

Queens College of Arts and Science for Women  
Punalkulam , Near Thanjaur.

## DEPARTMENT OF COMMERCE

Subject :Banking theory law and practice

Topic : E- Commerce

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## E-commerce

Ecommerce, also known as electronic commerce or internet commerce, refers to the buying and selling of goods or services using the internet, and the transfer of money and data to execute these transactions. Ecommerce is often used to refer to the sale of physical products online, but it can also describe any kind of commercial transaction that is facilitated through the internet.

Whereas e-business refers to all aspects of operating an online business, ecommerce refers specifically to the transaction of goods and services.

## Types of Ecommerce

There are four main types of ecommerce models that can describe almost every transaction that takes place between consumers and businesses.

### **1. Business to Consumer (B2C):**

When a business sells a good or service to an individual consumer (e.g. You buy a pair of shoes from an online retailer).

### **2. Business to Business (B2B):**

When a business sells a good or service to another business (e.g. A business sells software-as-a-service for other businesses to use)

### **3. Consumer to Consumer (C2C):**

When a consumer sells a good or service to another consumer (e.g. You sell your old furniture on eBay to another consumer).

#### **4. Consumer to Business (C2B):**

When a consumer sells their own products or services to a business or organization (e.g. An influencer offers exposure to their online audience in exchange for a fee, or a photographer licenses their photo for a business to use).

## **Advantages of e-banking**

All the advantages of e-banking are closely related to each other; from convenience to efficiency, we list out **10 advantages of net banking**.

- Benefits and Rewards
- Notifications and Alerts
- Faster Transactions
- Convenience
- Security
- Easy Access
- Speed and Efficiency
- Lesser Limitations
- More Features
- Better Customer Service

## **Disadvantages of e-banking**

*“Every bean has its black”*

Everyone and everything has some shortcomings.

Similarly, there are some limitations of net banking; from security to technology issues, we list out **10 disadvantages of net banking**.

- Difficult for Beginners
- Trust and Responsibility
- Inconvenience
- Inability to Handle Complex Transactions

- Financial Jargon
- Security Issues
- Technology Issues
- Virtual Assistance
- Complicated Websites
- Other Limitations

## ***Definition of cash machine***

*British*

: a machine that people use to get money from their bank accounts by using a special card

## **Automated Teller Machine (ATM)**

ATM stands for **Automated Teller Machine**. It's a specialized computer that makes it convenient to manage your money. For example, almost all ATMs allow you to withdraw money, and many allow you to make deposits.

## **Electronic funds transfer**

**Electronic funds transfer** (EFT) are electronic transfer of money from one bank account to another, either within a single financial institution or across multiple institutions, via computer-based systems, without the direct intervention of bank staff.

## **Real-Time Gross Settlement (RTGS)**

The term real-time gross settlement (RTGS) refers to a funds [transfer](#) system that allows for the instantaneous transfer of money and/or securities. RTGS is the continuous process of settling payments on an individual order basis without [netting](#) debits with credits across the books of a central bank. Once completed, real-time gross settlement payments are final and irrevocable. In most countries, the systems are managed and run by their central banks.

## **National Electronic Funds Transfer (NEFT)**

National Electronic Funds Transfer is a nation-wide payment system facilitating one-to-one funds transfer. Under this Scheme, individuals can electronically

transfer funds from any bank branch to any individual having an account with any other bank branch in the country participating in the Scheme.

## **Magnetic Ink Character Recognition (MICR)**

The term magnetic ink character recognition (MICR) refers to the line of numbers that appears at the bottom of a [check](#). The MICR line is a group of three numbers, which are the check number, [account number](#), and bank routing number. The MICR number includes the magnetic ink character recognition line printed using technology that allows certain computers to read and process the printed information.