

Roll No. _____

PGDM / PGDM (IB), 2020-22
Retail Banking-Liability Products and Related Services
DM-463 & IB-463
Trimester – IV, End-Term Examination: September, 2021

Time allowed: 2 Hrs 30 Min

Max Marks 50

Instructions:

Students are required to write Roll No on every page of the Answer Sheet and the question paper. All other instructions on the question paper/notifications should be followed meticulously.

Sections	No. of Questions to attempt	Marks	Marks
A	Minimum 3 Questions with internal choices and CILO (Course Intended Learning Outcome) covered	10 Marks each*3	30
B	Compulsory Case Study	20 Marks	20
		Total Marks	50

SECTION A:

Q.1. A. [CILO-1]

- a) Define "Banking". Write at least four basic requirements of being a Bank or a Banking Company. With respect to the Banker Customer Relationship, give two examples where the Bank acts as an Agent on behalf of the Customer.
- b) Briefly describe the various situations or circumstances when the relationship between Banker & its Customer gets terminated.
- c) Write the various conditions to be fulfilled for the bank to exercise the right of set off. (3+3+4)

OR

Q. 1 B [CILO-1]

- a) Elaborate on the broad objectives of KYC-AML-CFT Guidelines of RBI.

b) Write down list of documents required to be taken by the Bank for opening a Savings bank account in the name of an individual:

(i) In case of Customer who stays as Tenant

(2) In case of Customer who stay in the houses allotted by their Employers

c) As per Prevention of Money Laundering Act 2002, give names of the reports which are required to be submitted by Banks to FIU-IND and its periodicity. (3+3+4)

Q. 2.A [CILO-2]

a) Name the entities who can become Partner in a Limited Liability Partnership (LLP). Write the circumstances under which a partner ceases to be a Partner in LLP.

b) Under what circumstances the Bank insists for production of Partnership Deed while opening accounts of the Partnership firms?

c) Briefly describe the recent developments in the domain of education and protection of customers in Indian Banks. (3+3+4)

OR

Q.2.B [CILO-2]

a) Define a Minor. Elaborate important operational aspects of a deposit account of a Minor which is (1) Guardian Operated (2) Self Operated. What special precautions need to be taken in account of a minor.

b) Elaborate important aspects of "Unclaimed Deposits" . Name the Fund created by RBI to whom unclaimed deposit is remitted and its periodicity.

c) Your Zonal Head has given you a target of acquiring 3000 new retail liabilities customers at your branch in the next three months. Describe the strategies you will adopt to meet the target within the deadline. (3+3+4)

Q.3.A [CILO-3]

a) M/s XYZ Pvt Ltd company was maintaining their current account with Bank ABC at its Delhi branch. Through an oversight, the bank credited Rs.4.50 lakhs to the account of M/s XYZ Pvt Ltd which was supposed to be credited in account of M/s XZY Pvt Ltd. Bank realized the mistake when the amount was claimed by M/s XZY Pvt Ltd but by that time Company M/s XYZ Pvt Ltd goes into liquidation. Keeping in view the present circumstances, discuss what will be the relationship of the Banker with the Company under liquidation?

b) Mr. Narinder Singh is having fixed deposit amounting Rs.7.00 Lakhs in the name of his father Mr. Kuldeep Singh & his mother Mrs. Veena Singh which is falling due for payment on 31st July, 2022. Mr. Narinder Singh approached the Bank with the said fixed deposit having endorsement on the back of the receipt in his favour duly signed by his father and mother to be transferred in his name. Please elaborate 1) How Bank shall deal with the matter. 2) Suggest the alternatives, if any, available?

c) Write your comments on the followings statements:

- i. KYC guidelines have been issued by RBI for the benefit of customer only.
- ii. Keeping in view the KYC policy/guidelines of RBI, name the instrument/s which can be issued by Banks in cash if the amount is Rs.50,000/- or more?
- iii. Name any two types of customers, classified by the banks under High Risk Category?
- iv. Banks are required to keep a close watch on large size Debit or Credit transactions.

(3+3+4)

OR

Q.3.B [CILO-3]

a) M/s Ramesh Trading Company, a partnership firm is availing overdraft facility from the Laxmi Bank. The Laxmi Bank receives a notice on 31st of July 2021 from one of the partners of the firm stating that he has disassociated from the firm with effect from 1st July 2021. The account showing a debit balance amounting Rs.10.25 Lakhs on 1st of July, 2021. Discuss the actions expected to be taken by the Bank vis-à-vis the notice served by one of the partners about his dissociation from the partnership firm.

b) M/s ABC Bank had leased a Locker in the name of Mr Hari Lal aged 65 years. Mr. Hari Lal has not nominated any one in his Locker account. He has also not left any type of Will. On his death some of the legal heirs want to operate upon the locker and to take the delivery of its contents. Please tell how the legal heirs will get the contents lying in the Locker?

c) Mr. Narinder Singh is having fixed deposit amounting Rs.7.00 Lakhs in the name of his father Mr. Kuldeep Singh & his mother Mrs. Veena Singh which is falling due for payment on 31st July, 2022. Mr. Narinder Singh approached the Bank with the said fixed deposit having endorsement on the back of the receipt in his favour duly signed by his father and mother to be transferred in his name. Please inform 1) How Bank shall deal with the matter. 2) Suggest other alternatives, if any, available?

(3+3+4)

SECTION B: [CILO-3]

Q. 4 Case Study

Attempt both the cases 4 A and 4 B given below:

Case A. 10 marks

XYZ Bank went into liquidation on 24th of August 2021. Mr. Rohit Talpade, Mrs. Vandana Talpade, Mr. Vinod Bahu and Mrs. Deepika Bahu customers are maintaining their following accounts in XYZ Bank in different capacities. On liquidation of the Bank how the Deposit Insurance and Credit Guarantee Corporation will settle their accounts? Please work out how much amount each will get as claim amount under DICGC cover for their various deposit accounts in this Bank?

Name of the Customer	Type of Account	Balance (Credit(CR)/Debit(DR))	Name of the Bank/Branch
Mr. Rohit Talpade	Recurring Deposit A/c	220,000.00 CR	XYZ Delhi Branch
Mr. Vinod Bahu	Saving Account	128,000.00 CR	XYZ Mumbai
M/s Rohit Vinod & Sons (HUF)	Current Account	454,000.00 CR	XYZ Mumbai
Mrs Vandana Talpade	Fixed Deposit	560,000.00 CR	XYZ Delhi Branch
Mrs Deepika Bahu	Fixed Deposit	500,000.00 CR	XYZ Chennai
Mrs Vandana Talpade & Mr. Vinod Bahu	Fixed Deposit	900,000.00 CR	XYZ Delhi Branch
M/s Vandana Enterprises (Prop: Mrs Vandana Talpade)	Overdraft account	356,000.00 DR	XYZ Delhi
M/s Rohit Enterprises Prop Mr. Rohit Talpade	Current Account	600,000.00 CR	XYZ Delhi Branch
Mr. Vinod Bahu	Flexi Deposit	326,000.00 CR	XYZ Mumbai
Mr. Vinod Bahu	Fixed Deposit	100,000.00 CR	XYZ Delhi
Mr. Vinod Bahu	Demand Loan against FDR	80,000.00 DR	XYZ Delhi
Mrs Deepika Bahu	SB (Overdrawn)	50,000.00 DR	XYZ Chennai
Mr Vinod Bahu & Mrs Vandana Talpade (Operated Jointly)	Saving Account	245,000.00 CR	XYZ Delhi Branch
Mr Vinod Bahu & Mrs Vandana Talpade (Operated Either or Survivor)	Fixed Deposit	560,000.00 CR	XYZ Mumbai
Mr. Rohit Talpade & Vinod Bahu	Fixed Deposit	800,000.00	XYZ Delhi
Mr. Rohit Talpade & Vinod Bahu	Short Deposit	200,000.00	XYZ Delhi

Give your answer to Question No. 4 A in the following format

Sr. No.	Name/ Title of the account	Saving account	Current Account	Fixed / Recurring/ Flexi/ Short Deposit	Total amount of Deposit	Overdraft/ Demand Loan/OD in Saving	Eligible Amount for Insurance Claim

(10 marks)

Case 4 B: 10 marks

You are required to prepare a comparative table for any one pair of commercial banks from the following list:

Bank - 1	Bank - 2
<u>1 Union Bank of India</u>	<u>Kotak Mahindra Bank</u>
<u>2 Federal Bank</u>	<u>Citi Bank</u>
<u>3 DBS Bank</u>	<u>IDFC First Bank</u>
<u>4 DCB Bank</u>	<u>IndusInd Bank</u>
<u>5 HSBC Bank</u>	<u>YES Bank</u>
<u>6 Canara Bank</u>	<u>Bandhan Bank</u>
<u>7 IDBI Bank</u>	<u>ICICI Bank</u>
<u>8 HDFC Bank</u>	<u>Axis Bank</u>
<u>9 Bank of India</u>	<u>IOB</u>
<u>10 SBI</u>	<u>RBL Bank</u>

Required:

Select a pair of banks from the above list.:

Answer the following questions in the below table for the two banks selected above :

1. What are the different variants of CASA Products of these banks, their product names and three most important features of each?
2. What are the different variants of Time Deposit and Recurring Deposit Products of these banks, their product names and three most important features of each?

Use the following table for your working.

Sr. No.	Type of aspect of comparison	Bank A (name _____)	Bank B (name _____)
	CASA Product variants		
	Time Deposits variants		

End of Question Paper