

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

Q1. What are the advantages of Online Banking.

Ans 1: i- Depositing of money 2- Withdarawal of money

Ans 2: iii- Transfer of Payment.

Q2. What is meant by Floor Limit.

Ans 1: it is the amount up to whihc a business is allowedto accept credit card for payment and this limit is given by the credit card company.

Q3. 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 n customer bank account.

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 meant by E-Banking.

Ans 1: To meet the modern Requirements state Bank of Pakistan introduced Electroni Banking Transaction Ordinance 2002. The main objective of this orduinance is to provide modern, better and instant banking facilites to the customers of the Bank The account holders of the bank enjoy 24/7 banking services due to E banking.

Q6. What is meant by Electronic money.

Ans 1: Transactions through magnetic strip cards such as ATM cards, Debit cards, credit cards tec.all these are serving as Electronic money. These are helpingintransfer of mney but they are not consider as money.

Q7. What is meant by Standing Order.

Ans 1: Standing orders might be used by a business to make regualr payments of a fixed amount to a stated account.

Q8. What is Credit card.

Ans 1: It is card issued by the bank to its account holders. with the help of this card the account holders can get a specified amount as a loan from the bank for the payment of goods and services.

Q9. What is the history of ATMs.

Ans 1: ATM's were failures initially when deployed for the first time under the name of Mechanical Cash Dispenser by the city bank of New York 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 Chemical bank in 1969.

Q10. 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.
