

presented

8. **Bankruptcy** - It is a legal process through which people or other entities cannot repay debts to creditors and may seek relief from some or all of their debts.
9. **Base Rate** - It is the rate of interest on which the banks generally base their lending rates. It is seen that the loans are given at a rate higher than the base rates and the saving rate is below the base rate.
10. **Basis point** - It is one-hundredth of 1% point which is normally used for indicating the cost of finance
11. **Bills of exchange** - According to section 5 of the Negotiable Instruments Act of 1881, a bill of exchange is an instrument in writing containing an unconditional order signed by the maker, directing a certain person to pay a certain amount of money, only to, or to the order of, a certain person, or the bearer of the instrument.
12. **Bouncing of a cheque** - It is a situation when an account has insufficient funds and any type of cheques is not payable and thus returned by the bank with a reason "Exceeds arrangement" or "funds insufficient".
13. **Bridge Loan** - It is a loan made by the bank for a very short period to make up for the temporary shortage of cash

From C

1. **Call Money** - It is a loan that is made available for a very short period of a few days only with a low rate of interest.
2. **Capital Assets** - The asset which is not bought or sold as part of the everyday running of the business
3. **Capital Expenditure** - Non Recurring nature of expenditure is used in purchasing of capital assets.
4. **Cash cow** - Those enterprises that yield high earnings but often have low growth potential
5. **Cash Discount** - It is the discount given at the time of payment
6. **Cash flow** - It refers to the movement of money into and out of a business as goods are bought and sold
7. **Cash Reserve Ratio (CRR)** - It refers to the number of funds that a bank has to keep with the Reserve Bank of India (RBI). If the percentage of CRR increases, then the amount with the bank comes down and vice versa.
8. **Cash** - It refers to that money which is in the form of banknotes and/ or coins
9. **Certificate of Deposit** - It is the certificate issued by a bank to a person depositing money for a specified length of time at a specified rate of interest
10. **Cheap money** - It is a loan or credit with a low-rate interest or the setting of low-interest rates by the RBI
11. **Cheque** - It is written by an individual to transfer an amount between two accounts of the same and/ or different bank
12. **Collateral Security** - It is the asset which a borrower is required to deposit with or pledge to a lender as a condition of obtaining a loan which can be sold off if the loan is not repaid
13. **Commercial Banks** - They are a financial institution that accepts deposits, offers checking account services, extends various loans, and offers basic financial products like the certificate of deposits, and savings accounts to individuals and small businesses.
14. **Core Banking Solutions (CBS)** - In CBS, all the branches of the bank are connected and the customer can access their funds and/ or transactions from any other branch.
15. **Core Banking** - It is a general term used to describe the services provided by a group of networked bank branches
16. **Credit Card** - It is a payment card issued to the users to enable the cardholder to pay a merchant for goods and services based on the cardholder's promise to the card issuer to pay them for the amounts plus the other agreed charges

17. **Crossing the Cheque-** It is instructing the banker to pay a specified sum through the banker only, that is, the amount on the cheque has to be deposited directly to the bank account of the payee
18. **Current Account-** It is an account that can be opened generally for business purposes with no restrictions on withdrawals and no interest paid

From D

1. **Dishonour of Cheque-** It refers to the non-payment of a cheque by the paying banker with a return memo giving reasons for non-payment
2. **Demat Account-** It refers to how a bank keeps money in a deposit account in the same way the depository company converts share certificates into electronic form and keep them in a demat account
3. **Debit card-** It is a card issued by the bank so that the customers can withdraw their money from their account through digital banking.

From E

1. **E-banking-** It is a type of banking in which individuals can conduct financial transactions digitally. RTGS, Credit cards, debit cards, UPI, etc. are included in e-banking
2. **EFT (Electronic Fund Transfer)-** Under this, an ATM, wire transfer, and computers are used to move funds between different accounts in the different and/ or the same bank

From F

1. **Flat money-** It is a currency established as money, often by government regulation that does not have an intrinsic value
2. **Fiscal deficit-** It is the number of funds borrowed by the government to meet the expenditures
3. **Finance-** It is a term for matters regarding the management, creation, and study of money and investments

From H

1. **Hypothecation-** It is the practice where a debtor pledges collateral to secure a debt or as a condition precedent to the debt, or a third party pledges collateral for the debtor. A letter of hypothecation is the usual instrument for carrying out the pledge.
2. **Hot money-** It is capital that investors regularly move between economies and financial markets to profit from the highest short term interest rates

From I

1. **Interest-** It is the payment from a borrower or deposit-taking financial institution to a lender or depositor of an amount above repayment of the principal sum, at a particular rate.
2. **Insolvency-** It is a state of financial distress in which a person or business is unable to pay its debts.

3. **Initial Public Offering (IPO)**- It refers to the time when a company makes the first offering of the shares to the public.
4. **Inflation**- It is an increase in the quantity of money in circulation without any corresponding increase in goods, resulting in an abnormal rise in the price level.
5. **Idle Money**- It is the money that has not been invested and is therefore not earning interest or investment income of any kind.

From K

1. **Kiosk Banking**- It refers to doing banking from a cubicle from which food, newspapers, etc. are also sold.

From L

1. **Lease**- A legal agreement that allows the use of a building or land for a fixed period in return for a rent.
2. **Letter of Credit**- A letter issued by the bank to another bank (especially one in a different country) to serve as a guarantee for payments made to a specified person under specified conditions.
3. **Leverage Ratio**- It is a financial ratio that gives an idea or a measure of a company's ability to meet its financial losses.
4. **Liabilities**- It is something a person or a company owes, usually a sum of money
5. **Lien**- A right to keep possession of property belonging to another person until a debt owed by that person is discharged
6. **Liquid Assets**- It is an asset that can be easily converted into cash in a short duration of time.
7. **Liquidity**- It is the ability to convert an investment quickly into cash without any loss in its value.

From M

1. **Market Capitalization**- It is the product of the share price and the number of the company's outstanding ordinary shares.
2. **Microfinance**- It is a category of financial services targeting individuals and small businesses that lack access to conventional banking and related services.
3. **Monetary Policy**- It refers to the central bank policy concerning the money in the economy, the rate of interest, and the exchange rate.
4. **Mortgage**- It is a kind of security which one offers for taking an advance or loan from a lender.
5. **Mutual Fund**- These are investment schemes that help pool money from various investors to purchase securities.

From N

1. **Near Money**- Near or quasi money consists of highly liquid assets that are not cash but can easily be

converted into cash.

2. **Negotiable Instruments**- It is a document guaranteeing the payment of a specific amount of money, either on demand or at a set time, whose payer is usually named on the document.
3. **Non Performing Assets (NPAs)**- They are the loans given by a bank on which repayments and/ or interest payments are not being made on time.

From O

1. **Overdraft**- It occurs when money is withdrawn from a bank account and the available balance goes below zero. In such a situation, the account is said to be "overdrawn".

From P

1. **Pass Book**- It is a book where all the bank transactions are recorded. They are mainly issued to current or savings bank account holders.
2. **Permanent Account Number (PAN)**- It is a number issued by the Income Tax department to the taxpayers
3. **Plastic Money**- It is a name given to credit cards, ATM cards, debit cards, and international cards issued by the banks.
4. **Point of Sale (PoS)**- It refers to a location at which payment of a card transaction occurs.
5. **Prime Lending Rate (PLR)**- It is the rate of interest at which a bank gives a loan to its most reliable customer, that is, a customer with "zero risks".

From R

1. **Reverse Repo Rate**- It is the opposite of repo rate as it is the rate at which the RBI borrows money from the banks when it observes that too much money is floating in the banking system.
2. **Repo Rate**- It is seen that the commercial banks borrow funds from the RBI if there is any shortage in their reserves. If the REPO rate increases, it becomes expensive to borrow money from the RBI and vice versa.

From S

1. **Special Drawing Rights (SDR)**- It is a reserve asset (Paper Gold) created within the framework of the IMF in a bid to increase international liquidity.

From T

1. **Teller-** It is a staff member of the bank who cashes cheques, accepts deposits, and performs various banking services for the bank's customers.

From U

1. **Universal Banking-** When financial institutions and banks undertake activities related to banking, like an investment, issue of debit and/ or credit card, etc. then it is generally known as universal banking.

From V

1. **Virtual Banking-** Internet banking is also called virtual banking as there are no bricks or boundaries involved. It is mainly operated by the internet.

From W

1. **Wholesale Banking-** It is similar to retail banking with a slight difference that it is mainly focused on the financial needs of the institutional clients and the industry.

From Z

1. **Zero Coupon Bond-** They are sold at a good discount as they have no coupon.

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1. Govt. Jobs

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