

- **ADB: The Asian Development Bank** is a regional development bank established on 19 December 1966, which is headquartered in the Ortigas Center located in the city of Mandaluyong, Metro Manila, Philippines.
- **ADR: American depositary receipt** is a negotiable security that represents securities of a non-U.S. company that trades in the U.S. financial markets.
- **AIDWA: The All India Democratic Women's Association** is an independent left oriented women's organization committed to achieving democracy, equality and women's emancipation.
- **AITUC: The All India Trade Union Congress** is the oldest trade union federations in India. It is not Politically affiliated to any political party including the Communist Party of India.
- **AMFI: Association of Mutual Funds in India** is a nodal association of mutual funds across India. AMFI provides useful knowledge and insights regarding mutual funds and investments.
- **APEC: Asia-Pacific Economic Cooperation** is a forum for 21 Pacific Rim member economies that promotes free trade throughout the Asia-Pacific region. It was established in 1989 and headquarters in Singapore
- **APL: Above Poverty Line** in India, a measure of persons who live above its nationally designated poverty threshold. People in urban areas must meet higher monthly income minimums to be considered above the poverty line.
- **APM: Administered pricing mechanism** came into existence on 1977. APM was administered by oil coordination committee(0cc), under the ministry of petroleum and natural gas.
- **ARC: Asset Reconstruction Company** is a specialized financial institution that buys the NPAs or bad assets from banks and financial institutions so that the latter can clean up their balance.
- **ASBA: Applications Supported by Blocked Amount** is a process developed by the India's Stock Market Regulator SEBI for applying to IPO.
- **ASEAN: The Association of Southeast Asian Nations** was formed in 1967 by Indonesia, Malaysia, the Philippines, Singapore, and Thailand to promote political and economic cooperation and regional stability.
- **ASEM: The Asia-Europe Meeting (ASEM)** was established in 1996 as a forum for dialogue and cooperation between Europe and Asia. It aims to strengthen the relationship between the two continents. ASEM brings together 53 partners, including: the European Union, 30 European countries (28 EU member states, Norway, Switzerland), 21 Asian countries, the ASEAN Secretariat
- **ASSOCHAM: Associated Chambers of Commerce and Industry** initiated its endeavor of value creation for Indian industry in 1920. Having in its fold more than 400 Chambers and Trade Associations, and serving more than 4,50,000 members from all over India.
- **ATM: Automatic Teller Machine** is an electronic telecommunications device that enables customers of financial institutions to perform financial transactions, such as cash withdrawals, deposits, transfer funds, or obtaining account information, at any time and without the need for direct interaction with bank staff.
- **BCBS: The Basel Committee on Banking Supervision** is a committee of banking supervisory authorities that was established by the central bank governors of the Group of Ten countries in 1974.
- **BCSBI: The Banking Codes and Standards Board** of India is an independent banking industry watchdog that protects consumers of banking services in India.
- **BIS: The Bank for International Settlements** is an international financial institution owned by central banks which "fosters international monetary and financial cooperation and serves as a bank for central banks".
- **BOB: Bank of Baroda** is an Indian state-owned International banking and financial services company headquartered in Vadodara in Gujarat. It has a corporate office in Mumbai.
- **BOE: A bill of exchange** is a written order used primarily in international trade that binds one party to pay a fixed sum of money to another party on demand or at a predetermined date.
- **BOI: Bank of India** is commercial bank with headquarters at Bandra Kurla complex, Mumbai. Founded in 1906, it has been government-owned since nationalization in 1969.
- **BOP: The balance of payments** is a statement of all transactions made between entities in one country and the rest of the world over a defined period of time, such as a quarter or a year.

- **BOT: Build-operate-transfer** is a form of project financing, wherein a private entity receives a concession from the private or public sector to finance, design, construct, own, and operate a facility stated in the concession contract.
- **BR Act: The Banking Regulation Act, 1949** is a legislation in India that regulates all banking firms in India.
- **BCBS: The Basel Committee on Banking Supervision** is a committee of banking supervisory authorities that was established by the central bank governors of the Group of Ten countries in 1974.
- **BSE: The Bombay Stock Exchange** is an Indian stock exchange located at Dalal Street, Mumbai. Established in 1875, the BSE is Asia's first stock exchange.
- **BSR: 'Basic Statistical Returns** of Scheduled Commercial Banks in India' provides data on different dimensions of deposits and credit of the banking sector.
- **CA: Chartered Accountants** were the first accountants to form a professional accounting body, initially established in Scotland in 1854. Chartered accountants work in all fields of business and finance, including audit, taxation, financial and general management.
- **CAD: Current account deficit** is a measurement of a country's trade where the value of the goods and services it imports exceeds the value of the goods and services it exports.
- **CAG: The Comptroller and Auditor General (CAG)** of India is an authority, established by Article 148 of the Constitution of India, which audits all receipts and expenditure of the Government of India and the state governments, including those of bodies and authorities substantially financed by the government.
- **CAR: The capital adequacy ratio** is a measure of a bank's capital. It is expressed as a percentage of a bank's risk weighted credit exposures. It is used to protect depositors and promote the stability and efficiency of financial systems around the world.
- **CARE: Credit Analysis & Research Limited** was established in the year 1993. The company has 14 shareholders. It deals with advisory services, information and credit rating. It was registered by SEBI as per Securities & Exchange Board of India Regulations 1999.
- **CASA: Current Account Savings Account** operates like a normal bank account in which funds may be utilized at any time. Because of this flexibility, CASA has a lower interest.
- **CBLO: Collateralized borrowing and lending obligation** is a money market instrument that represents an obligation between a borrower and a lender as to the terms and conditions of a loan.
- **CBS: Core Banking Solutions** is a banking service provided by a group of networked bank branches where customers may access their bank account and perform basic transactions from any of the member branch offices.
- **CCIL: The Clearing Corporation of India Limited** was set up in April, 2001 to provide guaranteed clearing and settlement functions for transactions in Money, G-Secs, Foreign Exchange and Derivative markets.
- **CCL: Cash Credit Limit** is a short-term cash loan to a company. A bank provides this type of funding, but only after the required security is given to secure the loan.
- **CBD: The Caribbean Development Bank** is a financial institution that helps Caribbean nations finance social and economic programs in its member countries.
- **CDBS: Committee of Direction on Banking Statistics** in RBI was constituted in to have overall charge of the Basic Statistical Returns, with officials of different departments of RBI and of various banks as its members.
- **CDS: A credit default swap** is a particular type of swap designed to transfer the credit exposure of fixed income products between two or more parties.
- **CEPA: The Comprehensive Economic Partnership Agreement** is a free trade agreement between India and South Korea. The agreement was signed on August 7, 2009.
- **CGRA: Currency and Gold Revaluation Account** is the unrealized gain/loss in the value of gold and foreign exchange RBI holds based on movements in their value which is not considered in the income account but taken as a balance-sheet item.
- **CIBIL: Credit Information Bureau (India) Limited**, is a credit information company operating in India. It maintains credit files on 600 million individuals and 32 million businesses. TransUnion is one of four credit bureaus operating in India and is part of TransUnion, an American multinational group.
- **CNP: A card not present transaction** is a payment card transaction made where the cardholder does not or cannot physically present the card for a merchant's visual examination at the time that an order is given and payment effected.
- **(CPI): A consumer price index** measures changes in the price level of market basket of consumer goods and services purchased by households.

- **CRAR: Capital to Risk (Weighted) Assets Ratio**, is the ratio of a bank's capital to its risk. National regulators track a bank's CAR to ensure that it can absorb a reasonable amount of loss and complies with statutory Capital requirements.
- **CRILC:** Reserve Bank of India (RBI) set up a **Central Repository of Information on Large Credits** to collect, store, and disseminate credit data to lenders.
- **CRISIL: Credit Rating Information Services of India Limited** is a global analytical company providing ratings, research, and risk and policy advisory services.
- **CRMD:** The credit risk management department of each bank is responsible for planning and administering credit risk management and conducting credit risk measuring and monitoring, and such department regularly presents reports regarding its risk management situation to MHFG.
- **CRR: Cash Reserve Ratio** is a specified minimum fraction of the total deposits of customers, which commercial banks have to hold as reserves either in cash or as deposits with the central bank.
- **CSR: Corporate social responsibility** is a corporation's initiatives to assess and take responsibility for the company's effects on environmental and social wellbeing. The term generally applies to efforts that go beyond what may be required by regulators or environmental protection groups.
- **CTI: Country Threat Index** examines the volume of terrorist and rebel alerts, messaging traffic, videos, photos, incidents and the number killed and injured in a country over the past 30 days and runs it through an algorithm to assign the country its CTI.
- **DPG: Deferred Payment Guarantee** is issued by the bank at request of customer when he purchases goods or machineries from a creditor on the terms of payment after a specified time in lump sum or in instalments.
- **DPN: Demand promissory note** is a legal instrument in which one party promises in writing to pay a determinate sum of money to the other, either at a fixed or determinable future time or on demand of the payee, under specific terms.
- **DRAT: Debts Recovery Appellate Tribunal** were established under the Recovery of Debts Due to Banks and Financial Institutions Act (RDDBFI Act), 1993 with the specific objective of providing expeditious adjudication and recovery of debts due to Banks and Financial Institution.
- **DRI: Differential Rate of Interest** introduced in 1972 and is being implemented by all-Indian Scheduled Commercial Banks. To provide bank finance at a concessional rate of interest of 4 per cent p.a. to the weaker sections of the community for engaging in productive and gainful activities so that they could improve their economic conditions.
- **DSCR: Debt-Service Coverage Ratio** is a measure of the cash flow available to pay current debt obligations. The ratio states net operating income as a multiple of debt obligations due within one year, including interest, principal, sinking-fund and lease payments.
- **DTAA: Double Taxation Avoidance Agreement** is a tax treaty signed between India and another country (or any two/multiple countries) so that taxpayers can avoid paying double taxes on their income earned from the source country as well as the residence country.
- **EADB: The East African Development Bank** is a development finance institution with the objective of promoting development in the member countries of the East African Community.
- **EBRD: The European Bank for Reconstruction and Development** is an international financial institution founded in 1991. As a multilateral developmental investment bank, the EBRD uses investment as a tool to build market economies.
- **ECB: External commercial borrowing** are loans in India made by non-resident lenders in foreign currency to Indian borrowers. They are used widely in India to facilitate access to foreign money by Indian corporations and PSUs (public sector undertakings).
- **ECS: Electronic Clearing Service** is an electronic clearing system that facilitates paperless credit / debit transaction directly linked to your account and also provides for a faster method of effecting periodic and repetitive payments.
- **EDI: Electronic data interchange** is the concept of businesses communicating electronically certain information that was traditionally communicated on paper. The two classic examples of such information are purchase orders and invoices.
- **EDP: Entrepreneurship Development Programme** is a programme which helps in developing the entrepreneurial abilities. The skills that are required to run a business successfully is developed among the people through this programme.
- **EEFC: Exchange earners' foreign currency** account is an account maintained in foreign currency with an authorized dealer i.e. a bank dealing in foreign exchange. All categories of foreign exchange earners, such as individuals, companies, etc. who are resident in India.

- **EFTPOS: Electronic funds transfer at point of sale** is an electronic payment system involving electronic funds transfers based on the use of payment cards, such as debit or credit cards, at payment terminals located at points of sale.
- **EIB: The European Investment Bank** is the European Union's nonprofit long-term lending institution established in 1958 under the Treaty of Rome.
- **ELSS: An Equity Linked Savings Scheme** is an open-ended Equity Mutual Fund that doesn't just help you save tax, but also gives you an opportunity to grow your money. It qualifies for tax exemptions under section (u/s) 80C of the Indian Income Tax Act.
- **EMI: An equated monthly installment** is defined by Investopedia as "A fixed payment amount made by a borrower to a lender at a specified date each calendar month.
- **EPFO: The Employees' Provident Fund Organization** is an Organization tasked to assist the Central Board of Trustees, a statutory body formed by the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and is under the administrative control of the Ministry of Labour and Employment, Government of India.
- **EPOS: Electronic point of sale system** - A system where electronic tills are used to process customer transactions in a retail outlet. Local EPOS systems are usually connected to a central computer system, so that financial and inventory-related data can be exchanged between the store and head office, allowing automatic accounting and replenishment.
- **EPS: Earnings per share** is the portion of a company's profit allocated to each outstanding share of common stock. Earnings per share serves as an indicator of a company's profitability.
- **ESOP: An employee stock ownership plan** is a qualified defined-contribution employee benefit (ERISA) plan designed to invest primarily in the stock of the sponsoring employer.
- **EXIM: Export-Import Bank of India** is the premier export finance institution in India, established in 1982 under Export-Import Bank of India Act 1981.
- **FCA: Foreign Currency Assets** that is the most important component of the RBI's foreign exchange reserve are the assets like US Treasury Bills bought by the RBI using foreign currencies.
- **FCCB: A foreign currency convertible bond** is a type of convertible bond issued in a currency different than the issuer's domestic currency. A convertible bond is a mix between a debt and equity instrument.
- **FCNR: A Foreign Currency Non-Resident Deposit** is unique to India and is primarily meant for non-resident Indians (NRIs) and persons of Indian origin (PIOs), who want to hold monetary deposits in their chosen foreign currency.
- **FDI: Foreign direct investment** is an investment made by a firm or individual in one country into business interests located in another country. Generally, FDI takes place when an investor establishes foreign business operations or acquires foreign business assets, including establishing ownership or controlling interest in a foreign company. Foreign direct investments are distinguished from portfolio investments in which an investor merely purchases equities of foreign-based companies.
- **FEDAI: The Foreign Exchange Dealers Association of India**, which was created in 1958, regulates the governing rules and determines the commissions and charges associated with the interbank foreign exchange business.
- **FERA: The Foreign Exchange Regulation Act** was legislation passed in India in 1973 that imposed strict regulations on certain kinds of payments, the dealings in foreign exchange (forex) and securities and the transactions which had an indirect impact on the foreign exchange and the import and export of currency.
- **FICCI: The Federation of Indian Chambers of Commerce and Industry** is an association of business organizations in India. Established in 1927, on the advice of Mahatma Gandhi by GD Birla and Purushottam Das Thakurdas, it is the largest, oldest and the apex business organization in India, It is a non-government, not-for-profit organization.
- **FII: A foreign institutional investor** is an investor or investment fund registered in a country outside of the one in which it is investing. Institutional investors most notably include hedge funds, insurance companies, pension funds and mutual funds.
- **FIMMDA: The Fixed Income Money Market and Derivatives Association of India**, an association of Scheduled Commercial Banks, Public Financial Institutions, Primary Dealers and Insurance Companies was incorporated as a Company under section 25 of the Companies Act, 1956 on May 4th, 1998. FIMMDA is a voluntary market body for the bond, money and derivatives markets.
- **FINO: Financial Information Network & Operations Pvt. Ltd.** provides technology and operational solutions to financial institutions. It designs and implements technology solutions, such as systems, services, and networks.
- **FIPB: The Foreign Investment Promotion Board** was a national agency of Government of India, with the remit to consider and recommend foreign direct investment which does not come under the automatic route.

- **FOB: Free on board** is a trade term that indicates whether the seller or the buyer is liable for goods that are damaged or destroyed during shipping. "FOB shipping point" or "FOB origin" means the buyer is at risk once the seller ships the goods. "FOB destination" means the seller retains the risk of loss until the goods reach the buyer.
- **FPI: foreign portfolio investment** is the entry of funds into a country where foreigners deposit money in a country's bank or make purchases in the country's stock and bond markets, sometimes for speculation.
- **FSLRC: Financial Sector Legislative Reforms Commission** is a body set up by the Government of India, Ministry of Finance, on 24 March 2011, to review and rewrite the legal-institutional architecture of the Indian financial sector.
- **FTA: Free trade areas** are regions in which a group of countries have signed a free trade agreement, and invoke little or no price control in the form of tariffs or quotas between each other. Free trade areas allow the agreeing nations to focus on their competitive advantage and to freely trade for the goods they lack the experience at making, thus increasing the efficiency and profitability of each country.
- **GAAR: General anti-avoidance rule** is an anti-tax avoidance Rule of India. It is framed by the Department of Revenue under the Ministry of Finance.
- **GDP: Gross domestic product** is the monetary value of all the finished goods and services produced within a country's borders in a specific time period.
- **GDR: Global Depositary Receipt** is a bank certificate issued in more than one country for shares in a foreign company. The shares are held by a foreign branch of an international bank.
- **GFD: Gross Fiscal Deficit** is the excess of total expenditure including loans net of recovery over revenue receipts (including external grants) and non-debt capital receipts.
- **GIRO: Government Internal Revenue Order Advisory Group**- GIRO Advisory Group was constituted by the RBI in October 2013, under the chairmanship of Prof. Umesh Bellur, Indian Institute of Technology, Bombay to implement a national GIRO-based Indian Bill Payment System.
- **GMS: Gold monetisation scheme** is like a gold savings account. You would generally keep your gold without any security at home or store it in bank lockers by paying a maintenance fee. But instead of that, you could keep your gold in any form in a Gold Monetisation Scheme account and earn interest as the price of the precious metal goes up
- **GST: Goods and Services Tax** is an indirect tax levied in India on the sale of goods and services. Goods and services are divided into five tax slabs for collection of tax - 0%, 5%, 12%, 18% and 28%.
- **GSTN: The Goods and Service Tax Network** is a non-profit, non-government organization. It will manage the entire IT system of the GST portal. This portal will be used by the government to track every financial transaction, and will provide taxpayers with all services – from registration to filing taxes and maintaining all tax details.
- **HDFC: Housing Development Financial Corporation Bank Limited** is an Indian banking and financial services company headquartered in Mumbai, Maharashtra.
- **IADB: The Inter-American Development Bank** is the largest source of development financing for Latin America and the Caribbean. Established in 1959.
- **IAS: An integrated accounting system** is a software application that standardizes your procedures for recording transactions and disseminating financial information.
- **IBBI: The Insolvency and Bankruptcy Board of India** is the regulator for overseeing insolvency proceedings and entities like Insolvency Professional Agencies (IPA), Insolvency Professionals (IP) and Information Utilities (IU) in India. It was established on 1 October 2016.
- **IBPS: The Institute of Banking Personnel Selection** also known as a recruitment body that was started with an aim to encourage the recruitment and placement of young graduates in public sector banks in India.
- **IBRD: The International Bank for Reconstruction and Development** is an international financial institution that offers loans to middle-income developing countries.
- **ICAR: The Indian Council of Agricultural Research** is an autonomous body responsible for co-ordinating agricultural education and research in India. It reports to the Department of Agricultural Research and Education, Ministry of Agriculture.
- **ICICI: Industrial Credit and Investment Corporation of India**, is an Indian multinational banking and financial services company headquartered in Mumbai, Maharashtra, India, with its registered office in Vadodara.
- **ICRA: Investment Information and Credit Rating Agency**, the organisation was set up in 1991. It was a joint venture of Moody's and Indian financial and banking service organisations. It was renamed to ICRA Limited and was listed in the Bombay Stock Exchange and National Stock Exchange in April 2007.

- **IDBI: Industrial Development Bank of India** was established in 1964 by an Act of Parliament to provide credit and other financial facilities for the development of the fledgling Indian industry.
- **IDR: Indian Depository Receipt** is a financial instrument denominated in Indian Rupees in the form of a depository receipt. The IDR is a specific Indian version of the similar global depository receipts.
- **IDRBT: The Institute for Development & Research in Banking Technology** is a unique institution exclusively focused on Banking Technology. Established by the Reserve Bank of India in 1996, the Institution works at the intersection of Banking and Technology. It is located in Hyderabad, India.
- **IEPF: Investor Education and Protection Fund Authority** has been constituted under the provisions of Companies Act, 2013 for administration of Investor Education and Protection Fund.
- **IFC: The International Finance Corporation** is an international financial institution that offers investment, advisory, and asset-management services to encourage private-sector development in developing countries.
- **IIB: International Investment Bank** is a multilateral development bank established in 1970 in order to promote economic development and cooperation of the member states. The headquarters is located in Moscow, Russia. The European regional office is in Bratislava, Slovakia.
- **IIBF: The Indian Institute of Banking and Finance** is a registered company which imparts education in banking and finance.
- **IMF: The International Monetary Fund** is an organization of 189 countries, working to foster global monetary cooperation, secure financial stability, facilitate international trade, promote high employment and sustainable economic growth, and reduce poverty around the world.
- **IMPS: Immediate Payment Service** is an instant real-time inter-bank electronic funds transfer system in India. IMPS offers an inter-bank electronic fund transfer service through mobile phones.
- **IMT: Instant Money Transfer** is an innovative domestic money remittance facility that allows the customer to send money to a receiver only by using the receiver's mobile number through the bank's ATM and retail internet banking facility.
- **IPO: An initial public offering** is the first time that the stock of a private company is offered to the public. IPOs are often issued by smaller, younger companies seeking capital to expand, but they can also be done by large privately owned companies looking to become publicly traded. In an IPO, the issuer obtains the assistance of an underwriting firm, which helps determine what type of security to issue, the best offering price, the amount of shares to be issued and the time to bring it to market.
- **IPPB: The India Post Payments Bank** has been incorporated as a public sector company under the Department of Posts with 100% GOI equity.
- **IRBI: Industrial Reconstruction Bank of India** to provide financial assistance as well as to revive and revitalise sick industrial units in public/private sectors was set up in 1971 with a share capital of Rs. 10 crores.
- **IRDAI: The Insurance Regulatory and Development Authority of India** is an autonomous, statutory agency tasked with regulating and promoting the insurance and re-insurance industries in India. The agency's headquarters are in Hyderabad, Telangana.
- **IRO: An interest rate option** is a financial derivative that allows the holder to benefit from changes in interest rates. Typically, the movement follows an underlying benchmark rate, such as the yield on the 10-year Treasury note.
- **IRR: The internal rate of return** is a method of calculating rate of return. The term internal refers to the fact that its calculation does not involve external factors, such as inflation or the cost of capital.
- **ISIC: The International Standard Industrial Classification of All Economic Activities** is a United Nations industry classification system. Wide use has been made of ISIC in classifying data according to kind of economic activity in the fields of employment and health data.
- **KCC: The Kisan Credit Card** scheme is a credit scheme introduced in August 1998 by Indian banks. This model scheme was prepared by the National Bank for Agriculture and Rural Development (NABARD) on the recommendations of R.V.GUPTA to provide term loans and agricultural needs.
- **KVB: Karur Vysya Bank** is an Indian old private-sector bank, headquartered in Karur in Tamil Nadu. It was set up in 1916 by M. A. Venkatarama Chettiar and Athi Krishna Chettiar.
- **KVIC: The Khadi and Village Industries Commission** is a statutory body formed by the Government of India, under the Act of Parliament, 'Khadi and Village Industries Commission Act of 1956.
- **KVP: Kisan Vikas Patra** is a small savings instrument that will facilitate people to invest in a long term savings plan. This scheme was originally introduced by the Government of India in 1988 and was again reintroduced in 2014 with some changes.

- **KYC: Know your customer** is the process of a business identifying and verifying the identity of its clients. The term is also used to refer to the bank and anti-money laundering regulations which governs these activities.
- **LAB: The Local Area Banks** are small private banks, conceived as low cost structures which would provide efficient and competitive financial intermediation services in a limited area of operation.
- **LAF: A liquidity adjustment facility** is a tool used in monetary policy that allows banks to borrow money through repurchase agreements. This arrangement allows banks to respond to liquidity pressures and is used by governments to assure basic stability in the financial markets.
- **LIBOR: London Inter-bank Offered Rate** is a benchmark rate that some of the world's leading banks charge each other for short-term loans.
- **LTCG: A long-term capital gain or loss** is a gain or loss from a qualifying investment owned for longer than 12 months before it was sold. The amount of an asset sale that counts toward a capital gain or loss is the difference between the sale value and the purchase value, or simply, the amount of money the investor gained or lost when he sold the asset. Long-term capital gains are assigned a lower tax rate than short-term capital gains in the United States.
- **LTN: The term long-term notes** payable refers to an agreement a company enters into with another party, which includes a formal written promise to pay pre-determined amounts on specific dates
- **MCA: Ministry of Corporate Affairs** is primarily concerned with administration of the Companies Act 2013 and 1956, other allied Acts and rules & regulations framed there-under mainly for regulating the functioning of the corporate sector in accordance with law.
- **MCLR: The marginal cost of funds** based lending rate refers to the minimum interest rate of a bank below which it cannot lend, except in some cases allowed by the RBI. It is an internal benchmark or reference rate for the bank.
- **MIBOR: The Mumbai Inter-Bank Offer Rate** is one iteration of an interbank rate, which is the rate of interest charged by a bank on a short-term loan to another bank. Banks borrow and lend money to one another on the interbank market in order to maintain appropriate, legal liquidity levels, and meet reserve requirements placed on them by regulators. Interbank rates are made available only to the largest and most creditworthy financial institutions.
- **MICR: Magnetic ink character recognition** is a character-recognition technology used mainly by the banking industry to ease the processing and clearance of cheques and other documents.
- **MIS: Management information system** refers to the processing of information through computers and other intelligent devices to manage and support managerial decisions within an organization.
- **MSS: Market Stabilization scheme** is a monetary policy intervention by the RBI to withdraw excess liquidity by selling government securities in the economy. The MSS was introduced in April 2004.
- **MTN: Medium-Term Loan.** A loan with a maturity generally between one year and 10 years.
- **MUDRA: Micro Units Development and Refinance Agency Bank** is a public sector financial institution in India. It provides loans at low rates to micro-finance institutions and non-banking financial institutions. It was launched by Prime Minister Narendra Modi on 8 April 2015.
- **NAV: Net asset value** is value per share of a mutual fund or an exchange-traded fund (ETF) on a specific date or time. With both security types, the per-share dollar amount of the fund is based on the total value of all the securities in its portfolio, any liabilities the fund has and the number of fund shares outstanding.
- **NBFC: Non-banking financial companies** are financial institutions that offer various banking services, but do not have a banking license. Generally, these institutions are not allowed to take deposits from the public, which keeps them outside the scope of traditional oversight required under banking regulations. NBFCs can offer banking services such as loans and credit facilities, retirement planning, money markets, underwriting and merger activities.
- **NDS: Negotiated Dealing System** an electronic trading platform, operated by the Reserve Bank of India, used to facilitate the exchange of government securities and other money market instruments. The negotiated dealing system will also be responsible for hosting new issues of government securities.
- **NDTL: Net Demand and Time Liabilities** is sum of demand and time liabilities (deposits) of banks with public and other banks wherein assets with other banks is subtracted to get net liability of the banks. Deposits of banks are its liability and consist of demand and time deposits of public and other banks.
- **NECS: National Electronic Clearing Service** aims to centralise the Electronic Clearing Service (ECS) operation and bring in uniformity and efficiency to the system.
- **NEFT: National Electronic Funds Transfer** is a nation-wide payment system facilitating one-to-one funds transfer. Under this Scheme, individuals, firms and corporates can electronically transfer funds from any bank branch to any individual, firm or corporate having an account with any other bank branch in the country participating in the Scheme.

- **NFA: No-Frills Account** is a bank account that can be opened and maintained with a zero balance, levies zero or nominal charges and does away with the unnecessary services or frills. The downside of such an account is that most of the facilities offered are limited. Once this limit is exceeded, the bank charges for these services.
- **NFS: National Financial Switch** is the largest network of shared automated teller machines (ATMs) in India. It was designed, developed and deployed by the Institute for Development and Research in Banking Technology (IDRBT) in 2004, with the goal of inter-connecting the ATMs in the country and facilitating convenience banking. It is run by the National Payments Corporation of India (NPCI).
- **NHB: National Housing Bank**, a wholly owned subsidiary of Reserve Bank of India, was set up on 9 July 1988 under the National Housing Bank Act, 1987. NHB is an apex financial institution for housing.
- **NIB: Nordic Investment Bank** is an international financial institution founded in the mid-1970s by the five Nordic countries: Denmark, Finland, Iceland, Norway and Sweden. In 2005, Estonia, Latvia and Lithuania became members of the Bank.
- **NPA: Non-performing asset** is defined as a credit facility in respect of which the interest and/or installment of principal has remained 'past due' for a specified period of time. In simple terms, an asset is tagged as non performing when it ceases to generate income for the lender.
- **NPCI: National Payments Corporation of India** is the umbrella organisation for all retail payment systems in India, which aims to allow all Indian citizens to have unrestricted access to e-payment services.
- **NPS: National Pension Scheme**, a government-sponsored pension scheme, was launched in January 2004 for government employees. It was opened to all sections in 2009. A subscriber can contribute regularly in a pension account during her working life, withdraw a part of the corpus in a lumpsum and use the remaining corpus to buy an annuity to secure a regular income after retirement.
- **NPV: Net Present Value** is the difference between the present value of cash inflows and the present value of cash outflows over a period of time. NPV is used in capital budgeting to analyze the profitability of a projected investment or project.
- **NRE: Non-Resident External Account** refers to funds deposited with a financial institution that allows for the efficient conversion and transfer of Indian and foreign currency both within and outside of India.
- **NRI: Non-resident Indian**- An Indian Citizen who stays abroad for employment/carrying on business or vocation outside India or stays abroad under circumstances indicating an intention for an uncertain duration of stay abroad is a non-resident.
- **NSE: The National Stock Exchange** of India Limited is the leading stock exchange of India, located in Mumbai. The NSE was established in 1992 as the first demutualized electronic exchange in the country.
- **NSFDC: National Scheduled Castes Finance and Development Corporation** is an institution under Ministry of Social Justice & Empowerment, Government of India for financing, facilitating and mobilizing funds for the economic empowerment of persons belonging to the Scheduled Castes families living below Double the Poverty Line.
- **OCB: Overseas Corporate Body** means a company, partnership firm, society and other corporate body located outside India but owned directly or indirectly by Non-Resident Indians at least sixty percent and it also includes overseas trust in which not less than sixty percent beneficial interest is held by Non-resident Indians directly or indirectly but irrevocable.
- **OECD: The Organisation for Economic Co-operation and Development** is a group of 34 member countries that discuss and develop economic and social policy. OECD members are democratic countries that support free market economies.
- **OLTAS: Online Tax Accounting System**- It is a system mainly used in the collection of direct taxes from relevant individuals as well as companies or organisations. It is the Income Tax Department's strategy to acquire information as well as to keep a record of all the tax that has been paid via banks through the uploading of the details of the challan online.
- **OMO: Open market operations** refer to the buying and selling of government securities in the open market in order to expand or contract the amount of money in the banking system. Securities' purchases inject money into the banking system and stimulate growth, while sales of securities do the opposite and contract the economy.
- **OTCEI: Over-The-Counter Exchange Of India** is based in Mumbai, Maharashtra. It is India's first exchange for small companies, as well as the first screen-based nationwide stock exchange in India.
- **OTP: One-Time Password** is a password that is valid for only one login session or transaction, on a computer system or other digital device.

- **PACS: Primary Agricultural Credit Society** is a basic unit and smallest co-operative credit institutions in India. It works on the grassroots level.
- **PAN: Permanent Account Number** is a code that acts as an identification for individuals, families and corporates, especially those who pay Income Tax. It is a unique, 10-character alpha-numeric identifier, issued to all judicial entities identifiable under the Indian Income Tax Act, 1961.
- **PFRDA: The Pension Fund Regulatory and Development Authority** is the pension regulator of India which was established by Government of India on August 23, 2003 and was authorized by Ministry of Finance, Department of Financial Services.
- **PIN: A personal identification number** is a numerical code used in many electronic financial transactions. Personal identification numbers are usually issued in association with payment cards and may be required to complete a transaction.
- **P-notes: Participatory notes** are financial instruments used by investors or hedge funds that are not registered with the Securities and Exchange Board of India (SEBI) to invest in Indian securities.
- **POA: Power Of Attorney** is a legal document giving one person (the agent or attorney-in-fact) the power to act for another person (the principal). The agent can have broad legal authority or limited authority to make legal decisions about the principal's property, finances or medical care.
- **POS: A point of sale** is the place where sales are made. On a macro level, a POS may be a mall, a market or a city. On a micro level, retailers consider a POS to be the area where a customer completes a transaction, such as a checkout counter. It is also known as a point of purchase.
- **PPF: Public Provident Fund** is a savings-cum-tax-saving instrument in India, introduced by the National Savings Institute of the Ministry of Finance in 1968. The aim of the scheme is to mobilize small savings by offering an investment with reasonable returns combined with income tax benefits.
- **PPI: Prepaid payment instruments** are methods that facilitate purchase of goods and services against the value stored on such instruments.
- **QIB: A qualified institutional buyer** is a corporation that is deemed to be an accredited investor as defined in the Securities and Exchange Commission's (SEC) Rule 501 of Regulation D. A QIB owns and invests a minimum of \$100 million in securities on a discretionary basis; the broker-dealer threshold is \$10 million.
- **RDBMS: Relational Database Management System** is a database management system based on the relational model invented by Edgar F. Codd, of IBM's San Jose Research Laboratory fame. Most databases in widespread use today are based on his relational database model.
- **REC: Rural Electrification Corporation Limited** is a public Infrastructure Finance Company in India's power sector. The company finances and promotes rural electrification projects across India.
- **RIDF: Rural Infrastructure Development Fund** was set up by the Government in 1995-96 for financing ongoing rural Infrastructure projects. The Fund is maintained by the National Bank for Agriculture and Rural Development (NABARD).
- **ROA: Return On Assets** is a financial ratio that shows the percentage of profit a company earns in relation to its overall resources. It is commonly defined as net income divided by total assets.
- **ROE: Return on equity** is the amount of net income returned as a percentage of shareholders equity. Return on equity measures a corporation's profitability by revealing how much profit a company generates with the money shareholders have invested.
- **RTGS: Real-time gross settlement systems** are specialist funds transfer systems where the transfer of money or securities takes place from one bank to another on a "real time" and on a "gross" basis.
- **RWA: Risk-weighted assets** are used to determine the minimum amount of capital that must be held by banks and other institutions to reduce the risk of insolvency. The capital requirement is based on a risk assessment for each type of bank asset.
- **SARFAESI: Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002** (also known as the SARFAESI Act) is an Indian law. It allows banks and other financial institution to auction residential or commercial properties to recover loans.
- **SCC: Selective Credit Control** is a tool in the hands of Reserve Bank of India to restrict bank finance against sensitive commodities.
- **SDR: Special drawing rights** are supplementary foreign-exchange reserve assets defined and maintained by the International Monetary Fund.

- **SEPA: The Single Euro Payments Area** is a payment-integration initiative of the European Union for simplification of bank transfers denominated in euro.
- **SFMS: Structured Financial Messaging System** is a secure messaging standard developed to serve as a platform for intra-bank and inter-bank applications. It is an Indian standard similar to SWIFT (Society for World-wide Interbank Financial Telecommunications) which is the international messaging system used for financial messaging globally.
- **SGB: Sovereign Gold Bond** are government securities denominated in grams of gold. They are substitutes for holding physical gold. Investors have to pay the issue price in cash and the bonds will be redeemed in cash on maturity. The Bond is issued by Reserve Bank on behalf of Government of India.
- **SHG: Self-Help Group** is a small voluntary association of poor people, preferably from the same socio-economic background. They come together for the purpose of solving their common problems through self-help and mutual help. The SHG promotes small savings among its members. The savings are kept with a bank.
- **SIFI: Systemically Important Financial Institution** is a bank, insurance company, or other financial institution whose failure might trigger a financial crisis.
- **SIP: Systematic Investment Plan** is an investment vehicle offered by mutual funds to investors, allowing them to invest small amounts periodically instead of lump sums. The frequency of investment is usually weekly, monthly or quarterly.
- **SIPS: Systemically Important Payment Systems** refers to large-value and retail payment systems which, owing to their transaction volume, market share, cross-border relevance and the provision of services to other infrastructures, are deemed significant for financial stability.
- **SLR: Statutory Liquidity Ratio** is the Indian government term for the reserve requirement that the commercial banks in India are required to maintain in the form of cash, gold reserves, government approved securities before providing credit to the customers.
- **SLRS: Scheme for Liberation and Rehabilitation of Scavengers** was launched by the Government of India on 22.03.1992. The objective of the scheme is to liberate the scavengers and their dependents from their existing hereditary and obnoxious occupation.
- **SMERA: SME Rating Agency** is a full service credit rating agency exclusively set up for micro, small and medium enterprises (MSME) in India and has grown to rate SME, mid & large corporate.
- **SMILE: SIDBI Make in India Soft Loan Fund for Micro, Small & Medium Enterprises** was launched during the FY 2015-16 as an INR 10,000 crore fund by SIDBI, in line with the GoI's ambitious 'Make in India' initiative. The target sectors under SMILE include all the identified 25 Make in India sectors as indicated by the GoI for the Make in India Programme.
- **SPNS: Shared Payment Network System**- IBA has set up a Shared Payment Network System or SWADHAN network of ATMs of its member banks in Mumbai. The network went live on February 1, 1997. The objective behind the SWADHAN network is to provide 24 hours, 7 days in a week and 365 days in a year, electronic banking service to the customer of a member bank anywhere in the city of Mumbai.
- **SSI: Small scale industries** also known as MSMEs are defined & categorized by the Micro, Small & Medium Enterprises Development Act, 2006. The act categorizes different scale of industries on the basis of investment in plant & machinery in case of manufacturing industries and on the basis of investment in equipment in case of service sector industries.
- **SWIFT: Society for Worldwide Interbank Financial Telecommunication** provides a network that enables financial institutions worldwide to send and receive information about financial transactions in a secure, standardized and reliable environment.
- **TDS: Tax Deducted at Source** is a means of collecting income tax in India, under the Indian Income Tax Act of 1961. Any payment covered under these provisions shall be paid after deducting prescribed percentage.
- **TIN: Tax Information Network** is an initiative by Income Tax Department of India (ITD) for the modernization of the current system for collection, processing, monitoring and accounting of direct taxes using information technology. TIN is a repository of nationwide Tax related information, and has been established by NSDL e-Governance Infrastructure Limited on behalf of ITD.
- **UCC: Uniform Commercial Code** is a set of laws that provide legal rules and regulations governing commercial or business dealings and transactions. The UCC regulates the transfer or sale of personal property.
- **UIDAI: The Unique Identification Authority of India** is a statutory authority established under the provisions of the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016 ("Aadhaar Act 2016") on 12 July 2016 by the Government of India, under the Ministry of Electronics and Information Technology (MeitY).

- **UPI: Unified Payments Interface** is an instant real-time payment system developed by National Payments Corporation of India facilitating inter-bank transactions. The interface is regulated by the Reserve Bank of India and works by instantly transferring funds between two bank accounts on a mobile platform.
- **USSD: Unstructured Supplementary Service Data** is a Global System for Mobile (GSM) communication technology that is used to send text between a mobile phone and an application program in the network. Applications may include prepaid roaming or mobile chatting.
- **UTI: Unit Trust of India** Mutual Fund was carved out of the erstwhile as a SEBI registered mutual fund from 1st February 2003.
- **VPA: Virtual Payment Address** is an identifier that can be uniquely mapped to an individual account. Unified Payment Interface (UPI) services offer customers the option to create any number of VPAs for making and receiving payments.
- **WBCI: Weather Based Crop Insurance** aims to mitigate the hardship of the insured farmers against the likelihood of financial loss on account of anticipated crop loss resulting from incidence of adverse conditions of weather parameters like rainfall, temperature, frost, humidity etc.
- **WCTL: Working Capital Term Loan** Scheme to provide one time core working capital assistance to deserving units in the form of working capital term loan.
- **WMC: Ways and Means Committee** is a government body that is charged with reviewing and making recommendations for government budgets.
- **WPI: Wholesale Price Index** is the price of a representative basket of wholesale goods. Some countries (like the Philippines) use WPI changes as a central measure of inflation. But now India has adopted new CPI to measure inflation.
- **YTM: Yield to maturity** is the total return anticipated on a bond if the bond is held until it matures. Yield to maturity is considered a long-term bond yield, but is expressed as an annual rate.

StudyLab
GET EVERYTHING FREE