

BANKING FACILITIES

BANK

A **bank** is a financial institution where people **deposit their money for safety**, and the bank **uses that money to give loans** and provide other financial services.

BANK

- A bank acts as a **middleman** between people who save money (depositors) and those who need money (borrowers).
- It is a **safe place** for money, valuables, and documents.
- Banks also help in **payments, investments, foreign exchange, and financial planning.**

1. DEPOSIT FACILITY

Banks provide a safe place for customers to deposit money. Deposits earn interest depending on the type of account and deposit scheme.

Types of Deposits:

- **Savings Deposit** – For individuals; limited transactions; interest is earned.
- **Current Deposit** – For businesses; no interest; unlimited transactions.
- **Fixed Deposit (FD)** – Money deposited for a fixed period at higher interest rates.
- **Recurring Deposit (RD)** – Customers deposit a fixed amount monthly for a fixed period; interest earned.

2. LOAN FACILITY

Banks provide loans to individuals and businesses for consumption and productive activities. Loans must be repaid with interest.

Types of Loans:

- **Personal Loan** – For personal expenses like education, travel, etc.
- **Home Loan** – For purchase/construction of houses.
- **Vehicle Loan** – To buy two/four-wheelers.
- **Business Loan** – To support business activities.
- **Agriculture Loan** – To support farmers for seeds, equipment, etc.
- **Overdraft and Cash Credit** – Facility to withdraw more than deposits (against security or current account).
- **Gold Loan** – Loans against pledged gold ornaments.

3. PAYMENT & TRANSFER FACILITY

Banks enable smooth and secure transfer of money between individuals, businesses, and institutions.

Types of Facilities

Traditional Methods

- Cheques
- Demand Drafts (DDs)
- Pay Orders

Card-Based Payments

- Debit Cards | Credit Cards | Prepaid Cards

Electronic Systems

- NEFT – Batch-wise transfer
- RTGS – Real-time, high-value transfer
- IMPS – Instant 24×7 transfer
- UPI – Mobile-based instant transfer

Digital Channels

- Mobile Banking
- Internet Banking
- Wallets & QR Payments

International Transfers

- SWIFT, Wire Transfers
- Forex DDs, Remittances

4. INVESTMENT FACILITY

Banks provide safe investment avenues for individuals and institutions.

Types of Investments through Banks:

- **Fixed Deposits (FDs)** – Safe, fixed returns.
- **Recurring Deposits (RDs)** – Systematic savings.
- **Government Securities (G-Secs)** – Bonds issued by government.
- **Mutual Funds** – Banks act as distributors.
- **Stock Market Investments (via demat & trading accounts).**

5. LOCKER FACILITY

Banks provide safe deposit lockers to customers to store valuables like jewellery, documents, and important papers.

Lockers are available on **annual rental basis** and accessible only to the account holder (or authorized nominees).

6. INSURANCE

Many banks (especially under bancassurance model) offer insurance products.

Types:

- **Life Insurance** – Covers life risk.
- **Health Insurance** – Medical expenses coverage.

General Insurance – Vehicle, property, travel insurance.

7. FOREIGN EXCHANGE SERVICES

Banks provide currency conversion and international transaction services.

Facilities Include:

- Buying and selling of foreign currency.
- Issuing **Forex Cards** and **Traveler's Cheques**.
- Processing **import/export payments** (Letter of Credit, Bills of Exchange).
- Enabling **remittances** for education, travel, and business abroad.

8. MERCHANT BANKING FACILITIES

Specialized services provided to corporate clients for raising funds and managing financial activities.

Services Include:

- **Managing public issues of shares and debentures.**
- **Underwriting services.**
- **Project counseling and finance arrangement.**
- **Corporate restructuring and advisory.**

9. FINANCIAL ADVISORY SERVICES

Banks help individuals and businesses in financial planning and decision-making.

Types of Advisory:

- **Wealth Management** – Helping clients grow and preserve wealth.
- **Tax Planning** – Guidance on tax-saving schemes.
- **Retirement Planning** – Advising on pension plans, annuities.
- **Investment Advisory** – Guidance on mutual funds, securities, bonds.

10. OTHER FACILITIES (ETC.)

- **ATM Services** – 24×7 cash withdrawal and deposit.
- **Credit Facilities** – Overdraft, cash credit, bill discounting.
- **E-Banking & Mobile Banking** – Easy access to banking services from anywhere.
- **Standing Instructions** – Automatic payments for bills, EMIs.
- **Priority Sector Lending** – Loans for agriculture, small businesses, weaker sections.

**THANK
YOU**

