

## Principles of Banking (E.M) - ICOM Part 2 Principles of Banking Chapter 15 Short Questions Preparation

Q1. What is the history of ATMs.

**Ans 1:** ATM's were failures intially when deployed for the first time under the name of Mechnicla Cash Dspenser by the city bank of New Your in 1939. The first successful ATM deployment in the world came about when Barclays Bank introduced the ATM in 1967. which was followed by the 1st Magnetic strips ATM deployment by New York's chemicla bank in 1969.

Q2. What is meant by Debit Card.

**Ans 1:** A debit card is method of making a payment straight from anindividual's bank accont without writing a cheque.

Q3. What is the history of CARDS.

**Ans 1:** The credit cards weere first used int he 1920s in the US specifically to sell fuel to the growing unumber of automobile owners Banks introduced debit cards which focused on increasing customer access to the funds as alternative to issuing cheques.

Q4. What is meant by Charge Card.

**Ans 1:** A charge card is similar to credit card, however, teh balnce must be paid in ful every month.

Q5. What is the advantages of E-Banking.

**Ans 1:** i- Withdrawal of cash of any time through ATM terminal.

**Ans 2:** ii- Operateyour account sitting in your home or office.

**Ans 3:** iii- Time saving iv- No need to carry cash

**Ans 4:** v- Facility of BACS vi- Faciliyt of EFTOPS  
vii- Facility of mini Bank statement

**Ans 5:** viii- Facility of Online Baning etc.

Q6. What is the products of E-Banking.

**Ans 1:** i- ATM cards ii- Debit cards iii- Credit cards iv- Internet banking

Q7. What is meant by Credit Card.

**Ans 1:** Credit cards may be used to purchase goods and services on credit. The cardholder makes payment to a retailer from an agreed credit facility line of credit. The outstanding amount is settled by the cardholder to the credit card company. Credit cards are available in most countries and many are part of the VISA and Master cards.

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Q8. Who can enjoy benefits of E-Banking.

**Ans 1:** i- Account Holders ii- Customers of bank iii- Bankers.

**Ans 2:** iv- Government v- Economy

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Q9. What is meant by EFTOPS.

**Ans 1:** Electronic funds Transfer at point of sale is a means of allowing a transaction to be recorded immediately in customer bank account.

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Q10. What are the advantages of Online Banking.

**Ans 1:** i- Depositing of money 2- Withdrawal of money

**Ans 2:** iii- Transfer of Payment.

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