

# TYPES OF BANK

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# TYPES OF BANK

- SAVINGS BANK
- COMMERCIAL BANKS
- INDUSTRIAL BANKS **OR** DEVELOPMENT BANKS
- LAND DEVELOPMENT BANKS **OR** AGRICULTURAL BANKS
- INDIGENOUS BANKS



- **CENTRAL/FEDERAL/ NATIONAL BANKS**
- **COOPERATIVE BANKS**
- **EXCHANGE BANK**



# SAVINGS BANK

- Saving Banks are established to *create saving habit* among the people.
- These banks are helpful for *salaried people and low income groups*.
- The deposits collected from customers are *invested in bonds, securities* etc.



# COMMERCIAL BANKS

- Commercial banks are established with an objective to help *businessman*.
- These banks collect money from *general public*.
- It give *short-term loans* to businessmen by way of *cash-credits, over drafts* etc.
- It provide various services like
  - collecting cheques,
  - bill of exchange,
  - remittance money from one place to another place.



# INDUSTRIAL BANKS / DEVELOPMENT BANKS

- These banks collect cash by *issuing shares and debentures*.
- It provide *long-term loans to industries*.
- The main objective of these banks is to provide
- long-term loans for expansion and
- modernisation of industries.



# LAND DEVELOPMENT BANKS/ AGRICULTURAL BANKS

- *Land mortgage* of land development banks are also known as *Agricultural Banks*.
- These are formed to *finance agricultural sector*.
- It also help in *land development*.



# INDIGENOUS BANKS

- It means '**Money Lenders**'.
- They collect deposits from *general public and grant loans to the needy persons* out of their own funds as well as from deposits.
- These indigenous banks are popular in **villages and small towns**.
- It perform combined functions of *trading and banking activities*.





# CENTRAL/FEDERAL/ NATIONAL BANKS

- Every country of the world has a **Central bank**.
  - ❖ In India, RBI
  - ❖ In USA, Federal Reserve
  - ❖ In UK, Bank of England
- These central banks are the *bankers of the other banks*.



- It provide specialised functions i.e.
  - ❖ Issue of paper currency
  - ❖ Working as bankers of government,
  - ❖ Supervising and controlling foreign exchange.
- A Central Bank is a *non-profit making institution*.
- It does not deal with the public, **it deals with other banks.**



# COOPERATIVE BANKS

- Cooperative Banks are registered under the **Cooperative Societies Act, 1912.**
- It give credit facilities to *small framers, salaried employees, small-scale industries* etc.
- These banks are available in **rural as well as urban areas.**



# EXCHANGE BANK

- These banks are mainly concerned with **financing foreign trade**.
- Hong Kong Bank, Bank of Tokyo, Bank of America are the examples of Foreign Banks working in India.





Thank  
you!

