

Roll No. \_\_\_\_\_

**PGDM / PGDM (IB) - Batch 2021-23**

**Retail Banking- Asset Products and Other Related Services**

**Course Code: DM /IB- 462**

**Trimester – IV, End-Term Examination: September, 2022**

**Time allowed: 2 Hrs**

**Max Marks 40**

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

<b>Sections</b>	<b>No. of Questions to attempt</b>	<b>Marks</b>	<b>Marks</b>
A	Minimum 4 Questions with internal choices and CO (Course Outcome) covered	5 Marks each*4	20
B	Compulsory Case Study	20 Marks	20
		<b>Total Marks</b>	<b>40</b>

**SECTION A:**

**Q.1. A. [CO-1]**

Give Definition of a “Customer:” Elaborate at least four Duties and four Rights of the Bankers vis-à-vis their customer?

**OR**

**Q. 1 B [CO-1]**

How a Lien and a Right of set off are different? Cite three cases where the right of set off cannot be exercised.

**Q. 2.A [CO-2]**

a) What guidelines do banks follow for Combating Financing of Terrorism (CFT) in terms of PMLA Rules?

b) Briefly describe the recent developments in the domain of education and protection of customers in Indian Banks.

OR

**Q.2.B [CO-2]**

List out the documents usually obtained by a bank while opening current account of a company. Elaborate the purpose and importance of each document briefly.

**Q.3.A [CO-3]**

Provide justifications for your view whether each of the following statement is correct or incorrect:

- i. KYC guidelines have been issued by RBI for the benefit of customer only.
- ii. Banks can issue the demand draft on deposit of cash by the applicant without holding an account with bank if the amount of DD is more than Rs. 50,000/-.
- iii. Company accounts are classified by the banks under High Risk Category?
- iv. Banks are required to keep a close watch on large size Debit or Credit transactions in accounts.
- v. TDS needs to be deducted by the bank in case the interest paid/ accrued on all Fixed Deposits, Savings bank deposits and Recurring deposits at all branches of the bank in the name of a senior citizen individual is more than Rs. 40,000 in a financial year.

OR

**Q.3.B [CO-3]**

Provide justifications for your view whether each of the following statement is correct or incorrect:

- a. X has to pay overdraft of Rs. 50,000 in his name but has defaulted. Bank can recover this amount from a joint account in the name of X and his wife Y.
- b. Raman Enterprises (Raman is the proprietor) owes Rs.20000 to bank. There is a credit balance of Rs. 22,000 in SB account in personal name of Raman. Bank cannot exercise right of set off in Raman's account.
- c. Money owed by father can be recovered from the account of his minor son opened under guardian ship of the father.
- d. A and B have to pay the overdue loan of Rs. 20,000 in their joint account. There is a credit balance of Rs15,000 in the name of partnership account where both of them are the only partners. Bank can apply the right of set off here.

**Q.4.A [CO-4]**

- a) A is having fixed deposit amounting Rs.3.00 Lakhs in the name of his father B & his mother C which is falling due for payment on 31<sup>st</sup> July, 2023. A approached the

Bank with the said fixed deposit having endorsement on the back of the deposit receipt in his favour duly signed by his father and mother to be transferred in his name.

- i. How the Bank shall deal with this matter?
- ii. Suggest other alternatives if available to help him ?

b) A gave a Power of Attorney to B on Jan 01,2021 to operate upon his saving bank account. B signed and issued three cheques for Rs.2.00 Lakhs dated 25/07/2021, Rs.3.00 Lakhs 12/08/2021 and Rs.5.00 Lakhs on 21/08/2021. A cancelled the Power of attorney in favor of B and informed the Bank on 25/08/2021. All the three Cheques are presented for payment on 31/08/2021. How Bank shall deal with the matter? Answer in brief, with reasons.

**OR**

**Q.4.B [CO-4]**

a) 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. How the legal heirs will get the contents lying in the Locker?

b) Mr. Manu Singhai, a solicitor has two current accounts with a Bank branch, one a client account and the other his personal office account. A cheque from his client account is presented in clearing and simultaneously a court order is received in his name for attaching balance in his accounts. How bank shall deal with the case? Please discuss with justifications in view of law and practice.

**SECTION B: [CO-2/4]**

**Q. 4. Case Study – Attempt both parts A and B of the case study (20 marks)**

**Case 4 A: [CO-2] 10 marks**

**TABLE 1**

<b>Bank - 1</b>	<b>Bank - 2</b>
1 Union Bank of India	Kotak Mahindra Bank
2 Federal Bank	Citi Bank

3 DBS Bank	IDFC First Bank
4 DCB Bank	IndusInd Bank
5 HSBC Bank	YES Bank
6 Canara Bank	Bandhan Bank
7 IDBI Bank	ICICI Bank
8 HDFC Bank	Axis Bank
9 Bank of India	Indian Overseas Bank
10 SBI	RBL Bank

**Required:**

Select a pair of banks from the above **Table 1** .: Answer the following questions in the below table for the fixed pair of two banks selected from the above **Table 1** :

1. What are the three different variants of CASA Products of these banks, their product names and three most important features of each?
2. What are the three different variants of Time Deposit Products of these banks, their product names and three most important features of each? (5+5)

Use the following table for your working.

Sr. No.	Type of aspect of comparison	Bank A ( name _____ )	Bank B ( name _____ )
	<b>CASA Product variants</b>		
1			
2			
	<b>Time Deposits variants</b>		
1			
2			

**Case 4.B : [CO- 4] 10 marks**

Following customers are maintaining their different accounts in ABC Bank at its different locations. ABC Bank went into liquidation. Please inform how customers are protected by the Insurance company i.e. DICGC which settles their accounts and how much claim they will receive for their different accounts. Details of their accounts are given hereunder.

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Sr.	Name of the Customer	Type of Account	Balance in Credit	Balance in Debit	Name of Branch
1	Mr. Vikas	Saving Account	3,00,000.00	-	Chennai
2	Mrs. Leena w/o Mr Vikas	Fixed Deposit	2,00,000.00	-	Kolkata
3	Mrs Leena w/o Mr. Vikas	Saving Deposit	15,00,000.00	-	Chennai
4	Mr. Vikas	Overdraft Account	-----	2,80,000.00	Chennai
5	Master Vivek u/g of Mr Vikas	Fixed Deposit	6,00,000.00	-	Kolkata
6	Mrs Leena and Mr. Vikas (Either or Survivor)	Fixed Deposit	5,00,000.00	-	Mumbai
7	M/s Vikas & Co (Partnership firm)	Current Account	4,50,000.00	-	Mumbai
8	Mr Vikas	Recurring Account	4,40,000.00	-	Mumbai

Give your answer to in the following format:

Sr. No.	Name of account /person (s) eligible for claim	Saving account	Current Account	Fixed / Recurring/ Flexi/ Short Deposit	Total amount of Deposit	Overdraft/ Demand Loan/OD in Saving/Debit Balance	Max. Eligible Amount for from DICGC
1							
2							
3							

(10)

**\*End of Question Paper\***