**The Bank**

defines bank as, "A bank is an institution which provides to individuals such advances of money which may be required and safely made, and to which individuals trust money when not required by them for use"[3]. Banking system is all about the belief or trust. We actually believe that bank will provide us money when we will go for it. Generally a people handovers the money to the bank and the same bank lends the money even more than that on the same day on demand. The relationship of the bank and its customers are based on trust, a fiduciary relationship between both

1. **Banking**

banking is very essential for the economy of the nation. Modern trading would be impossible without the accessibility of banking systems. The primary work of bank is it promotes savings and it is the basis for the ordinary laborers to the rich businessman, they also keep money in the banks as safe deposit. Secondly bank promotes investments also by investing money in agriculture and trade. They invest directly or through loans. And thirdly it helps in foreign trade in export and import of money from one country to another

**2- Significance of Banks**

and Banking Banking system plays an important role in the nation’s economy. It serves the needs of the credit of all the sections of the society. In ancient times also there were methods of money lending and now also lending of money is done in one or other form [5]. By the beginning of the 20th century and with the beginning of modern industry the requirement of banks were felt by the government. The British government payed attention towards the requirement of an organized banking sector so the RBI was established to regulate the banking system. After the nationalization the banks played important role in the economy of the nation. They have acted as custodian of credit and also protects the social and economic development many of which were capable of making reproductive energies.”