

Banking

Exercise

Solution 1:

1. **Account holder:**
One who wants to open his/her account in the bank is known as account holder.
2. **Passbook:**
The book having details of transaction of money is called passbook.
3. **Three:**
There are three types of cheques.
4. **Current Account:**
Interest is not obtained on Current Account.
5. **Fixed Deposit Account:**
On Fixed Deposit Account, the time period is fixed at the timing of opening.
6. **Crossed Cheque:**
On Crossed Cheque, cash is not obtained, but deposited in the account.
7. **Bearer Cheque:**
Bearer Cheque is the most unsafe cheque.
8. **DD:**
In short, Demand Draft is called DD.
9. **Crossed Cheque:**
Crossed Cheque is the safest cheque.
10. **More:**
Interest of fixed deposit account is more than savings account.

Solution 2(1):

There are mainly four types of accounts. They are as follows:

1. Savings Account
2. Current Account
3. Recurring Deposit Account
4. Fixed Deposit Account

Solution 2(2):

There are three types of cheques. They are as follows:

1. Bearer Cheque
2. Order Cheque
3. Crossed Cheque or A/c Payee

Solution 2(3):

Deposit slip is used to deposit money in the account.

Solution 2(4):

Bank provides us various important facilities and services such as anywhere banking facility, phone banking facility, internet banking facility, credit card, debit/ATM card, mobile banking.

It gives loan against definite guarantee to a person for buying a house or for running a business, to the farmer for farming and to the student for further education.

It also provides payment facility for salary, pension, interest and dividend.

Some banks provide the facility of transfer and exchange of foreign currency.

Solution 2(5):

If there is no bank, we will need to keep our savings at home which is quite risky. Also, we will need to keep our ornaments and valuables at home against the threat of theft.

We would face difficulties in making the payment of bills of facilities such as electricity, telephone, gas as well as the payments of LIC premium and education fees at certain places.

We would not receive the facility of credit/debit card.

Solution 2(6):

One should open an account in a bank to avail the services provided by the bank.

By opening a savings account, people can save money and receive interest on the savings.

When required, people can get a loan from the bank and the facility of credit/Debit card.

We can also make payments of electricity bills, telephone bills etc. easily via online and phone banking and thereby, saving the time taken to visit the bank.