



THE TIMES OF INDIA

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STUDENT EDITION

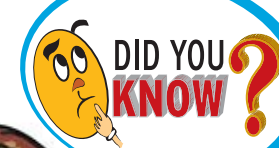
WEDNESDAY, FEBRUARY 2, 2022



BUDGET 22: On 'Chinese New Year' Day, FM Opts to 'Ride the Tiger'

Bold, business-like & VISIONARY

Union finance minister Nirmala Sitharaman introduced the Finance Bill 2022 in Parliament on Tuesday. The Finance Bill 2022 will give effect to the financial proposals of the central government for the financial year 2022-23. Corporate leaders and industry bodies described the Budget as 'business-like' and 'devoid of any populism', with an emphasis on improving the ease of doing business and reviving economic growth by catalysing demand and investments.



DID YOU KNOW?

According to Chinese Lunar Calendar, 2022 is **THE YEAR OF TIGER**. A Tiger year is all about making big changes, in both the world around you and the world within you. The Year of the Tiger is set to usher in hope, enthusiasm, spirit of generosity, and empowerment. Progress, on an individual as well as on a global and collective level, seems to be the mood of the day, captured by Nirmala Sitharaman too...



WHAT'S SO BIG ABOUT THIS BUDGET

HEALTH

RECOGNITION OF MENTAL HEALTH AS AN AREA OF CONCERN

- A National Tele-Mental Health Programme will be launched. The National Institute of Mental Health and Neuro-Sciences (NIMHANS), Bengaluru, will be the nodal agency for this
- It will consist of digital registries of health providers and health facilities, unique health identity and universal access to health facilities
- For mental health counselling, a National Tele Mental Health Programme will be launched

EDUCATION

FOCUS ON FUTURE

- States to be encouraged to revise syllabi of agricultural universities to meet the needs of natural, zero-budget and organic farming, modern-day agriculture
- One-Class, One-TV Channel programme of PM eVIDYA will be expanded from 12 to 200 TV channels. This will enable all the states to provide supplementary education in regional languages for classes I to XII
- Digital university to be set up based on hub-and-spoke model (connects outlying points to a central 'hub')
- One-Class, One-TV Channel to be implemented to provide supplementary education to children to make up for the loss of formal education due to Covid

DIGITAL ECONOMY

OUR OWN DIGITAL CURRENCY

The Reserve Bank of India (RBI) will introduce digital currency, powered by blockchain, in the next financial year beginning April 2022 to boost the digital economy and efficient currency management.

TAX

CRYPTOCURRENCY COMES UNDER TAX SLAB

Any income from transfer of digital assets will be taxed at 30 per cent rate. This will impact gains from cryptocurrency and NFTs, which have seen a boom in India in recent times.

Cryptocurrencies have been under scrutiny by Indian regulators since first entering the local market nearly a decade ago, with a surge in fraudulent transactions leading to a central bank ban in 2018

Agriculture

CHEMICAL-FREE NATIONAL FARMING

In a move to boost the agricultural sector in the country, the use of 'Kisan Drones' will be promoted for crop assessment, digitisation of land records and spraying of insecticides and nutrients. This step aims to promote chemical-free national farming.

Technology

IT'S 5G FULL THROTTLE

5G mobile services will be rolled out within 2022-23. According to reports, it will be launched in major cities, including Delhi, Mumbai, Kolkata, Chennai, Bengaluru, Hyderabad and Ahmedabad initially. Leading telecom firms- Airtel, Reliance Jio and Vi- are testing their 5G networks under different trials.

What gets CHEAPER and what's COSTLIER



- Domestic electronic wearable devices, hearable devices and electronic smart meters
- Mobile phone parts: Duty concessions are being given to parts of transformer of mobile phone chargers and camera lens of mobile camera

- Gems and Jewellery: Customs duty on cut and polished diamonds and gemstones are being reduced to 5%
- Customs duty on certain critical chemicals, namely methanol, acetic acid & heavy feedstocks for petroleum refining



- Umbrella
- Imitation Jewellery
- Single or multiple loudspeakers
- Headphones & earphones
- Parts of electronic toys

STYLE CHECK

All eyes were on Nirmala Sitharaman and she didn't disappoint us...

Delivered shortest speech since 2019: One hour, 31 minutes

With Nirmala Sitharaman's Budget presentation lasting for about one hour 31 minutes on Tuesday, the finance minister's Budget speech this year became the shortest ever since 2019. Last year, Budget speech lasted for about one hour 48 minutes

A rusty brown saree for the D-Day

The FM kept her look simple and elegant, sporting a crisp rusty-brown saree with off-white border detailing that spread throughout the sides. The rusty brown tone of her saree, a combination of two colours, brown and red, hold a deep significance. While brown is often associated with resilience, dependability, security, and safety, red signifies warmth, love and power.

In digital mode

Replacing her signature 'bahi khata', she opted to carry the documents in a tablet, which was wrapped in a red-coloured cover with the national emblem emblazoned on it



DID YOU KNOW?

'Tax' was the most-mentioned word in Nirmala Sitharaman's speech. You read it right. 'Tax' was mentioned 46 times during the address. It was followed by Digital/Online 28 times and Infrastructure 27 times

TODAY'S EDITION

➤ Read about the journey of India's Annual Financial Statement, and much more

PAGE 2

➤ Principals, teachers and students rate the Budget and share their views on how the FM has fared in her 4th presentation

PAGE 3

➤ What better timing than this for you to start budgeting at home, figure wealth management, and don the 'finance minister's cap. We tell you how...

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INDIA REACTS

■ This Budget is full of possibilities for more infrastructure, more investment, more growth, and more jobs. It will open up the green jobs

Narendra Modi, Prime Minister

■ Modi Government's Zero Sum Budget! Nothing for the Salaried class, Middle class, The poor & deprived, Youth, Farmers and MSMEs

Rahul Gandhi, Leader, Congress, tweeted



■ 'Brevity is a virtue. The shortest Budget address may prove to be most-impactful'

Anand Mahindra, Chairperson, Mahindra and Mahindra

■ The FM has unveiled a Budget that aims to bridge the economic gap between 'India' and 'Bharat'. The proposed policies are an inspiring start in what will hopefully provide stimuli for continued growth, leading us closer towards our goal of achieving sustained acceleration!

Y R Parasmal, co-founder, ZIK School

■ The FM has assured the govt's support for R&D expenditure in sunrise areas such as drones, AI, genomics, space, clean energy, etc. We will need to see the fine print if there is anything on pharma.

Kiran Mazumdar Shaw, Chairperson, Biocon & Biocon

OTHER HIGHLIGHTS

1 WOMEN & CHILDREN

■ Recognising the importance of 'Nari Shakti', 3 schemes were launched to provide integrated development for women and children

■ 2 lakh anganwadis to be upgraded for improving child health

2 CLIMATE

■ Funds allocated towards renewable energy, energy efficiency, electric mobility, and green bonds. Funds will be used for projects to help reduce carbon intensity

■ ₹ 19,500 cr additional allocation for manufacturing high efficiency solar modules

3 INFRA

■ National highway network to be expanded by 25,000 kms

■ Desh stack e-portal to be launched to promote digital infra

■ 4 multi-modal national parks coming up

4 DEFENCE

■ Govt to reduce import and promote self reliance in defence sector

■ 68% of capital for defence sector to be earmarked for local industry

■ Defence R&D will be opened up for industry

6 RAILWAYS

■ 400 new generation Vande Bharat trains to be manufactured in next 3 years

■ 2,000 km of rail network to be brought under indigenous technology KAWACH for safety and capacity augmentation

7 EASE OF BUSINESS

■ 75,000 compliances have been eliminated and 1,486 union laws repealed to make it easier for businesses

■ Next phase of ease of doing business, ease of living to be launched

8 TRAVEL

■ ePassports will be rolled out in 2022-23 for convenience in overseas travel

■ e-passport with embedded chip will be rolled out

THE DEFINITION AND ORIGIN STORY OF BUDGET

The Union Budget 2022 was presented by finance minister Nirmala Sitharaman on Tuesday. Let's understand the basic guiding principles of Budget, and its history in India



Sir Robert Walpole, possibly, coined the term 'budget' in 1733

As with everything, let's start with the dictionary definition of 'budget'. 'The Oxford Dictionaries' define budget as "the money that is available to a person or an organisation and a plan of how it will be spent over a period of time".

Applied to a country or what we call the Union Budget in India, "it's an official statement by the government about a country's income from taxes, etc. and how it will be spent".

3 KINDS OF BUDGET

Internet market (Amazon.com). BUCKET SHOP accepts customer Securities and brokers conf... trade at a ti... advantage customer BOILER ROOM, SECURITIES... BUDGET estimate of revenue the many kinds of bud... expense budget shows p... estimated capit...

According to the government and macro-economics, there are three kinds of budget: Balanced budget, Surplus budget, and Deficit budget. What are they? **Balanced Budget:** For a balanced budget, the estimated expenditure must be equal to the expected income in a particular financial year, and it is based on the idea that the government's expenditure should not exceed its revenue. However, in times of economic crisis, there is no room for a balanced budget to guarantee financial stability. While on one hand, it curbs wasteful expenditure, on the other hand, it can disturb the process of economic growth and limit the scope of the government's welfare activities at the same time. **Surplus Budget:** A surplus budget is

where the expected income is more than the estimated expenditure in a financial year, and this type of budget signifies that the government's earnings from taxes are more than the money

the government spent on public welfare. During inflation, the surplus budget can be implemented in order to cut down aggregate demand. While in deflation, this type of budget will never be the correct option for a government. **Deficit Budget:** A deficit budget comes at a time when the estimated expenditure is higher compared to the expected revenue. In this kind of budget, the government's revenue is less than its expenditure and this budget is particularly for developing economies and during the recession, this type of budget helps generate extra demand and spur the rate of economic growth.

Origin of the word

Late Middle English: from Old French 'bougette', diminutive of 'bouge' which is a 'leather bag'. Also from Latin 'bulga' which also means a 'leather bag, knapsack'. The Latin word has Gaulish origin. The word originally meant a pouch or wallet, and later, its contents. In the mid-18th century, the Chancellor of the Exchequer, in presenting his annual statement, was said "to open the budget", liking taking the documents out of the

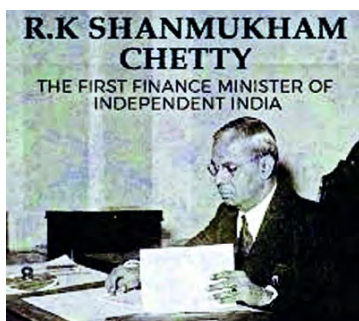
bag. In the late 19th century, the use of the term was extended from governmental to other finances.

Who coined the term?

The first use of the term 'budget' may date from this financial statement by Sir Robert Walpole, first Prime Minister of Great Britain, in 1733. Walpole was also the Chancellor of the Exchequer. A cartoon of him opening a patent medicine seller's wares as a satirical comment with the caption "The Budget Opened" was published at the time.

A BRIEF HISTORY OF INDIAN BUDGET

Terms to know



R.K. SHANMUKHAM CHETTY
THE FIRST FINANCE MINISTER OF INDEPENDENT INDIA

The union budgets for the fiscal years 1959-61 to 1963-64, inclusive of the interim budget for 1962-63, were presented by Morarji Desai.

After Desai's resignation, Indira Gandhi, took over the Ministry of Finance to become the first woman to hold the post of the Finance Minister.

Hirubhai M Patel, presented the shortest budget speech for the interim

budget of 1977, which was mere 800 words long. Pranab Mukherjee, the first Rajya Sabha member to hold the Finance portfolio, presented the annual budgets for the financial years 1982-83, 1983-84 and 1984-85. Rajiv Gandhi presented the budget for 1987-89, after VP Singh quit his government, and in the process became the third Prime Minister to present a budget after his mother and grandfather.

ND Tiwari presented the budget for 1988-89, SB Chavan for 1989-90, while Madhu Dandawate presented the Union budget for 1990-91. Dr Manmohan Singh became the Finance Minister and presented the interim budget for 1991-92 as elections were forced.

POST-LIBERALISATION

Manmohan Singh under P V Narasimha Rao, in his next annual budgets from 1992 to 1993, opened the economy. After elections in 1996, a non-Congress ministry assumed office. Hence the financial budget for 1996-97 was presented by P Chidambaram, who then belonged to Tamil Maanila Congress.

After the general elections in March 1998 that led to the Bharatiya Janata Party forming the Central Government, Yashwant Sinha, the then Finance Minister in this government, presented the interim and final budgets for 1998-99. After general elections in 1999, Sinha again became the Finance Minister and presented four annual budgets from 1999-2000 to 2002-2003. Due to elections in May 2004, an interim budget was presented by Jaswant Sinha.

The Union Budget of India for 2012-2013 was presented by Pranab Mukherjee, on March 16, 2012 – the 7th budget of his career. The Union Budget of India for 2013-2014 was presented by P Chidambaram on February 28, 2013. The Interim Union Budget for 2014-2015 was presented on February 17, 2014. The Union Budget of India for 2014-2019 was presented by Arun Jaitley. The Interim Union Budget for 2019-2020 was presented by Piyush Goyal. The Union Budget for 2019-2021 was presented by Nirmala Sitharaman.



WHAT IS AN INTERIM BUDGET?

An interim budget is presented by the government when it does not have time to present a full budget. Mostly, it is because the general election is around the corner. So, as per tradition, the government of the day leaves the task of framing the full budget to the incoming party after the election results.

SO WHY NOT JUST LET THE NEW GOVERNMENT PRESENT A FULL BUDGET?

The Union Budget presented by the government is valid till the end of the fiscal year, i.e. March 31. In other words, it gives the government spending rights only up to that date. So, when the government is unable to present a full budget before the end of the financial year, it needs parliamentary approval to incur expenses from the time the new financial year kicks off until a new budget is passed. Hence, the word 'interim'.

WHAT IS VOTE-ON-ACCOUNT?

Through the interim budget, Parliament passes a 'vote-on-account', which basically gives the government temporary permission to meet the expenses of the administration until the elections. The vote-on-account is usually valid for two months but can be extended.

ARE VOTE-ON-ACCOUNT AND INTERIM BUDGET DIFFERENT THINGS?

An interim budget is technically just like the full Budget, but only for a temporary period. A vote-on-account, on the other hand, deals with only the expenditure side of things. It's passed in Parliament without a formal discussion.

IS AN INTERIM BUDGET MANDATORY?

No. The government can choose not to present an interim budget and just get the funds required for spending via the vote on account route. However, as per convention, the governments usually opt for an interim budget in the election year.

The Union Budget of India, also referred to as the Annual Financial Statement in Article 112 of the Constitution of India, is the annual budget of the Republic of India. The Government presents it on the first day of February so that it could be materialised before the beginning of a new financial year in April.

Until 2016, it was presented on the last working day of February by the Finance Minister in Parliament.

Since 1947, there have been a total of 73 annual budgets, 14 interim budgets, and four special budgets, or mini-budgets.

TIMELINE

Former Indian Prime Minister, and also the Minister of Finance under Prime Minister, Indira Gandhi, Morarji Desai has presented 10 budgets, which is the highest count followed by P Chidambaram's 9 and Pranab Mukherjee's 8. Yashwant Sinha, Yashwantrao Chavan and CD Deshmukh have presented 7 budgets each, while Manmohan Singh and TT Krishnamachari have presented 6 budgets.

INDIA'S FIRST BUDGET

The first union budget of independent India was presented by R K Shanmukham Chetty on 26 November 1947.



Traditions

TIME AND DATE

Until the year 1999, the Union Budget was announced at 5 pm on the last working day of the month of February. This practice was inherited from the colonial era. Another reason was that until the 1990s, all that budgets seem to do was to raise taxes, a presentation in the evening gave producers and the tax collecting agencies the night to work out the change in prices. It was Yashwant Sinha, the then finance minister of India in the NDA government (led by BJP) under PM Atal Bihari Vajpayee, who changed the ritual by announcing the 1999 Union Budget at 11

am. The tradition started from 2001.

Also again in 2016, departing from the colonial-era tradition of presenting the Union Budget on the last working day of February, Minister of Finance (India) Arun Jaitley, in the NDA government (BJP) of Narendra Modi announced that the budget henceforth will be presented on 1st February.

Additionally, Rail Budget, presented separately for 92 years, merged with union budget.

HALWA, PLEASE
Though it's not happening this year, the printing of budget documents starts roughly

one week ahead of presenting in the Parliament with a customary 'halwa ceremony'. Halwa is prepared in large quantities and served by the finance minister to the officers and support staff involved. They remain isolated and stay in the North Block office until the Budget is presented. This ceremony is performed as a part of the Indian tradition of having something sweet before starting an important work.

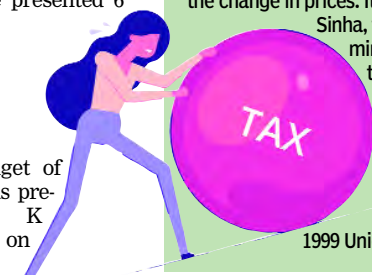
BUDGET BRIEFCASE TO BAHU-KHATA

Until 2018, as a part of tradition, finance ministers carried the Budget in a leather briefcase. The tradition was established by the first Finance minister of India – RK Shanmukham Chetty. On 5 July 2019, Nirmala Sitharaman broke this tradition by carrying the budget in a 'Bahu-Khata'.

PAPERLESS BUDGET

Last year on February 1, finance minister Nirmala Sitharaman presented the first paperless budget. This was done due to the ongoing Covid-19 pandemic in India.

This year onwards, bahu khata and/or briefcase has been completely removed. It is also considered a move to strengthen the current government's ambitious Digital India mission.



Moving towards a strong and stable economy

Education centric budget with optimistic approach

In terms of the education sector, appreciate the initiative of focusing on digital education in this year's budget. The setting up of digital universities, skilling programs will help students to access world class quality education from any corner of India.

In Union Budget 2022, expansion of e-VIDYA to 200 more channels would be of some help to the students who could not get access to education during pandemic.

Education, health, infrastructure, entrepreneurship and agriculture coming as the prime focus in this year's budget. It seems to be a massive push to the pace of economic growth.

The budget gives prime importance to the movement of digitisation and investment across various sectors. Education has undergone a big change in the last two years and continuing the direction and seeing the future, training and upgrading the skills in this field has been focused upon with establishing digital universities, extending the frame of one school one channel concept.

A growth targeting budget it is, I should say for youth of today specially.

SUDHA SINGH, Principal, Ryan International School, Greater Noida

Educators and students share their take on the Union Budget 2022



A sweet and sour deal

As a working middle class common woman, I was desperately waiting for the new Budget 2022 to quench my aspirations of getting some benefits and tax exemptions. The package announced proved to be a mixed sweet-sour deal. The extraction of money from the richer sections in the form of taxes was escalated while grants, subsidies and green bonds for environment and national digital health platforms were introduced

to benefit common people. Some of the appreciable highlights include:

Crypto tax of 30 percent, keeps income tax slabs untouched; Sovereign green bonds to reduce carbon dependence; Open platform for the National Digital Health Ecosystem will be rolled out; Make in India projects to make India a production hub

An increase in the standard deduction from current ₹50000 to

₹100000 was on my wish list. Education and health are the responsibilities of the government and should be made free for all.

Rental deduction and deduction towards own housing for self-occupation should be clubbed and given a higher limit and House Rent Income and interest expense should be treated separately.

NISHA ANEJA, Senior School Incharge, GD Goenka Public School, Sec 22 Rohini

STUDENT'S TAKE

Finance minister Nirmala Sitharaman presented the fourth budget of the Modi 2.0 government which focused on promoting a shift to green mobility and battery, swapping policy to be formulated. Private sector encouraged in battery and electric vehicle use and will develop special mobility zones for electric vehicles. There will be no change in income tax slabs and virtual digital assets taxed at 30 per cent were the main highlights of the budget 2022 for me.

WASEEM SAIFI SAH, Jamia school, New Delhi



The government has allotted ₹1 Lakh crore to PM-eVIDYA initiative which proposes to start digital university development of e-content in all Indian languages. There will be TV channels for classes 1-12 which will enable supplementary education all over the country. I believe that this is a very good initiative as it will enable children to learn and study from any part of the country and combat education inaccessibility.

NAINA MEHTA, class IX, DPS Mathura Road

The government plan to focus on digital education in this year's budget is a fantastic upgrade, and will usher in a new age of learning. It will help in increasing students' interest towards education. Meanwhile, In the agriculture sector the ₹2.37 trillion worth of MSP direct payments to wheat and paddy farmers shows the government's interest in the well-being of farmers. I appreciate the government for taking such bold steps in the field of education and agriculture sectors.

CHANDAN GADNAYAK, class X, St Teresa School, Indrapuram



WHAT TEACHERS THINK



The Union Budget 2022-23 has laid a roadmap for India at 75 to India at 100. A very optimistic and inclusive budget with estimated GDP at 9.2 per cent, the highest ever. The finance minister has laid down additional allocation of ₹195 billion on Solar PLI which directly impacts growth of solar and green power and limiting dependency on fossil fuel.

Make In India is the way to go wherein Defence CAPEX of 65 per cent is allocated to local companies like HAL, Bharat Forge, and Paras Defence. PM Naari Shakti Programme will focus on creating additional job opportunities for women.

MUKTA AIRI (PGT Commerce), Manav Sthali School, New Rajinder Nagar



The launch of the e Vidya channel for education in rural areas for the EWS and opening of more digital institutions is a welcome step in education for all. Also the initiation of the National Tele Mental Health programme is laudable move.

ANNU ARORA, Principal, SL Suri DAV Public school, Janakpuri

This budget is quite ambitious as it talks of 9.2 per cent GDP growth rate this year. It lacks welfare policies for poor post pandemic.

GOURI BANERJI, Educator, Advisor at DPSG Vasundhara Ghaziabad



DR ANJU MEHROTRA, Principal Kalka Public School, Alaknanda

Increase in the allocation for education is welcoming. Focus on expansion of PM LeVidya is encouraging and the proposal to launch digital university reflects far sightedness of our government. Opening up DRDO to start ups, promoting kisan drones are great initiatives. Tax benefits for start-ups is a great booster for innovative minds.

MALATHI SRINIVASAN, PGT English, APS, Delhi cantt



KEY POINTS OF BUDGET 2022

- GDP growth for FY 22 expected to be 9.2 percent, the highest for any large economy.
- PLI (Production Linked Incentive scheme) in 14 sectors for Aatmanirbhar Bharat to create 6 million jobs, additional allocation of ₹19,500 crore for PLI in solar PV module manufacturing.
- Promoting fintech and digital economy, a focus area for this budget.
- 75 digital banking systems in 75 districts by scheduled commercial banks.
- IBC to be amended to improve efficiency of resolution process including cross border.

- Core Banking Services to start in Post offices.
- PM Gati-Shakti master plan has scope to enhance Multimodal communication through 7 engines, 2000 km of rail network to be brought under Kavach & Highway network to grow by 25,000 km in FY23.
- Contracts for implementation of multimodal logistics parks at 4 locations to be awarded in 2022-23, in PPP Mode.
- ECLGS (Emergency Credit Line Guarantee Scheme) to

be extended up to March 2023, guaranteed cover extended by another ₹50,000 crore.

- New provision to file updated return within 2 years of relevant assessment year.
- Alternate minimum tax for cooperative societies down from 18.5% to 15%.
- Tax deduction limit for state govt employees to NPS raised from 10% to 14%.
- Tax exemption to start-ups extended to March 2023.
- Duty on unpolished diamonds to be reduced to 5%.
- Customs duty on steel



scrap extended by a year.

- RBI led digital rupee using blockchain to be launched in FY23, 1% TDS on transfer of virtual digital assets & income to be taxed at 30%.
- 68% of capital outlay for Domestic Defence industry.

SEEMA MARWAH, PGT (Accounts), Happy Model School, Janakpuri



An enticing coastal area

Cinque Terre is the place of my dreams. A place I haven't been to yet, but yearn to visit when I get the opportunity to. Consisting of five villages on the Italian Riviera coastline in Northwest Italy lies Cinque Terre, an enticing coastal area. Cinque Terre also directly translates to five lands in Italian. It has been called so since the 15th century, though it has been quoted in scripts that date back to the 11th century. This fascinating tourist destination is predominantly known for its pastel buildings and breathtaking sea views along with the exceptionally fresh seafood (especially anchovies) that you can find there.

If you visit Cinque Terre you are bound to find focaccia a local

baked bread product, or farinata also a local savoury snack made from chickpea flour; and loads of pesto sauce, a green sauce made from basil leaves primarily and another seasoning; and gelato made from locally sourced honey. Cinque Terre's crops mainly consist of grapes and olives. Most of the grapes are used to make wine. You can notice stockings placed by windows and over fireplaces by children anticipating gifts from La Befana on the nights between 5th and 6th January. La Befana is popular Italian folklore that has now been overshadowed by Santa Claus and an Italian national holiday that falls on January 6 to mark the end of the Christmas season. Cinque Terre is also famous for the Sagre dei Limoni - the festival of lemons. During which you can find diverse lemon desserts, lemon products, lemon themed window displays and you might even get to see the biggest lemon of the year. I legitimately can't wait to visit Cinque Terre and explore every part of it, eat everything I could, be a part of every celebration and walk through the captivating landscapes and into the horizon cherishing every moment.



NAMRITA A R K, The Indian Public School, Erode

DO FAIRY TALES AFFECT CHILDREN'S PERCEPTION OF REALITY?

Yes, indeed it affects the children's perception of reality. A fairy tale is an instance of European folklore genre that takes the form of a short story. Such stories typically feature mythical entities such as dwarfs, dragons, elves, fairies, giants, gnomes, goblins, griffins, mermaids, talking animals, trolls, unicorns, or witches, and usually magic or enchantments. Fairy tales and fables teach us about society, class, relationships, emotions, values, vices, and good and evil. Stories shape the way we look at the world. It also has its own drawbacks like fairy tales are full of impossible tasks. Fabricated stories based on fiction, not fact, serve to mislead and misdirect. When parents read them to children, they are expressing so many views about the world we live in like its dangers, its fears, its demons, and its joys. How could children not be influenced?

I do not think this is dangerous, but it needs to be considered as an opportunity for parents to safely bring up ideas for children to think regarding safety, hopes and dreams and

desires, all those things we want our children to begin to think about. Fairy tales nurture superstitions, beliefs in magical and supernatural beings as well as happy endings. Such baseless thoughts and fantasies might do more harm than good. Thus, I like to conclude that fairy tales do affect children's perception of reality.

ARCHISHA S NAIR, Class IX, SNS Academy, Coimbatore

DEBATE

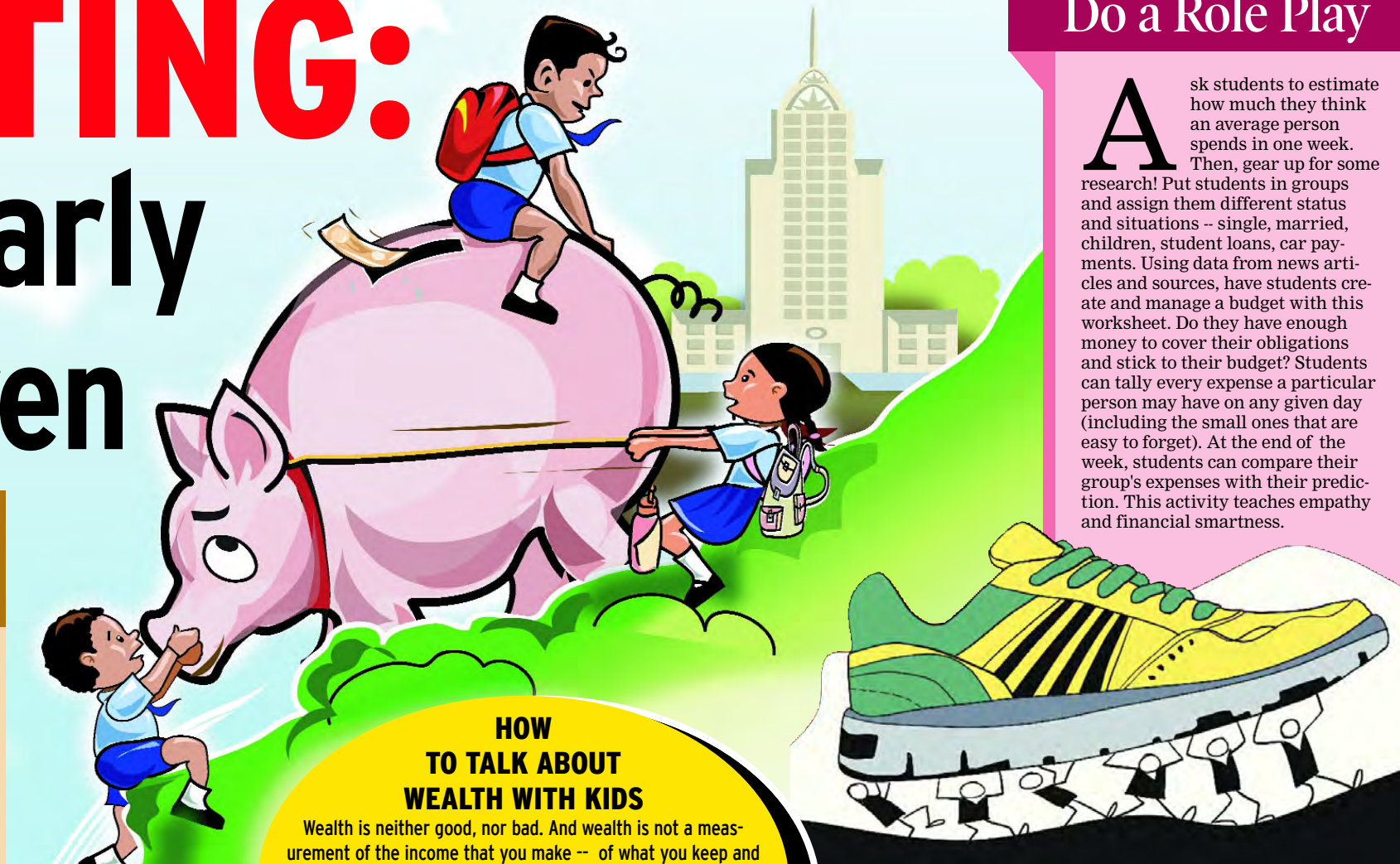
Fairy tales do not affect the children's perception of reality in life. Nelly Sachs once quoted "To me, a fairy tale seems to have become reality". Every fairy tale has a life moral in it if u look deep into it. There can't be a single person in the world stating that he/she has never read or heard a fairy tale, each and everyone has read at least one. Are they affected by it? Did they struggle when facing the reality of the world out of the frictional books? No, right! By the time a child grows up, they understand the reality of the outer world. Fairy tales even improves a child's creativity and imaginary skills. Even Albert Einstein knew this as he quoted, "Imagination is more important than knowledge. For knowledge is limited while imagination embraces the entire world."

ARCHANA SHRI KUMAR, Class X, S.N.S.Academy, Coimbatore

BUDGETING: Starting Early With Children

Start With Goals, Wants & Needs

One of the best ways to get a child to understand budgeting is by talking about money and how to use it wisely. Use 'money references' in positive conversations, rather than let it come up in an angry state of mind like -- "Do you think money grows on a tree?" Reinforce that everything is achievable--sometimes in short term, other times in long term. Try not to dismiss your children's demands. Make them feel that it is achievable but "when the want becomes the need of the hour." It is helpful for children to have a reminder of why they are saving and why they should not spend all of their money now.



HOW TO TALK ABOUT WEALTH WITH KIDS

Wealth is neither good, nor bad. And wealth is not a measurement of the income that you make -- of what you keep and how it grows, or the income and assets that a person accumulates. Wealth is also relative to factors such as the cost of living, people around you, the culture you live in, etc. Have the kids go through the **GLOBAL RICH CALCULATOR** with their allowance, and see how "wealthy" they are! This calculator tells you how rich you are in a particular country

Do a Role Play

Ask students to estimate how much they think an average person spends in one week. Then, gear up for some research! Put students in groups and assign them different status and situations -- single, married, children, student loans, car payments. Using data from news articles and sources, have students create and manage a budget with this worksheet. Do they have enough money to cover their obligations and stick to their budget? Students can tally every expense a particular person may have on any given day (including the small ones that are easy to forget). At the end of the week, students can compare their group's expenses with their prediction. This activity teaches empathy and financial smartness.

Start Small and Set an Example

It is helpful for children to see how parents budget, but start small. For example, allow them to help you plan the weekly grocery shopping. Start by planning a list from sale flyers and coupons, and then stick to that list at the store. This can turn into a saving game for them. Remember, children will learn from your example. So telling them that budgeting is important, but it will be much more impactful if they see you following a budget yourself.

IT'S ACTIVITY TIME!



1 Have students make a list of up to 10 items they'd like to buy. These items can range in price, but encourage students to think as big as they'd like.

3 From this exercise, ask students to explain why they chose these items and to answer some other guiding questions. What personal values do these items represent? How will these items

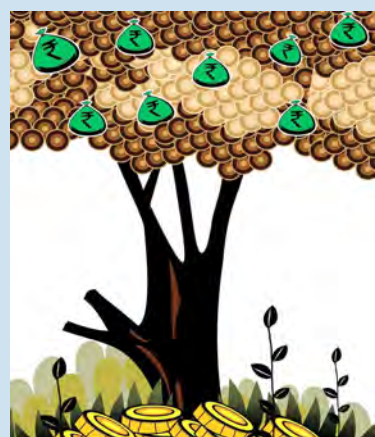
help them achieve their goals? Will those items make them feel happy?

4 Then, have students create a buying plan for a few of the objects that they'd like to buy in the next year.

5 Help them decide, based on whether they have a job, receive an allowance, or have a savings account, how they'll make the purchase and help them tailor each plan to their situation.

Save, Share and Spend

Save, Share and Spend is a method for children where they set aside money for each of these three things. It is a great way to make them realise how every penny counts!



SAVE

When your child earns money, they should first set aside a portion for savings. The recommendation is to save at least 10% of earnings. This percentage can be increased for children because they have fewer expenses. Savings can be accumulated in many ways. Some use a jar, piggybank or even a joint bank account to gain interest. The savings account should be kept for emergencies.

SHARE

Teaching children about charity at a young age is also useful. Allow them to research and contribute to a charity of their choice. Sharing is typically around 10%. Discuss options with your child to determine which cause they may enjoy helping. For example, it can be very rewarding for children to use money to purchase toys for a local outreach centre and help needy.

SPEND

The remainder of their earnings can go towards spending. The spending category is available so your child can make purchases they choose, but remind them that additional savings will help them reach their long-term goals faster.

Be a GOALDIGGER!

1 Give students a budget reality check

What kind of lifestyle do your students want? They can explore options and expectations (what kind of income they'll need) with this reality check tool. How does this impact their career plans? What kind of wages will they need? Be ready: Enlightening discussions ahead!

2 Teach grocery shopping and meal prep

Challenge your students to meal prep on a budget! Either ask families to sign permission slips and send money for a real trip to the grocery store or use an online service to make a hypothetical grocery list. Help students budget for and prepare their own lunches to last one week. At the end of the week, students assess how they used their money: Did they have enough food or too much? Was the food they purchased nutritious? This game helps students understand how financial habits support wellness as well as consider how food access and financial health are linked.

3 Make budgeting concepts fun

The Bouncing Ball Budgets game is designed for students to think about past spending decisions, and how to think about spending habits in new ways. Tossing the ball from one to the other and answering money habit questions, they'll be actively listening, engaged in teamwork, and thinking critically--all while having fun!



4 Engage students with the game of chance.

The National Standards for Financial Literacy suggest that all teens should weigh the cost of education and the income they want from their careers. Have students envision their future life and write down: 1) a profession that they are interested in (including stay-at-home parent); 2) the number of kids they think they want; and 3) where they want to live. Then, have students create a financial-future map, including a plan for their education and a household budget based on their future salaries. Make it fun by using photos, magazines, and art materials to create vision boards along with their money maps!

5 Introduce the idea of risk

Like the tortoise and the hare, there are different approaches to long-term saving. Randomly assign students either high-risk or low-risk investing strategies. Next, have them work in teams to calculate the savings over five, 10, 20, 30, and 40 years. Finally, have them reflect on which strategy would be most appropriate based on their goals and for stage of life.

6 Build Belief!

Inspiration goes a long way: read articles to students, show them YouTube videos, and bring in speakers who have either turned their financial health around or earned wealth with good habits to speak to your class. Ask the question, "What would you do with one million dollars?" and then give them time to reflect, journal, or create and share a vision board. Hold one-on-one or smaller group sessions with students to help them devise individualised plans.

Trip, treat and talk of surplus!

By Elizabeth Thomas
Chief Mentor, Tale Tellers,

Training the teachers with Tale Tellers Jr, Elizabeth comes in with 10 years plus work ex in training and human resources. She also has industry experience in banking with one of the leading banks in India



What comes to your mind when I say road trip? *Dil Chahta Hai* title song? *Pataaka Guddi* song from the film *Highway*? Well, life is not always Bollywood movies, and let me tell you there is no better way to teach our kids budgeting other than a road trip.

When was the last time you went on a family road trip with your little ones? A road trip teaches a lot to us and one of the most important points it teaches is budgeting. There is a tremendous amount of difference in going on a road trip with a budget as opposed to one without a budget.

In life if we do not plan and budget for events, it can be drastic for our finances and this is why among many other life skills, financial skills are given importance in a child's holistic development.

Giving the onus:

While planning a road trip with your family, give the responsibility of the trip to your child. ■ Tell him/her that she is going to help mom and dad throughout the trip, starting from planning to route map to the expenses ■ They will love this kind of engagement.



■ Sensitise your child about the destination, how far is it from home, and most importantly, ■ set a budget for this trip and let your child know the probable expense that may occur.

Writing down the expenses:

■ Give your child a notepad to write down all the expenses like filling petrol, toll booth expense, food and tea expenses on the way. ■ The child needs to think he is helping his parents plan this and feels important and learns a lot of things like why a toll booth is there, what is a fast tag etc. ■ While the child writes

down all these expenses, he/she learns about budgeting in a subtle way and carries this learning a long way.

Reward them

After the trip, **thank your little one for helping you plan this trip and make her/him review everything he wrote as expenses.** ■ Tally this with the allocation set aside for the trip and there he learns surplus and deficit. ■ Allocate a small amount of surplus as pocket money as a reward for his/her services and in case it's a deficit, it's an opportunity to make them understand the unwanted expenses.

After a long trip, my child tells my tired husband, "Dad there is a surplus, can you take us for an ice cream?" I thought he would say a long big NO, but he said "Dil Chahta hai". The car's engine obliged and there we go again and this time for a deficit!