

**MAA OMWATI DEGREE COLLEGE
HASSANPUR**

NOTES

**CLASS:- B.COM 1ST SEM & BBA 1ST
SEM**

**SUBJECT: FINANCIAL LITERACY
(MDC)**

Syllabi for Multidisciplinary Courses

Semester I
Session: 2024-25

Name of Program	B.COM	Program Code	MDC
Name of the Course	Financial Literacy	Course Code	24COM401MD01
Hours per Week	3	Credits	3
Maximum Marks	50	Time of Examinations	3

Note:

The examiner shall set nine questions in all covering the whole syllabus. Question No.1 will be compulsory covering all the units and shall carry 5 small questions of two marks each. The rest of the eight questions will be set from all the four units. The examiner will set two questions from each unit out of which the candidate shall attempt four questions selecting one question from each unit. All questions shall carry 10 marks each.

Course Learning Outcomes (CLO):

CLO 1: Understand the significance of financial literacy and the process of financial planning, including the preparation of personal, family, business, and national budgets.

CLO 2: Identify and differentiate between various types of banks and banking products/services, as well as post office savings schemes and services provided by India Post Payments Bank.

CLO 3: Gain knowledge about different life insurance policies, health insurance plans, and property insurance policies, and understand the offerings of post office life insurance schemes.

CLO 4: Familiarize with key terms and concepts used in stock markets, including various types of shares, market indices, and stock market transactions, as well as the taxation on capital gains and mutual funds.

Unit 1: INTRODUCTION, FINANCIAL PLANNING AND BUDGETING

Meaning, importance and scope of financial literacy; Prerequisites of financial literacy – level of education, numerical and communication ability; Various financial institutions – banks, insurance companies, post offices, mobile app-based services. Need of availing of financial services from banks, insurance companies and postal services.
Meaning, importance and need for financial planning; Personal budget, family budget, business budget and national budget; Procedure for financial planning and preparing a budget; Budget surplus and budget deficit.

Unit 2: BANKING SERVICES AND FINANCIAL SERVICES IN INDIAN POST OFFICE

Types of banks; Banking products and services – Various services offered by banks; Types of bank deposit accounts – savings bank account, term deposit, current account, recurring deposit; pan card, address proof, KYC norm; Various types of loans – education loan, consumer durable loan, vehicle loan, housing loan, short term, medium term, long term, microfinance, bank overdraft, cash credit, mortgage, reverse mortgage, hypothecation, pledge, Agricultural and related interest rates offered by various nationalized banks; Cashless banking, e-banking, che counterfeits, currency; CIBIL, ATM, net banking, RTGS, NEFT, IMPS, electronic clearances services (ECS), debit and credit card, app-based payment system, bank draft and pay order; banking complaints and ombudsman.

Post office savings schemes: savings bank, recurring deposit, term deposit, monthly income scheme, kisan vikas patra, NSC, PPF, senior citizens saving scheme, Sukanya samriddhi yojana

; India post payments bank. Money transfer: money order, e-money order. Indian postal order.

Unit 3: INSURANCE SERVICES

Life insurance policies: life insurance, term life insurance, endowment policies, pension policies, ULIP, health insurance plans, comparison of policies offered by various life insurance companies, comparison of policies offered by various health insurance companies. Property insurance policies. Post office life insurance schemes: post all life insurance and rural postal life insurance.

Unit 4: STOCK MARKETS – SOME BASIC CONCEPTS

Terms used in stock markets: SENSEX, NIFTY, primary markets, secondary markets, initial public offering (IPO), follow-on public offering (FPO), offer for sale (OFS), block deal, equity shares, preference shares, debentures, bonus shares, dividend, DEMAT account, trading account, delivery instruction slip (DI Slips), blue chips, defensive stocks, face value, market value, market capitalisation, pre-opening session, trading session, opening price, closing price, business days, bull, bear, bull market, bear market, risk, stop loss, derivatives, call

References:

- Avadhani, V.A. (2019). Investment Management. Mumbai: Himalaya Publishing House Pvt. Ltd.
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Milling, B.E. (2003). The Basics of Finance: Financial Tools for Non-Financial Managers. Indiana: universe Company.
Mitra, S., Rai, S.K., Sahu, A.P., & Starn, H.J. (2015). Financial Planning. New Delhi: Sage Publications India Pvt. Ltd.
Zokaityte, A. (2017). Financial Literacy Education. London: Palgrave Macmillan.

FINANCIAL LITERACY

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Meaning

Financial literacy is the capability to understand financial concepts and apply this skill in decisions related to savings, investment and debt mgmt.

SCOPE OF FINANCIAL LITERACY

1. UNDERSTANDING PERSONAL FINANCES

A clear picture of your current financial situation entails knowing how much money you have, your assets, and your liabilities.

2. SETTING FINANCIAL GOALS

Determine what you want your money to perform for you, whether saving for a house down payment or being able to have an early retirement.

3. Managing Debt

Not all debts are bad. A general rule of thumb is that if debt generates income, increases your net worth, or has future

value, it is considered good debt.

Investing

When you understand financial concepts like the time value of money, you realize that it is never too early to start investing.

Retirement Planning

Retirement is one of the most important financial goals that you will ever set.

Tax Planning

Taxes are inevitable but knowing their ins and outs can aid in understanding the tax implications of different financial decisions.

* IMPORTANCE OF FINANCIAL LITERACY

1. Recognize your Income & Expenses

1. Making a budget is a crucial step in developing financial literacy since it allows one to truly grasp income and expenses.

2. Pay off debt and play out of debt

When comparing loan terms, looking for the lowest interest rates can result in significant long-term savings as can paying off your credit card balance in each month to avoid interest costs.

3. Avoid going into debt or declaring bankruptcy

Establishing an emergency savings account is a critical step in preventing debt from accumulating. Make a plan for regular savings and day-to-day expenses.

4. Strive for a safe retirement

Through financial literacy we have a better sense of how much to save, what kind of retirement we want, and how to get there.

5. Learn the value of saving

Start saving as soon as we can, even if it's just a little bit. Regular saving are a cushion for emergency condition.

Financially literate persons are less likely to fall victim to financial fraud.

* Benefits of Financial literacy

1. Gives more self-assurance while making financial decisions

2. Gives the ability to bargain
3. Makes it easier to defend yourself.

4. Increase our likelihood of Reaching our Objectives

5. Offers a higher Standard of living all around.

★ (NEEDS) → Secondary → Foundation → PRE REQUISITES OF FINANCIAL LITERACY: Level of Education; Numerical and Communication Ability

(A) Level of EDUCATION

Money Management is a personal talent that one develops over the course of your life and is not something that everyone learns.

1. Deposited Funds

Opening a bank account is the first step in gaining financial knowledge. Set up a direct deposit as soon as one receives a paycheck.

2. Budgeting

The knowledge of budgeting is one of the initial components of a good personal finance strategy.

3. INVESTMENT

To become financially literate, an individual must learn about key components in regards to Investing.

4. Borrowing

In most cases, almost every individual is required to borrow money at one point in their life. To ensure borrowing is done effectively, an understanding of interest rates, compound interest, time value of money, payment periods, and loan structure is crucial.

5. TAXATION

Gaining knowledge about the different forms of taxation and how they impact an individual's net income is crucial for obtaining financial literacy.

6. Personal Financial Management

The most important criteria, personal financial management, includes an entire mix of all of the components listed above.

* Numerical & Communication

1. Learn about money matters.

To start improving your financial literacy, the first step is to start reading everything about money matters, including investing, money management and finances.

2. Use FINANCIAL Management tools

Another important step to gain financial literacy is to start using a financial management tool. There are many services available online and you can easily connect them to your checking and saving accounts, credit cards and mortgage to monitor your spending.

3. ASK FOR ADVICE

A financial adviser can answer questions about how to handle any high-interest credit cards and other debt.

4. USE YOUR NETWORK

While there are limitless resources to help improve your financial literacy, look for resources within your own immediate network.

5. LEARN TO BUDGET

Budgeting is a key component of financial literacy. Learning to create and manage a budget allows you to pay down or avoid debt, save money and plan for your future.

6. UNDERSTAND CREDIT

To use your credit effectively, you should first understand it. Some important concepts you should know about credit include:

- Why credit is important
- What information goes into your credit score.
- How to improve your credit score.

7. CREATE & Manage a checking and Saving accounts.

Managing a checking and savings account is another important step for financial literacy.

8. Understand debt and loans.

Learning about debt and loans is another important part of financial literacy. Not all debt is created equal, so learning about the different kinds of debt, the strategies for each and what you should focus on paying down

FINANCIAL INSTITUTIONS

A financial Institution (FI) is a company engaged in the business of dealing with financial and monetary transactions such as deposits, loans, investments, and currency exchange.

The major categories of Financial Institutions are

Central Banks

Retail and Commercial Bank

Credit Unions

Savings and loan associations

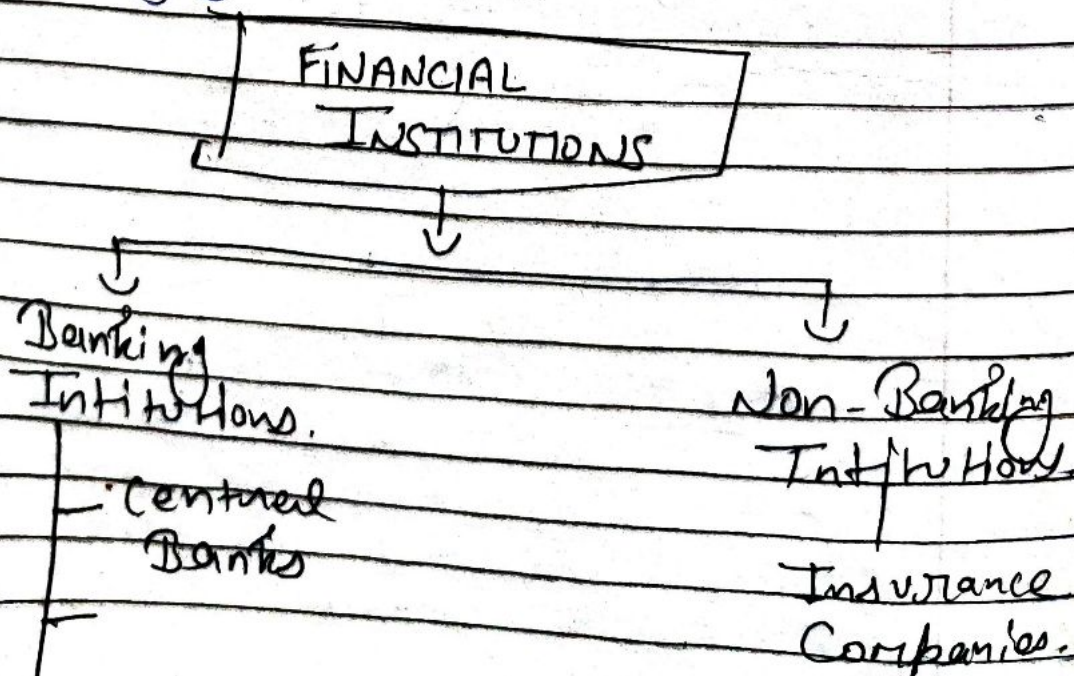
Investment Banks

~~COMPANIES~~

Brokerage firms

Insurance Companies

Mortgage Companies



FUNCTIONS OF FINANCIAL INSTITUTIONS

1. REGULATE MONETARY SUPPLY

The financial institution helps to regulate the economy & money supply. These institutions control inflation and also maintain stability in the money supply.

2. BANK SERVICES

Financial institutions which established their business in commercial banks, support people financially to manage their savings and accept their money to deposit in their respective Banks.

Q3. INSURANCE SERVICES

The Insurance Companies also come under financial institutions as they provide money through investments to the Insurer.

FORMATION OF CAPITAL

By accepting individuals savings, financial institutions provide monetary services to investors who need external funds for increasing their capital stock.

5. Investment Consultation

Now a days investment options are carried out worldwide. A company/individual must choose wisely for investing in a specific investment option that suits their interests.

6. Brokerage Services

Some financial institutions like commercial banks and non-banking companies offer a different investment option for investors in form of brokerage.

7. MOVEMENT OF FINANCIAL RESOURCES

Another function of financial institution is the movement of financial resources from one area to another area.

8. MANAGING RISK

The financial institution manages the risks and uncertainties of companies and individuals.

BANKS

RBI

- ★ RESERVE BANK OF INDIA (RBI) is the Central Bank of India.
- ★ RBI was established on 1 April 1935 by RBI ACT 1934.
- ★ Initially Central office was Kolkata but later in 1937 permanently shifted to Mumbai.
- ★ RBI is fully owned by GOI.
- ★ Also known as the Banker's bank.
- ★ Present Governor is Shri Shaktikanta Das.

BANKS

Banks are financial Institution that play a crucial role in the economy by providing various services related to money and finances.

FUNCTIONS OF BANKS

1. Accepting Deposits

Banks provide a safe place for individuals and businesses to deposit their money.

2. PROVIDING LOANS

Banks lend money to individuals, businesses, and governments.

3. FACILITATING PAYMENTS

BANKS offer payment services, including electronic transfers, checks and debit/credit card transactions, making it easier to pay for goods and services.

4. INVESTMENT SERVICES

Banks provide investment products such as mutual funds, stocks and bonds and offer financial advice to help customers grow their wealth.

6. WEALTH MANAGEMENT

Offering financial planning, investment advice, and wealth management services, especially for affluent clients.

7. FOREIGN EXCHANGE

Handling currency exchanges for international transactions and providing hedging products to protect against currency risk.

INSURANCE COMPANIES

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Insurance Companies are financial Institutions that provides risk management services by offering insurance policies to protect individuals and businesses against financial losses from unforeseen events.

★ TYPES OF INSURANCE COMPANIES

1. LIFE INSURANCE COMPANIES

These Companies Provides life insurance products, which include whole life, term life and universal life insurance.

2. HEALTH INSURANCE COMPANIES

They provide coverage for medical expenses hospital visits, surgeries and preventive care.

3. PROPERTY And Casualty Insurance Companies.

These insurers offer protection against losses related to property (e.g. - homes, cars or businesses) and liability for damages that policyholders may cause.

4. REINSURANCE COMPANIES

These firms provide insurance to insurance companies, helping them spread and manage the risk they underwrite by taking on portions of their policies.

POST OFFICES

Post offices are essential institutions that provide mail and package delivery services, as well as a wide range of other public services often acting as a hub for government-related activities.

★ FUNCTIONS OF POST OFFICES

1. Mail Services

Post offices primarily handle the collection, sorting and delivery of mail (letters, post cards, and documents) both domestically and internationally.

2. Parcel Services

They offer package delivery services for small and large parcels, including express and insured options.

3. POSTAGE SALES Post offices sell postage stamps, which are required to send mail and other postal supplies such as envelopes and packaging materials.

4. PO BOX SERVICES They rent out postal boxes where individuals or businesses can receive mail privately; especially if they prefer not to use a residential or business address.

5. Registered and Certified mail These services provide proof of mailing and delivery, often required for legal or important documents.

6. MONEY TRANSFER & FINANCIAL SERVICES Many post offices offer services like money orders, bill payments and even banking in some regions.

7 GOVERNMENT SERVICES

In some countries, post offices provide services like voter registration, passport applications, form distribution and more.

8. RETAIL SERVICES

They may sell greeting cards, stationery, and other small items such as packaging tape, gift wrapping or souvenirs.

MOBILE - APP - BASED SERVICES

Mobile app-based services refers to a wide range of services delivered through mobile applications offering convenience, accessibility.

A E - COMMERCE & RETAIL

1. ONLINE SHOPPING

Apps like Amazon, eBay and ~~and~~ Alibaba allow users to browse, purchase and track products from various retailers.

2. GROCERY DELIVERY

Apps like Instacart, Amazon fresh and Walmart grocery enable users to shop groceries online and have them delivered to their doorsteps or prepared for curbside pickup.

3. RESTAURANT DELIVERY & Food Ordering

Apps like uber eats, DoorDash and Zomato allow users to order food from local restaurants and have it delivered.

B FINANCE & BANKING

1. Mobile Banking
2. Mobile Payment
3. Investment & Trading

C HEALTHCARE & WELLNESS

1. Telemedicine
2. Fitness and Wellness
3. MENTAL HEALTH

D TRANSPORTATION & TRAVEL

1. Ride-Sharing
2. Public Transit and Navigation
3. Flight and Hotel Booking

E ENTERTAINMENT and MEDIA

1. Streaming Services
2. Gaming
3. News and Information

F EDUCATION & LEARNING

1. Online learning platforms
2. E-Books
3. Tutoring and Skill Development

G. SOCIAL NETWORKING & COMMUNICATION

1. Messaging Apps
2. Social Media
3. Professional Networking

H. ON-DEMAND SERVICES

1. Freelancing and Gig Economy
2. Home Services
3. Personalized Services

I. GOVERNMENT and CIVIC SERVICES

1. Utility Bill Payments
2. Citizen Engagement
3. Digital Identification

J. REAL ESTATE & HOUSING

1. Home Buying and Renting
2. Short-Term Rentals

★ NEED OF ^{आवश्यकता} AVAILING OF FINANCIAL SERVICES FROM BANKS

1. SECURITY OF FUNDS धन की सुरक्षा

Bank provide a safe place to store money, safeguarding it from theft, loss or damage.

2. Access to Credit and Loans

Banks offer various loan products (Personal, business, mortgages) that allow individuals and businesses to finance large purchases, invest in growth, and manage cash flow effectively.

धन प्रबंधन और निवेश

3. WEALTH Management And Investment

Banks provide financial advisory services, investment products (Stocks, bonds, mutual funds) and retirement planning, helping customers grow their wealth and plan for the future.

4. FACILITATION OF TRANSACTIONS

Banks make everyday financial transactions easy, from depositing pay checks to paying bills through online banking, debit / cards and electronic transfers.

5. संचय और बचत अर्जन Savings and Interest Earnings

Saving accounts, fixed deposits, and other financial products allow individuals to save their money while earning interest, helping them grow their savings over time.

6. RISK MANAGEMENT

Banks offers various risk management tools like insurance (life, health, property) and hedging product, enabling customers to protect themselves against financial losses.

7. BUSINESS GROWTH & DEVELOPMENT

For business banks provide financial solutions like working capital loans, trade financing and credit lines, which are critical for expanding operations and managing short-term obligations.

8. LIQUIDITY & CASH FLOW Management

Banking services like overdraft facilities and cash management solutions help individuals and businesses manage liquidity ensuring they have access to funds when needed.

9. REGULATORY & COMPLIANCE BENEFITS

Banks help individuals and businesses comply with legal and regulatory requirements, such as tax filings, auditing and financial reporting, reducing legal risks.

FINANCIAL PLANNING

FINANCIAL PLANNING is the process of organizing and managing an individual's or organization's finances to meet specific financial goals and ensure long-term financial stability.

1. GOAL SETTING AND ACHIEVEMENT

(a) CLARITY ON GOALS

Financial planning helps identify and prioritize financial goals, such as buying a home, funding education, retirement, or starting a business.

(b) ROADMAP TO SUCCESS

It creates a step-by-step plan for reaching these goals by managing income, expenses, and investment.

2. EFFECTIVE CASH FLOW

(a) BUDGETING

A well-structured plan helps monitor income and expenses, ensuring there's enough cash flow.

to cover day-to-day needs while saving for future goals.

(b) AVOIDING DEBT ^{रुई से बचना}
 FINANCIAL planning enables you helps avoid unnecessary debt by maintaining a balance between spending and saving.

Q3. INVESTMENT PLANNING

(a) MAXIMIZING RETURNS
 Financial planning enables you to invest wisely based on your risk tolerance and time horizon, ensuring you achieve your financial goals faster.

(b) DIVERSIFICATION
 It helps you spread risk by diversifying investments across asset classes (stocks, bonds, real estate etc.).

4. RETIREMENT SECURITY

(a) RETIREMENT PLANNING

It ensures that you have enough for retirement to maintain your lifestyle once you stop working.

(b) PENSION & RETIREMENT ACCOUNTS

Financial Planning helps maximize contributions to pension funds.

5. RISK MANAGEMENT

(a) INSURANCE

It identifies risks and ensures you have adequate insurance coverage to protect against unexpected events like accidents, illness or loss of property.

(b) Emergency Funds

Financial Planning encourages building an emergency fund to handle financial crises such as job loss or medical emergencies without derailing long-term plans.

6. TAX EFFICIENCY

Financial planning ensures that you take advantages of tax deductions, credits and exemptions, reducing tax liabilities and increasing savings.

7. DEBT MANAGEMENT

~~(a) Another~~ Debt management is the process of handling and organizing debt in a way that allows an individual or business to reduce financial strain and eventually pay off outstanding obligations.

8. Managing Income & EXPENSES

By budgeting effectively, financial planning helps allocate income to cover necessary expenses, save for future needs and invest wisely.

9. PREPARING FOR EMERGENCIES

Life is unpredictable and financial planning prepares individuals to handle emergencies like medical issues, job losses or unexpected expenses.

BUDGET

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Date	

1. PERSONAL BUDGET

A personal budget is a financial plan that helps individuals or households manage their income, expenses, savings and investments over a specific period.

2. FAMILY BUDGET

A family budget is a financial plan that helps manage household income, expenses and savings.

3. BUSINESS BUDGET

A Business budget is a financial plan used to estimate future revenue and expenses, track progress and ensure profitability.

4. NATIONAL BUDGET

A national budget is a government's financial plan for a fiscal year, detailing how it will allocate its resources to meet national goals, pay for public services and manage debts.

PREPARING A BUDGET

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Preparing a budget involves creating a financial plan that outlines your income, expenses, savings and financial goals over a set period of time.

1. SET CLEAR FINANCIAL GOALS

- Short-term goals
Emergency funds, paying off debt, saving for a vacation.
- Long-term goals
Retirement, buying a house, children's education.

2. Determine your Income

1. List all sources of income (Salary, investment etc.)
2. Calculate total monthly income

3. Track EXPENSES

1. Categorize expenses (housing, food, transportation etc.)
2. Gather receipts, bills and statements.
3. ESTIMATE Monthly expenses.

4. ALLOCATE FUNDS

1. ESSENTIAL Expenses

- Housing
- Utilities
- Food
- TRANSPORTATION

2. PAYING and debt repayment

- Emergency Fund
- Retirement Savings
- Debt repayment अनु योजना

5. ADJUST & REFINC

1. Review budget regularly

2. Adjust Categories & Allocation
as needed.

BANKS

Banks are financial Institutions that play a crucial role in the economy by providing a range of services.

* TYPES OF BANKS1. COMMERCIAL BANKS

These are the most common type of Banks, serving the general public by offering services like savings and checking accounts, loans and credit. (e.g. Bank of America, Citibank.)

2. INVESTMENT BANKS

They primarily assist corporations, governments, and institutions in raising capital by underwriting and issuing securities (stocks and bonds). They also provide advisory services.

For examples: Goldman Sachs, Morgan Stanley.

Q3.

CENTRAL BANK

These Banks manage a Country's monetary policy, regulate other banks and act as a lender of last resort to banking system. They control money supply, interest rates and inflation.

For Ex: Federal Reserve (USA)
European Central Bank (ECB)
BANK OF England

Q4.

RETAIL BANKS

Retail banks provide banking services directly to consumers, such as savings and checking accounts, mortgages, and personal loans.

Q5.

SAVINGS & LOAN ASSOCIATIONS

These banks focus on accepting savings deposits and making home loans.

For Ex: American Savings Bank, Washington Mutual.

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6. COOPERATIVE BANK

These Banks are Owned and operated by their members, who are typically individuals or businesses in a specific community.

7. DEVELOPMENT BANKS

These banks provide long-term financing for economic development projects, especially in underdeveloped or developing countries.

For Ex :- World Bank, Asian Development Bank.

★ BANKING PRODUCTS & SERVICES

Banks offer a wide range of products and services designed to meet the needs of individuals, businesses, and governments.

1. DEPOSITORY PRODUCTS

- SAVINGS ACCOUNTS

These accounts allow individuals to store money, offering interest on the balance.

- CHECKING ACCOUNTS

A transactional account for daily financial activities like deposits, withdrawals and bill payments.

- FIXED DEPOSITS (FDs)

A fixed-term deposit where the money is locked in for a specified period, earning higher interest rates.

- RECURRING DEPOSITS (RDs)

Regular monthly deposits that accumulate interest over time.

2. LOANS & CREDIT

◦ PERSONAL LOANS

Unsecured loans for personal use, such as medical expenses or travel.

◦ MORTGAGES

Long-term loans for purchasing property.

◦ AUTO LOANS

Financing for purchasing ~~property~~ vehicles.

◦ CREDIT CARDS

Revolving credit lines that allow customers to borrow and pay back over time.

◦ BUSINESS LOANS

Loans designed to support business operations, expansion and capital investment.

q3. INVESTMENT PRODUCTS

◦ MUTUAL FUNDS

Pooled investment funds managed by professionals, offering diversification.

- STOCKS & BONDS Investment in equity or debt securities.

- RETIREMENT ACCOUNTS Tax-advantaged accounts for long-term retirement savings.

- BROKERAGE SERVICES Allow customers to trade financial securities through an financial advisor or online platform.

4. INSURANCE PRODUCTS

- LIFE INSURANCE Policies that pay out a sum of money upon the policyholder's death.

- HEALTH INSURANCE Coverage for medical expenses.

- AUTO & HOME INSURANCE Policies that protect vehicles and property from damage or loss.

5. WEALTH MANAGEMENT SERVICES

◦ FINANCIAL PLANNING

Advice on managing finances, taxes, investments and retirement planning.

◦ TRUST SERVICES

Management of assets for beneficiaries.

◦ ESTATE PLANNING

Structuring the transfer of wealth to heirs.

6. ELECTRONIC BANKING SERVICES

◦ ONLINE & MOBILE BANKING

Enables customers to manage their accounts, pay bills, transfer funds and performs other transactions digitally.

◦ ATM SERVICES

Cash withdrawals, deposits and other banking services through automated machines.

◦ WIRE TRANSFERS & PAYMENTS

Sending money electronically between banks or individuals.

PAN CARD

A PAN Card (Permanent - Account Number) is a unique identification number issued by the Indian Income tax department to Individuals, Companies and entities for tax purposes.

FEATURES OF a PAN Card:

1. 10-Digit alphanumeric NUMBER

Example - ABCDE123F

2. Issued By:

The Income Tax dept. of India, under the Supervision of the Central Board of Direct Taxes (CBDT).

3. Purpose

Primarily used for Income tax filing, opening Bank accounts, purchasing high value assets (like property) and financial transactions above a certain threshold.

4. Validity

PAN Card is valid for a lifetime, and its applicable across

★ IMPORTANCE OF PAN CARD

1. TAX FILING

It is mandatory for filing income tax returns.

2. FINANCIAL TRANSACTIONS

It is needed for any financial transaction above a specified limit (like buying property, vehicles and more.)

3. BANKING

Required to open a bank account or apply for loans.

4. IDENTIFICATION

Serves as a valid proof of identity.

ADDRESS PROOF

Address proof refers to a document that verifies an individual's residential address.

Common Documents Used as Address Proof (INDIA)

1. Aadhar Card Contains your address and is widely accepted.
2. Voter ID (Electoral Photo ID Card) Lists your address and is issued by the Election Commission of India.
3. PASSPORT A valid passport has your permanent address printed inside.
4. Driving License Often accepted if it contains your current address.

5. UTILITY BILLS

Recent bills such as electricity, water, gas or telephone bills (usually within the last 3-6 months).

6. Bank Statement

Recent bank account statements with the address mentioned.

7. RATION CARD

A family-based document that includes the address.

8. PROPERTY TAX Receipt

For homeowners, a receipt of the latest property tax payment is accepted.

9. RENT AGREEMENT

A notarized rental agreement can be used as proof of current address.

10. LETTER FROM EMPLOYER

In some cases, a letter from your employer or government agency is considered invalid.

★ VARIOUS TYPES OF LOANS

1. EDUCATION LOAN

An educational loan is a type of financial assistance designed to help students cover the costs of their education including tuition, fees and living expenses.

2. CONSUMER DURABLE LOAN

A consumer durable loan is a type of financing specifically for purchasing durable goods such as electronics, appliances, and furniture.

3. SHORT-TERM LOAN

A short-term loan is a type of financing that is typically repaid within a year or less.

4. MEDIUM TERM

A medium-term loan typically refers to a loan with a repayment period ranging from one to five years.

5. LONG-TERM LOAN A long-term loan generally has a repayment period of more than five years, often extending up to 30 years.

6. VEHICLE LOAN A vehicle loan is a type of financing specifically for purchasing a car or other vehicle.

7. HOUSING LOAN A housing loan, often referred to as a mortgage, is a loan specifically for purchasing real estate.

8. MICROFINANCE Microfinance refers to financial services, such as loans, savings and insurance, provided to low-income individuals or small businesses that lack access to traditional banking.

9. BANK OVERDRAFT A Bank overdraft occurs when you withdraw more money from your account than is available, leading to a negative balance.

10. CASH CREDIT

Cash Credit is a short-term financing option provided by banks to businesses, allowing them to withdraw funds up to a specified limit, even if they don't have the full amount in their account.

11. MORTGAGE

A mortgage is a type of loan specifically used to purchase real estate, where the property itself serves as collateral.

12. REVERSE MORTGAGE

A reverse mortgage is a financial product that allows homeowners, typically older adults, to convert part of their home equity into cash while retaining ownership of the home.

13. HYPOTHECATION

Hypothecation is a legal practice where a borrower pledges an asset as collateral for a loan without transferring ownership.

14. PLEDGE

A pledge is a legal agreement in which a borrower offers an asset as collateral for a loan or obligation, transferring possession of the asset to the lender until the debt is repaid.

★ AGRICULTURAL & RELATED INTEREST RATES offered by various nationalized banks:

NATIONALIZED BANKS in India typically offer various interest rates for agricultural loans and related financing, which can vary based on factors such as the type of loan, the purpose and the borrower's profile.

★ CASHLESS BANKING

Cashless banking refers to financial transactions conducted without physical cash, using digital methods such as debit cards, credit cards, mobile wallets, online banking and electronic fund transfers.

★ E-BANKING

E-Banking, or electronic banking, refers to the use of digital platforms to conduct banking activities and manage financial transactions.

★ COUNTERFEIT CURRENCY

Counterfeit currency refers to fake money that is produced with the intent to deceive and defraud.

★ CIBIL SCORE

A numerical representation of the credit information Bureau (India) Limited, is one of India's leading credit information companies.

★ ATM

Automated teller machine is a banking kiosk that allows customers to perform various financial transactions without the need for human assistance.