

# Chapter-1

**Overview of Banks & their Organizational Structure**

# Definition of Bank

Bank is financial institution that collects society's surplus cash and gives a part of that as loan to investors for earning profit.

# Brief history of Bank in Bangladesh

- Scheduled Banks
- Non-Scheduled Banks

# Financial system:

- **Primitive financial system**
- **Modern financial system**

# Components of a financial system

- ❑ Financial institutions
- ❑ Financial inFinancial markets
- ❑ struments
- ❑ Financial services

# Banking

Banking is the business activity of a bank. Simply, any activity carried out by a bank for business purposes is called banking.

# Banking system

- **Branch banking**
- **Unit banking**
- **Chain banking**
- **Group banking**
- **Retail banking**
- **Wholesale banking**
- **Universal banking**
- **Investment banking**
- **Mixed banking**

# Financial system of Bangladesh

- Formal Sector
- Semi-Formal Sector
- Informal Sector



# Welcome to Chapter-1

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# Bank Vs non-bank financial institutions

- FIs cannot issue cheques, pay-orders or demand drafts
- FIs cannot receive demand deposits
- FIs cannot be involved in foreign exchange financing

Thank you