Overview

Mastering Banking Terminology

Essential concepts for navigating the modern financial landscape:

- **Decoding key industry jargon**
- **Understanding core financial instruments**
- **Clarifying regulatory and operational frameworks**
- **Building a solid foundation for financial decision-making**



Banking Fundamentals: Accounts & Deposits

The building blocks of personal finance

CASA (Current & Savings)



Primary operational accounts for daily transactions and liquidity.

FD (Fixed Deposit)



Lump sum investment parked for a fixed tenure to earn interest.

RD (Recurring Deposit)



Systematic monthly savings plan to build capital over time.

Credit & Lending Mechanics

Understanding how banks manage risk and debt



EMI (Equated Monthly Instalment)

A fixed payment amount made by a borrower to a lender at a specified date each calendar month.



LTV (Loan-to-Value)

A lending risk assessment ratio comparing the loan amount to the asset's total value.



FOIR (Fixed Obligations to Income Ratio)

A metric evaluating an applicant's ability to repay based on current income and existing debt.



NPA (Non-Performing Asset)

A loan or advance where principal or interest payments are overdue by 90 days or more.

Personal Credit Scoring

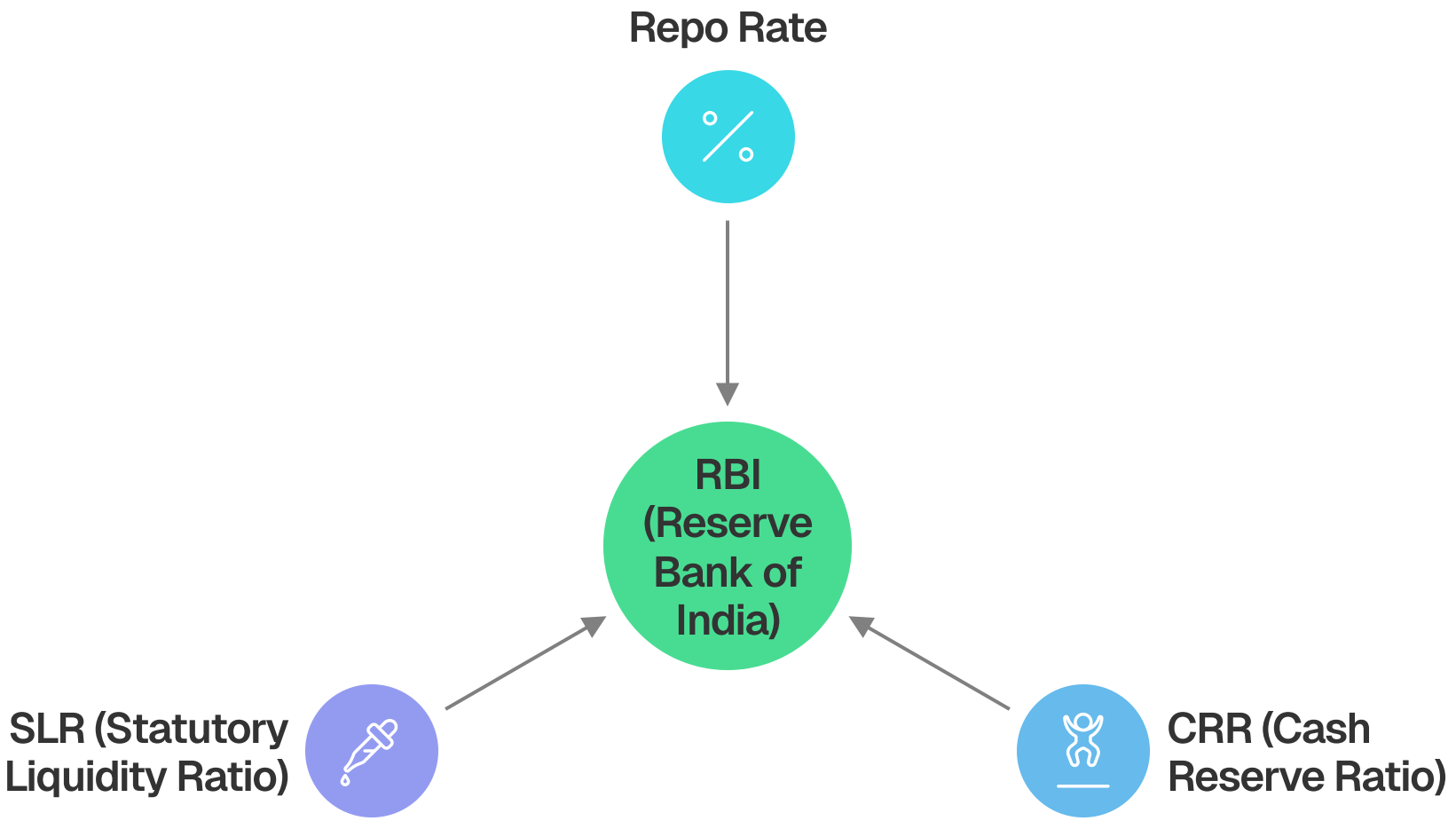
The reputation of your financial identity



Maintain a high score through timely EMI payments to ensure financial health.

Central Banking & Macro-Tools

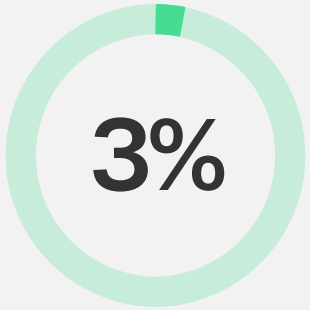
How the RBI controls the plumbing of the economy



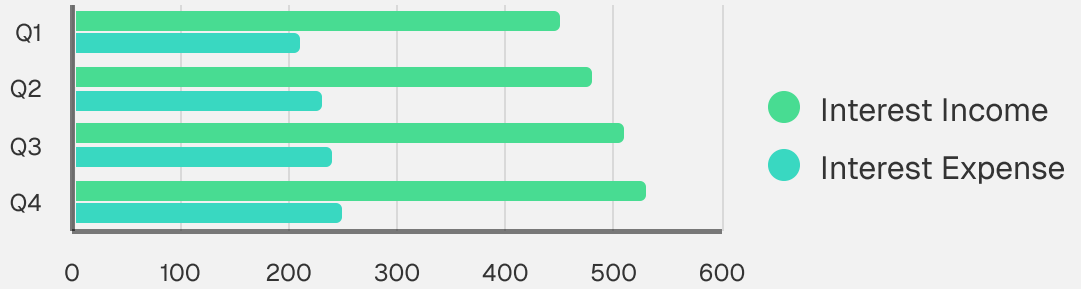
Banking Performance Metrics

How banks measure their own health

Net Interest Margin (NIM)



Interest Income vs Expense Trend



Return on Investment (ROI)

14.5%

annualized

Strategic Optimization

Banks continuously balance financial variables to ensure long-term sustainability, solvency, and competitive positioning.

Digital Payments Ecosystem

The infrastructure of instant money movement

Method	Speed	Nature
UPI	Instant	Real-time interface
NEFT	Batch-processed	Electronic transfer
RTGS	Instant (Gross)	High-value settlement
IMPS	Instant	Immediate payment service

Compliance & Security

Protecting the system and the customer



KYC (Know Your Customer)

Mandatory verification of identity to prevent fraud.



AML (Anti-Money Laundering)

Legal framework to prevent the conversion of illicit funds into legitimate assets.

To ensure a safe, transparent, and legal banking environment.

The 100-Term Roadmap

Expanding your financial vocabulary



Establishing the cornerstones of individual account management and retail banking.

Understanding credit scoring, liability, and debt instruments.

Exploring central banking, interest rates, and compliance frameworks.

Analyzing modern innovations: Blockchain, Cybersecurity, and FinTech infrastructure.

The goal is to build from foundational terms to advanced regulatory concepts.

Summary & Key Takeaways

Reviewing our core pillars

- **Liquidity & Deposits**
  Understand how money is stored through CASA, FD, and RD accounts.
- **Debt Management**
  Monitor key ratios like LTV and FOIR alongside credit scores like CIBIL.
- **Regulatory Control**
  Recognize the influence of monetary policies including Repo, CRR, and SLR.
- **Digital Efficiency**
  Master the modern transaction ecosystem including UPI, NEFT, and RTGS.
- **Compliance**
  Ensure secure operations by strictly adhering to KYC and AML protocols.