

Principles of Banking (E.M) - ICOM Part 2 Principles of Banking Chapter 5 Short Questions Preparation

Q1. What is meant by specimen signature card.

Ans 1: This card is issued by the bank at the time of opening bank account by an account holder. The bank obtain full signature of the account holder on this card for further reference.

Q2. Give the casues of opening a bank account.

Ans 1: i- Safety of money ii- Source of income iii- Investment iv- Savings

Q3. What are the benefits enjoyed by the "BANKER" on opening bank account.

Ans 1: Source of income, increase in Resources , Increase in investment.

Ans 2: Credit creation

Q4. What is the meant by "EFTOPS"?

Ans 1: It means Electronci funds Transfer on the point of sale.

Q5. What is mena tby pay in slip

Ans 1: The slip which is ued to deposit cash or cheque into bank is called pay in slip is also known a " Depositit slip" or "Creadit voucher". This slip included the folloiwng account

Ans 2: 1- Date ii- Title of account iii- Account number

Ans 3: iv- Signaturees of dipositor v- Amount of cash of cheque.

Q6. What are the the benefits enjoyed by the "GOVERNMENT " on opening bank account.

Ans 1: i- Economic development ii- More employment

Ans 2: iii- High standared of living iv- Source of income

Q7. What is pass book

Ans 1: It is copy of depositor's account in the bank ledger, For present days computerized bank statement has removed pass book.

Q8. What are the benefits enjoyed by the "ACCOUNT HODLER" on opening bank account.

Ans 1: 1- Security of money 2- Overdraft facility 3 - Reasonable income

Ans 2: 4- Transfer of money 5- Safety in payment.

Q9. Write down the steps of account opening in a bank.

Ans 1: i- Selection of bank ii- Selection of bank branch
iii- Selection of suitable account. iv-Contact with bank

Ans 2: v- Application forms vi- Attached required documents

Ans 3: vii- Specimen signatures card viii- issuance of account no.

Ans 4: ix- Pay in slip x- deposit of amount xi- Cheque book

Q10. What is bank statement of account.

Ans 1: It is a document which is sent by the bank in which the transactions on the account of a customer are stated.
