Important Term

Financial Inclusion / वित्तीय समावेशन

- Financial Inclusion is the effort to make financial Products and Services available and affordable to all individuals and business.

Unserved

- Have no basic Bank Account
- Have no (or restricted) access to financial Services.
- Rely on Cash economy.

Served

- Have a transaction Account
- use broad range of financial Services.

* Business Correspondents / व्यवसाय संवाददाता

- Business Correspondents are retail agents engaged by banks for providing Banking Services at location other than a bank branch / ATM.
- Basically, BC's enable a bank to expand its outreach and offer limited range of banking Services at Low Cost, as Setting up a brick and mortar branch may not be Viable in all Cases.

बुनियादी बचत बैंक जमा खाता

* Basic Savings Bank Deposit Account (BSBDA)

- All the existing "No-frills' Accounts' Converted into BSBDA.
- Total Credits in such accounts Should not exceed one lakh rupees in a Year.
- Maximum Balance in the account Should not exceed fifty thousand rupees at any time.
- The total of debit by way of cash withdrawls and transfers will not exceed ten thousand rupees in a month.

* What is 'Asset'?

- Assets are things You own that You Can Sell for money.
- In according, an asset is any resource that a business owns or Controls.
- It's anything that Could be Sold for money.

* What is 'Liability'?

- A liability is an obligation to pay money to other people or business in the future.
- Liability usually means that you are responsible for something, and it can also mean that you owe someone money or services.

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21 feb, 2025

Day 2

RBI Kehta Hai!
A Public Awarness Initiative of RBI

Don't want to keep minimum balance in your A/c? → Open BSBDA Account.

Banking Become easy :-

Open a Basic Saving Bank Deposit Account (BSBDA) Account. No minimum balance required. Easy to open with just Aadhaar Card and Pan Card ~~of~~ or form No' 60

- The basic saving Bank Deposit (BSBD) Account can be opened by any individual irrespective of his/her age or income.
- The BSBD A/c can be opened without any initial deposit. No need to maintain minimum balance in this A/c.

- A regular Savings bank account can be converted into BSBD A/c at the request of the customers.
- Basic banking facilities like ATM card, Debit card is offered free of charge to the BSBD A/c holder.
- There is no limit on the no. of Deposits made in a BSBD A/c.
- BSBD A/c holders are allowed a maximum of four withdrawals free of charge in a month including ATM withdrawals, transfer through RTGS/NEFT/clearing/internet debits/standing instructions/EMIs etc.
- BSBD A/c holders cannot have a regular Saving bank A/c in the Same Bank.

Banking in India

Bank is a financial Institution which Accepts Deposits and provides loan & Advances and other financial ~~Sources~~. Services.

Types of Deposit

- Demand Deposit
  - Saving Deposit
  - Current Account
- ~~Team~~ Term Deposit
  - Recurring Deposit
  - fixed Deposit A/C.

Features	Demand Deposits	Term Deposits
• Description	Deposits that can be withdrawn at any time without prior notice.	Deposit held at a financial Institution that have a fixed term and typically offer higher intrest rates than demand deposits.
• Accessibility	High accessibility with no restrictions on withdrawal timing.	Accessibility is restricted by the term of the deposit. Early withdrawal may result in penalties.
• ~~Intew~~ Interest Rates	Generally offer lower interest rate compared to term deposits.	offer higher interests compared to demand deposits to compensate for the lack of accessibility
• Suited for	Day to day transaction and immediate access to funds.	Saving money over a longer period for higher interest earnings.

loans and Advances! — ऋण और अग्रिम

Types of Advances! — अग्रिमों के प्रकार

→ Cash credit / नकद साख

→ overdraft / अधिविकर्ष

→ Bill Discounted / बिल बट्टा

⇒ Cash Credit / नकद साख

- Cash credit is an ~~ag~~ arrangement where by the bank allows the borrower to withdraw amount up to a certain specified limit.
- Interest is charged on the amount, actually withdrawn.
- Cash credit is granted as per terms and conditions agreed with the customers.
- Cash credit is a short term loan approved by banks for businesses, financial institutions and companies to meet their working capital requirements.
- Cash credit (CC) is a source of short term financial for businesses and companies.
- Cash credit are also called working capital loans as they fund the instant cash requirement of the organizations ; or to purchase current assets.
- Cash credit is available for a shorter period of time and at a significantly less interest rate than overdrafts.

⇒ Overdraft / अधिविकर्ष

- Overdraft is also a credit facility granted by Bank.
- A customer who has a current A/c with the bank is allowed to withdraw more than the amount of credit balance from their A/c

• Overdraft is an extension of credit provided to Current and savings accounts holders in cases where the total balance of the account becomes zero.

Cash credit	overdraft
→ The interest rate is lower as compared to overdraft.	→ The interest rate is comparatively higher.
→ Cash credit loan can be availed on hypothecation of Stocks & inventory.	→ overdraft amount can be availed based on credit history, relationship with the bank, and investments like FDs, insurance policies etc.
→ Cash credit should be availed for business purpose only.	→ An overdraft can be used for any purpose, including business-related requirements
→ The loan amount is based on the volume of Stocks and inventory.	→ The loan amount is based on financial statements and Security deposit.
→ To avail cash credit, a new account needs to be opened.	→ ~~overdraft facility can be availed for shorter tenure like a month or quarter, maximum of 1 year.~~
	→ overdraft facility is availed on the existing account of the applicant. (account holder)

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Cash Credit	Overdraft
→ Cash Credit loans can be be availed for a minium 1 year.	→ An overdraft facility can be availed for shorter tenure like a month or quarter, maximum of 1 year.
→ Cash credit loans can be availed by individuals, retailer, traders, manufactures, distributors, companies, partnership, sole proprietorships, LLP's etc	→ An overdraft facility can only be availed by account holders of the respective bank.
→ Cash credit is sanctioned based on the business performance and market situation.	→ Overdraft is sanctioned based on financial statements and credit history.

⇒ Bill Discounted | बिल बट्टा

- Banks provide short term finance by Discounting of Bills, making payment of the amt. before the due date of the bills after. Deducting a certain Rate of Discount.
- The Party Gets the funds without waiting for due Date of the Bills.
- In Case any Bill is Dishonoured on the Due Date, The Bank can Recover the Amount from the Customer.