product or service is offered by a business to its customers. For example, selling a product in a shop you own, selling a product in shops owned by other businesses, selling a product through an agent or selling a product through an e-commerce site are all different channels for the marketing and sale of the product.

Charity

To give money or services to help those in need, without looking for anything in return. For example, it will be an act of charity if you give money for poor earthquake victims to rebuild their homes.

Claim

The process of applying (or the application itself) for compensation, by the insured to the insurer, under the terms of an insurance policy.

Company or Corporation

A company (also called a 'corporation') is a legal entity that is used to conduct a business. In Pakistan, companies established in the country are registered with the Securities and Exchange Commission of Pakistan.

Competition

To enter into a contest with others to achieve a goal. For example, in sports, teams contest or compete with each other to win the top positions. In the economy, businesses compete with each other to win customers and increase profits.

Conventional Finance

Conventional finance refers to the system of finance developed in the West and common throughout the world today. Mark-up based financing is a central part of this system.



Cost of Goods Sold

Cost of goods sold is a category of business expenses which relate to the purchase of goods or raw materials and other direct costs relating to the goods sold. It is often the largest part of the expenses of a business. It is usually not a fixed cost, because, if the business sells less, it will spend less on the purchase of goods or raw materials and other direct costs relating to the goods sold.

Counterfeit

Counterfeit refers to something that is an exact imitation of a valuable original thing, made specifically with the intention to deceive. Counterfeit money is fake currency, printed by criminals to deceive others.

Credit Card

A card issued by a bank that can be used by customers to buy things and make payments. Any money used through a credit card must be repaid by the customer to the bank.

Credit Rating

A credit rating is an evaluation of the credit risk of a potential borrower (an individual, a business or a government), which predicts their ability to pay back the loan. Individuals, businesses and governments with strong credit ratings find it easy to borrow money on good terms. Those with weak credit ratings find it very difficult to borrow money on good terms. These credit ratings are provided by independent credit rating agencies.

Current Account

A bank account offered by banks that allows customers to quickly transfer and withdraw money. Usually, deposits in current accounts do not earn money for the customer.

Debit Card

A card issued by a bank that can be used by customers to buy things and make payments. Any money used through a debit card comes out of the customer's bank account.

Deflation

Deflation is the rate at which the average price level of a basket of selected goods and services in an economy decreases over a period of time. Often expressed as a percentage, deflation is not necessarily a positive development as it may mean that the economy is slowing down.

Deposit

Money put into a bank by a customer for safe-keeping. Some deposits earn a profit for the customer.

Deposit Multiplier Effect

When you save money in a bank, the bank will lend a portion of that money to other individuals and businesses. The borrowers will use that money to buy goods and services. A portion of the income generated from this new economic activity will go back into banks as savings. The banks will then have additional money to lend out to other individuals and businesses. This will, in turn, generate further economic activity which will result in more money being deposited into banks as savings. And the process will repeat itself. Therefore, each Rupee saved in a bank has a 'deposit multiplier effect' - it leads to additional economic activity.

Digital Content

Digital content, or digital media, is any content product which is available in digital form. This includes music, information, images and videos that are contained as data in computer files and broadcast digitally.



Earnings

The money or other item of value you receive for services, benefits or investments you provide. Earning is a type of income. For example, you may have a job in which your earnings as wages are Rs. 20,000 per month. As another example, you may invest Rs. 10,000 in a government bond in which you receive earnings as a mark-up or profit of Rs. 1,000 per year.

E-commerce

E-commerce, or electronic commerce, refers to those commercial transactions which are undertaken electronically over the internet. Any business that sells its goods or services over the Internet and receives payments electronically is using e-commerce.

Economy

The system of production, sale and purchase of goods and services and the provision of money and financing in a country.

Enterprise

An enterprise is a business or venture. The three terms 'business', 'enterprise' and 'venture' are often used in place of one another. They involve taking a risk and investing money and effort to gain a reward. While many enterprises seek only profit as the reward, there are also 'social enterprises' that seek both positive social results and financial reward.

Entrepreneur

An entrepreneur is a person who starts and often leads an enterprise, business or venture. This involves taking a risk and investing money and effort to gain a reward. While most entrepreneurs seek only profit as the reward, there are also 'social entrepreneurs' who seek both positive social results and financial reward.

E-payments

E-payments, or electronic payments, refers to any non-cash payment made for an online purchase. Popularized due to the rapid increase in internet shopping and banking, e-payments allow convenience when shopping online.

Equity; Equity Investment

Equity represents the ownership interest in a business or company. Among other things, equity owners in a business or company have the right to manage and share the profits of the business or company. When we refer to 'equity investment' we mean an investment in the ownership interests in the business or company.

Exchange Rate

The exchange rate is the rate at which local currency is exchanged for foreign currency. If the currency of a country has a favorable exchange rate, it will get more units of the foreign currency.

Expenses


The money you spend. For example, an individual's expenses may include house rent, food and sweets. As another example, a business' expenses may include office rent and salaries of employees.

Finance; Financing

Finance is the system and financing is the process of providing money or 'funds' to individuals, businesses or governments to enable them to buy goods and services. In financing arrangements, the money or funds are usually provided with an understanding that the person providing financing will get the money or funds back, and/or will get a share or profits and/or will get a fixed or variable income.

Financial Economy

The part of the economy that is concerned with the provision, sale and purchase of financial products



and services, as opposed to the real economy, which is concerned with actually producing goods and services.

Financial Institution

A business that provides financing and related services. Financial institutions include banks, microfinance banks, development finance banks, leasing companies, stock brokerage firms and currency and money transfer businesses.

Fixed Expense

A fixed expense is an expense that is the same over different periods. For example, if you need to pay rent for your house of Rs. 10,000 every month, then rent is a fixed expense. Individuals, families and businesses can all have fixed expenses.

Fixed income

An item of fixed income is an item of income that is the same over different periods. For example, if you receive a salary of Rs. 20,000 every month, then you are receiving a fixed income. Individuals, families and businesses can all have items of fixed income.

Foreign Currency

Foreign currency means, for any country, the currency of any other country than its own. For example, for Pakistan, United States Dollars is a foreign currency.

Foreign Exchange

Foreign exchange refers to the exchange of one currency for another currency. For example, when you exchange Pakistani Rupees for United States Dollars you are entering into a foreign exchange transaction.

Funds Transfer

One of the services offered by banks and other financial institutions is the transfer of money

or funds on deposit. These transfers may be done nationally or internationally. They may be done between a customer's own accounts and also between one customer and another. With mobile banking, funds transfers have become even easier. Customers may 'buy' funds into a digital account and transfer the funds to another person using their mobile phones.

Generic Product

In business, a generic product is a product sold as a basic, original product with no branding or very little branding. For example, if you sell wheat flour as 'atta' you are selling it as a generic product. But if you sell wheat flour under a brand name with a quality promise, you are selling it as a branded product.

Gift

The money or other item of value that you receive from a giver who does not want anything back. For example, people give gifts to each other at Eid or other special religious days.

Harvest


The process of gathering fruit or crops when they are ripe or ready to be eaten.

Ijara

This is a type of Islamic financing in which the person providing financing ("lessor") buys a product needed for use by the other person ("lessee"). The lessor leases the product to the lessee at cost plus mark-up. The lessee pays over time and must return the product at the end of the lease. The lessee may also buy the product at the end of the lease.

Income

The money or other item of value you receive. Income may be in the form of: (1) wages from a job; (2) profits from a business; (3) earnings



from an investment or bank deposit; (4) gifts from someone; and (5) benefits from the government. For example, you could have a monthly income of Rs. 20,000 from a job.

Income Statement

An income statement is a financial statement maintained by a business that follows specified financial accounting standards in Pakistan. An income statement shows, for a specified period, the income, expenses and profit or loss of the business.

Income Tax

Income tax is a tax imposed by government on the income of individuals or the profits of businesses or companies. This tax is a % of the income of individuals or the profits of businesses or companies. This tax is required to be reported and paid by the individual or business on whom the tax is imposed.

Inflation

Inflation is the rate at which the average price level of a basket of selected goods and services in an economy increases over a period of time. Often expressed as a percentage, inflation indicates a decrease in the purchasing power of a nation's currency. For example, if in one year gasoline prices are Rs. 100 a litre and the next year they are Rs. 110 a litre, we could say the gasoline prices have inflated (gone up) by 10%.

Information age

Refers to the modern era where advances in the economy are based on Information Technology. Also known as the computer or digital age, the information age is characterized by the rapid advancement, dissemination and availability of information and technology.

Information technology (IT)

IT is the application of scientific knowledge, often in a business context, primarily involving computers, software and network systems. It broadly refers to the use of computer systems for the storing, retrieving and manipulating of data or information.

Installment or Loan Installment

In the case of a loan, an installment represents a part of the loan amount that must be repaid on a specified time. For example, a lender may lend on January 1 Rs. 8,000 and want the loan amount to be repaid in four equal installments at the end of each calendar quarter. In this case, the borrower must repay the money in four installments: (1) Rs. 2,000 on March 31; (2) Rs. 2,000 on June 30; (3) Rs. 2,000 on September 30; and (4) Rs. 2,000 on December 31.

Insurance policy

A contract, representing the purchasing of insurance, in which one party (insurer) agrees to pay another party (insured) in the event of a loss.

Insured

The party (person or organization) covered by insurance, who makes a claim and to whom compensation is paid in the event of a loss.

Insurer

The party in an insurance contract responsible for paying the compensation amount in the event of a claim.

Intangible Asset

An intangible asset is a business asset that does not have a physical dimension. Intangible assets include intellectual property assets and legal claims and licenses.



Intellectual Property

Intellectual property is an intangible asset that is created by intellectual effort and innovation. Examples include books, movies, software, trademarks and all kinds of designs (for products, buildings, etc.). Intellectual property assets may be protected under different laws including those relating to copyright, patents and trademarks.

Interest

'Mark-up' or interest is a per annum rate applied to a loan that represents the lender's profit or earnings. For example, a lender may lend for one year Rs. 12,000 with a mark-up of 10% per annum. In this case, after one year the borrower will need to (1) repay Rs. 12,000 as the loan amount PLUS (2) pay Rs. 1,200 (10% of 12,000) as the mark-up or interest.

Interest-based financing

Interest-based financing involves provision by a lender of a loan to a borrower in exchange for which the borrower agrees to (1) repay to the lender the principal amount of the loan and (2) pay to the lender a fixed or determined profit, mark-up or interest on this principal amount. Interest-based financing is permitted under traditional finance but not under Islamic finance.

Invest

To make an investment or put money or something else of value in a business or other project to set it up or help it to grow. For example, if a person puts in Rs. 30,000 to set up a business, we could say: "He invested Rs. 30,000 in the business."

Investment

The money that you use to make more money. For example, an individual may put money into a business as an investment. Buying shares of companies and government bonds are also types of

investment.

Islamic Finance

A system of finance based on interpretations of the shariah, the Islamic law. Under Islamic finance, profit on financial investments is permitted if money is used to take risks and promote the real economy. But interest-based financing is not permitted.

Leasing

Leasing means to give someone the right to use a physical property (such as land, a building or a car). Usually, the leasing right is given for a specific purpose and time and a specified fee (called a 'rental fee'). In a leasing arrangement, the person giving the lease is called a 'lessor' and the person receiving the lease is called a 'lessee'. The lessor remains the owner of the physical property.

Liabilities

A liability is a financial debt, loan or obligation owed by a person or company to another party, and is settled through the transfer of money, assets or goods and services.

Licensing

Licensing means to give someone the right to use an intellectual property (such as software or a movie or book or invention) or other right (such as a government ownership of the radiowave spectrum). Usually, the licensing right is given for a specific purpose and time and a specified fee (called a 'royalty'). In a licensing arrangement, the person giving the license is called a 'licensor' and the person receiving the license is called a 'licensee'. The licensor remains the owner of the intellectual property or right.



Loan

The amount of money that is lent by one person to another. For example, a bank may make a loan to a person so that the person can buy a motorcycle. The amount that is lent is also called the 'principal amount' of the loan.

Loan Amount

The loan amount (also called 'principal') of a loan is the amount of the loan. For example, if a lender lends someone Rs. 12,000, the loan amount or principal is Rs. 12,000.

Loan Period

The period of time over which a loan must be repaid. For example, a lender may lend on January 1 Rs. 8,000 and want the loan amount to be repaid in four equal installments at the end of each calendar quarter. In this case, the loan period is January 1- December 31 or one year.

Loss

The amount of money you lose in a business. For example, if your business has income of Rs. 5,000 and expenses of Rs. 7,000, you will have a loss of Rs. 2,000. If you gain money in a business, the amount of money you gain is called a 'profit'.

Mark-Up

'Mark-up' is a per annum rate applied to a loan that represents the lender's profit or earnings. For example, a lender may lend for one year Rs. 12,000 with a mark-up of 10% per annum. In this case, after one year the borrower will need to (1) repay Rs. 12,000 as the loan amount PLUS (2) pay Rs. 1,200 (10% of 12,000) as the mark-up.

Mobile Banking

This is a service offered by banks that allows customers to use their mobile phones to use banking services such as transferring money.

Mudarabah

This is a type of Islamic financing partnership in which one person provides money and the other person provides expertise and management. At the beginning, the partners agree on the profit-share percentage. If there is a loss, the partner providing expertise and work does not have to pay the partner providing the money.

Murabaha

This a type of Islamic financing in which the person providing financing buys a product that the other person needs. The person providing the financing then sells the product to the other person at cost plus mark-up. The other person pays over time.

Musharakah

This is a type of Islamic financing partnership in which people provide money and/or expertise and management. They can agree however they want to divide the profits and management of the business. If there is a loss, the partners share in it according to the proportion of the money they put into the business.

Necessary Expenses


Expenses that are necessary or important and that cover things you need. For example, an individual's necessary expenses may include expenses relating to food and rent.

Operating Expense

An operating expense is money spent by a business to operate on a regular basis. For example, a fruit shop will have operating expenses in the form of rent, fruit purchases and salaries.

Pocket money

It is a small amount of money regularly given to children, by their parents, to spend or save for their wants. This is also known as an



'allowance' and given on a weekly or monthly basis.

Premium

The small monthly or annual fee paid by the insured party to the insurer, in return for a promise of compensation in the event of a loss.

Principal

In the case of a loan, the loan amount (also called 'principal') of a loan is the amount of the loan. For example, if a lender lends someone Rs. 12,000, the loan amount or principal is Rs. 12,000.

Private Limited Company

A private limited company is a company whose transfer and listing of shares is restricted by law. Shares of such companies may not be listed on the Pakistan Stock Exchange.

Profit

The amount of money you gain in a business. For example, if your business has income of Rs. 5,000 and expenses of Rs. 4,000, you will have a profit of Rs. 1,000. If you lose money in a business, the amount of money you lose is called a 'Loss'.

Profit Margin

The profit margin of a business is calculated by expressing as a percentage its profit divided by its income (profit/ income as%). Profit margin calculations tell you, that for every rupee a business makes, what percentage is profit. For example, if a business has income of Rs. 10,000 and expenses of Rs. 8,000, it will have a profit of Rs. 2,000 (10,000 -8,000) and a profit margin of 20% (2,000 / 10,000 as%). Profit margin is a basic but very useful ratio used for comparing the profitability of businesses.

Profit share

It is the dividing of profits made by a business or company based on

predetermined percentages between investors. This investment can either be financial or work in terms of time and/ or effort.

Projection

Financial planning involves making reasoned and intelligent estimates (also called projections) about the future. To do so, we use assumptions or intelligent estimates to plan ahead. For example, if we know the cost of a product is Rs. 1,000 today and we want to estimate its cost in 3 years, we may use an assumption that the annual inflation rate is 6%. In this case, we will make a projection that the cost of the product in 3 years will be Rs. 1,123.60 (i.e., $1000 \times 1.06 \times 1.06$).

Public Limited Company

A public limited company is a company whose shares may be listed on the Pakistan Stock Exchange. In order for listing to happen, a public limited company needs to satisfy detailed legal requirements.

Real Economy


The part of the economy that is concerned with actually producing goods and services, as opposed to the financial economy, which is concerned with the provision, sale and purchase of financial products and services.

Retailers

A person or business that sells goods. As opposed to a supplier or wholesaler, a retailer normally sells directly to the consumer. For example, a grocery store can be referred to as a retailer of goods.

Reward

Something you get for your effort, achievement or investment. In finance, calculation of reward is typically balanced by calculation of risk. You should not take a financial risk unless there is a



greater financial reward. For example, if you invest money in shares on the stock market you take the risk that the price of the shares will go down. You should take this risk only if you can estimate that you could also get a high reward if the price of the shares will go up.

Risk

The chance or danger that something bad may happen or a loss may occur. In finance, risk is often used to refer to the chance that there may be a financial loss. For example, if you invest money in shares on the stock market you take the risk that the price of the shares will go down. In finance, calculation of risk is typically balanced by calculation of reward. You should not take a financial risk unless there is a greater financial reward.

Risk Management

A business faces many risks, including legal, financial, operational, reputational and competitive risks. Risk management refers to the discipline of managing these risks in a planned way, including through financial planning, complying with laws and contracts and insurance.

Sales Tax

Sales tax is a tax imposed by government on the sales of certain goods and services. This tax is required to be collected by the seller from the buyer at the point of purchase and passed on to the government.

Savings

The money or other item of value that you own and keep for use at a later time. For example, if in one month you have income of Rs. 1,000 and you have expenses of Rs. 800, you will a saving of Rs. 200. You could save money at home or in a bank.

Savings Account

A bank account offered by banks that allows customers to save money and earn a profit on the saving.

Savings Plan

The plan to save some money. A savings plan has a goal (i.e., how much money you want to save over a period of time). The goal may be met over a period of time. For example, if your goal is to save Rs. 3,000 and you save Rs. 1,000 every month, you will meet your goal in three months.

Shares

Shares represent a unit of equity ownership in a business or company. For example, a company may issue 100 shares, each of which represents 1% of the equity ownership in the company.

Shariah

'Shariah' literally means a way or path. In Islam, Shariah refers to the divine guidance and laws given by the Holy Quran and the Hadith (sayings) of the Prophet Muhammad (peace be upon him), as supplemented by juristic interpretations by Islamic scholars. Shariah embodies all aspects of the Islamic faith, including beliefs and practices. Islamic Shariah or the divine law of Islam is derived from the following four sources: (1) the Holy Quran; (2) the Sunnah of the Holy Prophet (Peace Be Upon Him); (3) Ijma' (consensus of the Ummah); and (4) Qiyas (reasoning by analogy).

Takaful

This is a type of Islamic insurance in which people or businesses seeking insurance put together or 'pool' their insurance payments or 'premiums' and make the pooled funds available for losses suffered by the people or businesses in the pool.



Tangible Asset

A tangible asset is a business asset that has a physical dimension, such as land, buildings, machinery, inventory and cash.

Tax

A tax is a charge imposed by a government on individuals and businesses. The money collected through taxes is used to fund government expenses such as defense, development, education and health.

Terms

The details at which a seller will sell you something. For example, a seller may sell you a schoolbag for Rs. 500. She may say she can only give it to you one week later. She may also say she will give you the money back if there is something wrong with it. The timing of the sale of the bag and the promise to give back the money are the 'terms' of the sale.

Trade-Off

A trade-off is an exchange of one thing for another. For example, if you have one egg and you eat it today for breakfast, then you will not have it available to eat tomorrow. You have traded off your opportunity to eat the egg tomorrow for your desire to eat the egg today. A trade-off decision is a decision you make in relation to a trade-off situation. For example, when you decide to eat the egg today, you are making a tradeoff decision.

Unnecessary Expenses

Expenses that are unnecessary or unimportant. These expenses usually are for things you 'want' but may not 'need'. For example, an individual's unnecessary expenses may include expenses relating to sweets and toys.

Variable Expense

A variable expense is an expense that changes over different periods.

For example, if you have food expenses of Rs. 8,000 in one month, Rs. 7,000 in the second month, and Rs. 7,300 in the third month, then food is a variable expense. Individuals, families and businesses can all have variable expenses.

Variable Income

Variable income is an item of income that changes over different periods. For example, if you have profit from a business of Rs. 50,000 in one month, Rs. 70,000 in the second month, and Rs. 70,300 in the third month, then profit is an item of variable income. Individuals, families and businesses can all have items of variable income.

Wages

An amount of money an employee is paid based on the number of hours or days they have worked.

Wholesaler

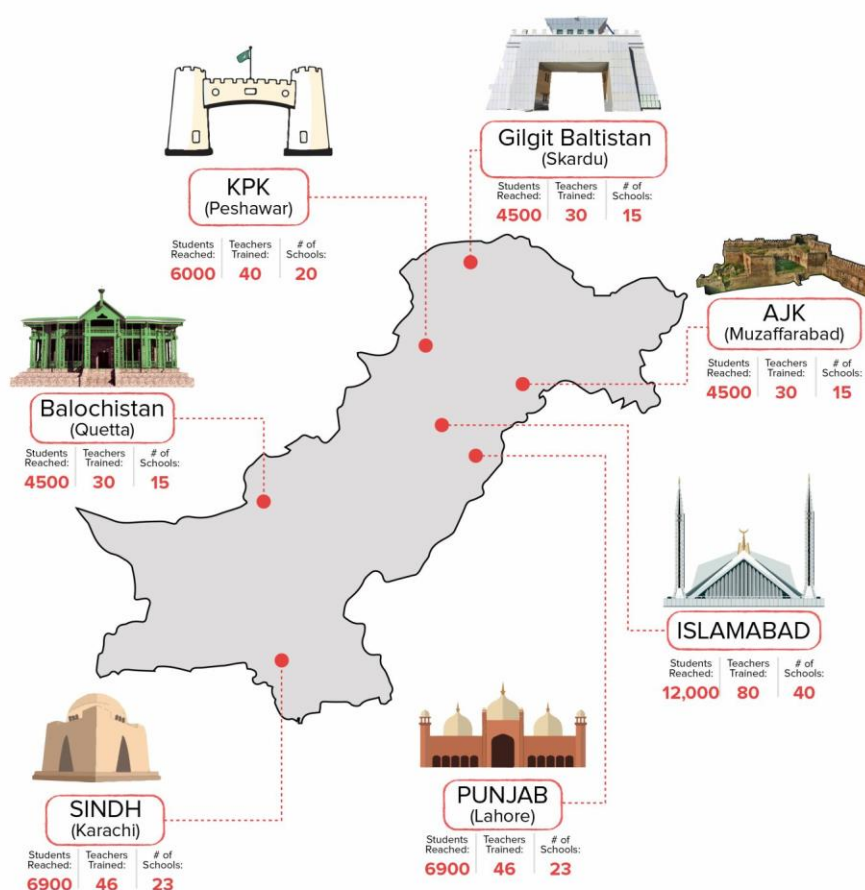
A person or business that acts a middleman by buying large amounts of goods from suppliers, storing them and reselling in large quantities to retailers.

Withdrawal

Money taken out by a customer from a bank. Any money withdrawn by a customer comes out of the customer's bank account

As part of the State Bank's 'National Financial Literacy Programme for Youth (NFLP-Y)', Pakistan Alliance for Early Childhood (PAFEC) won a project to develop a curriculum for Financial Literacy and to integrate it into the National Curriculum at the Primary Level (Grades 1-5). PAFEC signed a contract with the National Institute of Banking and Finance (NIBAF) – a subsidiary of the State Bank - in February 2022 in order to implement this project.

In addition to integrating Financial Literacy into the national curriculum, an essential deliverable of the project was to train 302 teachers, from 151 schools, at the Primary level on basic concepts of financial literacy, who in turn will educate around 45300 primary level students across the country. The bifurcation of targets per province for this intervention is as follows:



PAFEC is currently executing this project through its technical team, which comprises competent technical individuals with vast experience in developing educational policies, curricula, and capacity building for practitioners in the field of education. Given the team's extensive knowledge in this sector, PAFEC and NIBAF will successfully achieve the project's targets, ultimately enhancing the Pakistani children and youth's knowledge, skills and attitudes regarding financial planning and management.



PAKISTAN ALLIANCE FOR EARLY CHILDHOOD

Registered under Section 42 of the Companies Act, 2017. License 1245

Office # 3-6, 1st Floor, Time Square Plaza, G-8 Markaz, Islamabad - Pakistan



0092 51 8730495



secretariate@pafec.org



www.pafec.org