



# FINANCE FOR EVERYONE

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# **FINANCE FOR EVERYONE**

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## **PREFACE**

There are numerous subfields within **Finance for Everyone**. Financial management and investment management are the two main topics covered in the book, and they are the two most significant ones that lay the groundwork for the other specialty areas. The writers first go over the fundamentals, including the financial system and its participants, financial statements, and finance mathematics. They then go into more detail on financial management and investment management. The writer's focus on financial management includes capital budgeting decisions, corporate financing decisions, dividend policy, financial risk management, and financial strategy and planning. The various risk types associated with investing, company analysis, common stock valuation, portfolio selection, asset pricing theory, and investing in common stocks and bonds are all covered under the topic of investment management.

### **Learning Objectives:**

The Learning Objectives of this course are as follows:

- To offer an integrated approach to the understanding of concepts and applications of financial planning.
- To help the students in their financial planning.

### **Learning Outcomes:**

The Learning Outcomes of this course are as follows:

- After studying this course, students will be able to understand the importance of financial literacy and the institutions providing financial services.
- After studying this course, students will be able to prepare financial plan, budget and manage personal finances.
- After studying this course, students will be able to open, avail and manage services offered by banks.
- After studying this course, students will be able to open, avail and manage services offered by post offices.
- After studying this course, students will be able to plan for life insurance and property insurance.
- After studying this course, students will be able to choose instruments for investment in shares.

## Abbreviations

Aadhaar Enabled Payment System (AEPS)  
Additional Living Expenses (ALE)  
Annual General Meetings (AGMs)  
Automated Teller Machines (ATM)  
Banks Maintain Basic Savings Bank Deposits (BDSB)  
Bombay Stock Exchange (BSE)  
Cash Credit (CC)  
Cash Deposit Machines (CDMs)  
Conditional Cash Transfer (CCT)  
Core Banking Solution (CBS)  
Credit Information Bureau India Limited (CIBIL)  
Date of Birth (DoB)  
Demand Draft (DD)  
Depository Participant (DP)  
Draft Red Herring Prospectus (DRHP)  
Earnings Per Share (EPS)  
Electronic Clearing Service (ECS)  
Equity Shares (ES)  
Export Import Bank of India (EXIM Bank)  
Fixed-Rate Deposits (FDs)  
Follow-On Public Offer (FPO)  
Free Float Market Capitalization (FFMC)  
Free Float Percentage (FFP)  
Full Market Capitalization (FMC)  
Government of India (GOI)  
Guaranteed Income Supplement (GIS)  
High Net Worth Individuals (HNIs)  
Hong Kong and Shanghai Banking Corporation (HSBC)  
Immediate Payment Service (IMPS)  
India Index Service and Products Ltd (IISL)  
Indian Post Payment Bank (IPPB)  
Indira Gandhi Matritva Sahyog Yojana (IGMSY)  
Indira Gandhi National Old Age Pension Scheme (IGNOAPS)  
Indira Gandhi National Widow Pension Scheme (IGNWPS)  
Individual Retirement Account (IRA)  
Industrial Finance Corporation of India (IFCI)  
Initial Public Offering (IPO)  
Instant Money Order (IMO)  
International Securities Identification Number (ISIN)  
Know Your Client (KYC)  
Liberalized Remittance Scheme (LRS)  
Life Insurance Corporation of India (LIC)  
Mahatma Gandhi National Employment Guarantee Act (MGNREGA)

Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGs)  
Ministry of Rural Development (MoRD)  
Money Transfer Operators (MTOs)  
Multi-Tasking Staff (MTS)  
National Automated Clearing House (NACH)  
National Bank for Agricultural and Rural Development (NABARD)  
National Electronic Fund Transfer (NEFT)  
National Savings Certificate (NSC)  
National Social Assistance Program (NSAP)  
National Stock Exchange (NSE)  
Offer for Sale (OFS)  
Old Age Security (OAS)  
Permanent Account Number (PAN)  
Post Dated Cheques (PDC's)  
Post Office Savings Account (SB)  
Postal Life Insurance (PLI)  
Price Lifebuoy (PL)  
Proof of Address (POA)  
Public Offerings (IPOs)  
Public Provident Fund Account (PPF)  
Real Time Gross Settlement (RTGS)  
Recurring Deposits (RDs)  
Reserve Bank of India (RBI)  
Rural Postal Life Insurance (RPLI)  
Securities and Exchange Board of India (SEBI)  
Short Messaging Services (SMS)  
Small Industries Development Bank of India (SIDBI)  
State Bank of India (SBI)  
Sukanya Samriddhi Accounts (SSY)  
Tax Registration Number (TRN)  
The Non-Resident External Account (NRE Account)  
the State Financial Corporations (SFCs)  
Unit Linked Insurance Plans (ULIPS)  
Universal Payments Interface (UPI)  
Unstructured Supplementary Service Data (USSD)  
Value Payable Posts (VPP)

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