



What is this document about?

IND business FAQs has a list of INDmoney level acronyms that will make your day to day life at INDmoney easy

How can you read this document?

Business FAQs are listed Vertical wise in Alphabetic order. You can read through each of them

Generic Investment Technology

Mutual Funds

Equity

Fixed Instrument

Insurance

Loans

Other Products

Business Terminology



Generic Investment Terminology	
ACH	Automated Clearing House
APR	Annual Percentage Rate (A percentage rate that reflects the amount of interest earned or charged.)
ARR	Accounting Rate of Return
AUM	Asset Under Management
CAGR	Compound annual growth rate
CAMS	Computer Age Management Services
CAPEX	Capital Expenditures
CAS	Consolidated Account Statement
CDSL	Central Depository Services Limited
EPF	Employee Provident Fund
Expense Ratio	operating expense/ average AUM
FOREX	Foreign Exchange
FRB	Federal Reserve Board
GNP	Gross National Product
HNWI	High Net Worth Individual
IRA	Individual Retirement Account
IRP	Investment Risk Profiling
KYC	Know Your Customer
LLC	Limited Liability Company
LTCG	Long Term Capital Gains
MSME	Medium, Small and Micro Enterprises
MTM	Mark to Market
NPA	Non Performing Asset
Overdraft	A deficit caused by the withdrawal of more money from an account than the account currently holds
Portfolio	Holding of any individual or institution
P/E	Price-to-earnings ratio
PEG	Price/ Earnings-to-Growth ratio

PLC	Public Limited Company
Repo Rate	The rate at which commercial banks borrow money by selling their securities to the Reserve Bank of India (RBI) to maintain liquidity
Reverse Repo Rate	The rate at which the RBI borrows money from banks when there is excess liquidity in the market
SEBI	Securities and Exchange Board of India
SEC	Securities and Exchange Commission
PSP	Profit Sharing Plan
RBI	Reserve Bank of India
Sharpe Ratio	measure of risk-adjusted returns
STCG	Short Term Capital Gains
TER	Total Expense Ratio
TDS	Tax Deducted at Source
UHNWI	Ultra High Net Worth Individual

Mutual Funds	
AMC	Asset Management Company
AMFI	Association of Mutual Funds in India
ARN	AMFI Registration Number
ELSS	Equity Linked Savings Scheme
Folio Number	It is a unique number to identify your holdings with the respective mutual fund
NAV	Net Asset Value (NAV= AUM/Total No. of Units issued)
NFO	New Fund Offering
NISM	National Institute of Securities Market
NPV	Net Present Value
RIA	Registered Investment Advisor
RTA	Registered Transfer Agents
SIP	Systematic Investment Plan
STP	Systematic Transfer Plan

XIRR	Extended Internal Rate of Return
Yield	It is the measure of return on investments in terms of percentage
YTM	Yield To Maturity

Equity	
Bear Market	Beginning of a downward trend in the stock market
Beta	It is a measurement of relationship between stock price of any particular stock and the movement of whole market
Blue Chip Stock	Stocks of large, well-established and financially-sound companies which hold a record of consistently increasing rate of paying the dividends over decades to its stock holders
BSE	Bombay Stock Exchange
Bull Market	When the prices of the stocks are increasing over a prolonged period of time
Call Option	An option that is given to investor the right but not obligation to buy a particular stock at a specified price within a specified time period
DEMAT	Dematerialized Account (an account to hold financial securities (equity or debt) in electronic form.)
DER	Debt Equity Ratio
Dividend	A portion of the company's earnings decided to pay to its shareholders in return to their investments
Face Value	The amount of money or the value in cash that the holder of a security will obtain from the issuer of the security when the security matures at the specific date
Limit Order	A limit order provides instruction to only execute on or under a purchase price or at or above a sale price
Market Capitalization	The total value in INR of all of a company's outstanding shares.
Market Order	Instructions to execute a transaction as quickly as possible at the present or market price
NSDL	National Securities Depository Limited
NSE	National Stock Exchange
ROA	Return on assets

ROCE	Return On Capital Employed
ROE	Return on Equity
ROIC	Return on Invested Capital
RONA	Return on net assets
Securities	A transferable certificate of ownership of investment in products such as stocks, bonds, future contracts and options which an individual hold
SKU	Stock Keeping Unit
SL	Stop Loss
TSR	Total Shareholder Return

Fixed Instruments

CD	Certificate of Deposit
FD	Fixed Deposit
FMP	Fixed Maturity Plan
RD	Recurring Deposit

Insurance

AIR	Assumed Interest Rate
IRDA	Insurance Regulatory and Development Authority
Maturity	Maturity age is the age at which the policy ends or terminates
Premium	The premium is the amount you pay to keep the insurance plan active and enjoy continued coverage
Riders	Riders are an additional paid-up feature to widen up the scope of the base insurance policy
Sum Assured	an amount that the insurer agrees to pay to the insured person on occurrence of any insured event

Loans

Amortization	Loan payments by equal periodic amounts calculated to pay off the debt at the end of a fixed period, including accrued interest on the outstanding balance
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ARM	Adjustable-Rate Mortgage
ARMS	Adjustable-Rate Mortgages
Collateral	Security as it is also called, a collateral can be any asset that backs your loan
Credit Score	A credit score is an individual's valuation and ability to repay a loan
CRISIL	Credit Rating Information Services of India Limited
DTI	Debt To Income ratio
EMI	Equated Monthly Instalment
LAP	Loan Against Property
LAS	Loan Against Security
LOC	Line Of Credit
LCR	Loan to Cost Ratio
LTV	Loan To Value ratio
Mortgage	A debt instrument used in a real estate transaction where the property is the collateral for the loan
Unsecured Personal Loan	It is a loan that does not require the borrower to pledge any asset as collateral
Secured Personal Loan	It is a loan that requires the borrower to pledge any asset as collateral
TCC	Total Cost of Capital (This is the total amount of interest and other fees for the loan)

Other Products	
AIF	Alternate Investment Fund
Bond	A fixed income investment which is issued by the government or a company to its buyers
Debentures	A fixed-income instrument which is not backed by security of any physical assets or collateral of the issuer
ETF	Exchange Traded Funds
NPS	National Pension Scheme
PMS	Portfolio Management Services

Business Terminology	
ATS	Average Transaction Size
ATV	Average Transaction Value
AUA	Assets Under Advice
CAC	Customer Acquisition Cost
Churn Rate	The percentage of customers that opt out of your product or service
CLV	Customer Lifetime Value
Compounding	The process whereby interest is credited to an existing principal amount as well as to interest already paid
CPA	Cost Per Acquisition
CPC	Cost per Click
CTA	Call To Action
CTR	Click Through Rate
DAU	Daily Active Users
EBITDA	Earnings Before Interest, Taxes, Depreciation, and Amortization
LGR	Lead Generation Rate
MAU	Monthly Active Users
MRR	Monthly Recurring Revenue
Network effect	A phenomenon whereby a product or service gains additional value as more people use it
NPS	Net Promoter Score
OKR	Objective & Key Results
PPC	Pay Per Click
Pull Through Rate	Total funded loans /applications submitted
SEO	Search Engine Optimization
SEM	Search Engine Marketing