Session 2: Earning Money

This session explains different ways of earning income, including jobs, salaries, stipends, and payslips. Learners understand how money comes in and why it is important to track earnings.

Part 2: Earning Money

Before we start

Money does not appear by itself. It comes from work, skills, time, and effort. Some people earn a salary. Some get a stipend. Some earn daily wages. Some may do small jobs or freelance work. Whatever the source, money usually comes because of some work done.

Session objective

By the end of this session, you will be able to:

Understand what earning means, Know different ways money comes in, Understand salary, stipend, and wages, Read a simple payslip, Connect skills with earning.

A small story

Imran is 18 years old and has just finished a tailoring course. He gets his first stipend from the training programme. He feels excited and wants to spend it quickly on clothes and snacks. Then he hears a simple question. "What if this money is the beginning of something bigger?" Imran starts thinking differently. If he keeps learning and works well, maybe he can earn more later. Maybe this small income can help him build a better future. That is what earning is about. It is not only about money today. It is also about what comes next.

Part 1: What does earning mean?

Earning means getting money in return for work, skill, or effort.

Type of income	Simple meaning	Example
Salary	Fixed money every month for a job	Office job, staff job
Stipend	Small amount given during training or internship	Skill training stipend
Wage	Money paid for daily or hourly work	Daily labour, part-time wor
Freelance income	Money from short jobs or independent work	Design, writing, tuition
Allowance	Money given for a specific purpose	Travel allowance

Part 2: Why do skills matter?

Skills help people earn better. A person with more practice, more discipline, and more useful skills often gets more work opportunities. That is why training, learning, and good work habits are important.

Part 3: Understanding Your Payslip

A payslip or salary slip is a paper or digital note that shows how much money a person earned and what was deducted from it. It usually tells us: basic pay, allowances, deductions, net salary, which is the final amount actually received.

Filled example:

Part	Amount
Basic pay	₹10,000
Allowance	₹2,000
Total earning	₹12,000
Deduction	₹1,000
Net salary	₹11,000

Instructions: Fill the table below to calculate the net salary based on the basic pay and allowances provided.

Part	Amount
Basic pay	₹8,000
Allowance	₹1,500
Total earning	
Deduction	₹500
Net salary	

Payslip Calculation Practice

If a person earns 12,000 and has 1,000 deduction:

Step	Calculation	Amount
Total earning		₹12,000
Deduction		₹1,000
Net salary	12,000 - 1,000	₹11,000

Instructions: If a person earns 15,000 and has 1,500 deduction, calculate the net salary.

Step	Calculation	Amount
Total earning		15,000
Deduction		1,500
Net salary		

Part 4: First income, first plan

When money comes for the first time, it can feel very exciting. But it is better to pause and plan before spending.

Filled example if your first income is 10,000:

Use	Calculation	Amount
Needs	50% of 10,000	₹5,000
Wants	30% of 10,000	₹3,000
Savings	20% of 10,000	₹2,000
Total		₹10,000

Instructions: If you get your first income of 10,000, how would you use it according to the 50-30-20 rule?

Use	Calculation	Amount
Needs	50% of 10,000	
Wants	30% of 10,000	
Savings	20% of 10,000	
Total		

Reflection

What kind of work do you think you are good at?

What skill would you like to build?

Why is it important to understand your income clearly?

Quick Recap

Topic	Key Takeaway
Earning Types	Money comes from salaries, stipends, or wages based on work and skills.
Net Salary	Net salary is the actual amount you take home after all deductions.

One line to remember

Skills are the tools that help you build your income.

Closing thought

Earning is the starting point of money management. Once we know how money comes in, we can plan it better, save it better, and use it better.