

# JAIIB MAY 2024 EXAM



# PPB

**SANKALP COMPREHENSIVE BATCH**

**ORIENTATION CLASS**  
**FREE PAID DEMO CLASS**

**BY PRAVEEN RANA**



# Banker-Customer Relationship

Unit-1

JAIIB May-2024





**STAY  
POSITIVE**

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**WORK HARD**

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**MAKE IT  
HAPPEN**





## **BANKER- CUSTOMER RELATIONSHIP**

- **The relationship between a banker and a customer depends upon the nature of services provided by the banker.**
- **A person or entity that maintains an account and/or has a business relationship with the bank or conducts a transaction with the bank**
- **Bank's Customer- 'his dealing with the banker must be relating to the business of banking.**

## Debtor-Creditor (Bank is a Debtor and Customer is a Creditor)

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- **When Customer deposit money with his bank , the customer becomes a lender and the bank becomes a borrower.**
- **Bank- Debtor**
- **Customer- Creditor**

Debtor



# Creditor-Debtor(Bank is a Creditor and Customer is a Debtor)

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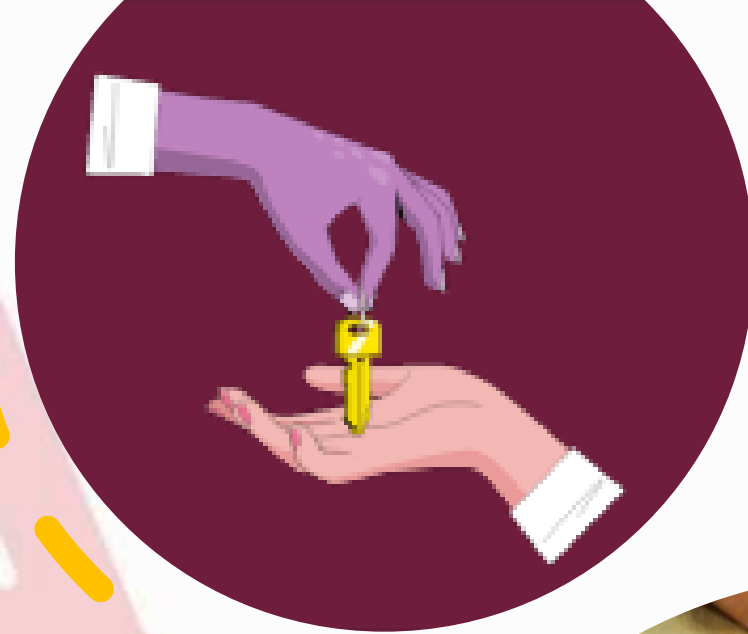
- **When the bank lends money to the customer, the customer is the borrower and the bank is the lender.**
- **Bank-Creditor**
- **Customer-Debtor**





# Bank as a Trustee

- If a customer keeps certain valuables or securities with the bank for safe keeping or deposits a certain amount of money for a specific purpose.
- Bank- Bailee (also a Trustee)
- Customer- Bailor





# BAILEE- BAILOR RELATIONSHIP


- When a customer deposits certain valuables, bonds, securities, or other documents with the bank, for their safe custody
- Bank- Bailee (Trustee)
- Customer- Bailor



## **AGENT-PRINCIPAL RELATIONSHIP (Bank is Agent and Customer is Principal)**

- **Ancillary services provided by bank is remittance, collection of cheques, bills etc on behalf of the customer.**
- **Payment of electricity bills, telephone bills, insurance premium, club fees, etc by bank on behalf of the customer.**
- **Bank- Agents**
- **Customer- Principal**





## **LESSOR AND LESSEE (Bank as a Lessor and Customer as a Lessee)**

- **Bank provide safe deposit lockers to the customers who hire them on lease basis.**
- **Bank- Lessor (Licensor)**
- **Customer- Lessee (Licensee)**

**Note: Bank not responsible for any loss that arises to the lessee.**





# INDEMNIFIER AND INDEMNIFIED (Bank is Indemnified or Indemnity Holder and Customer is Indemnifier)

**पंजाब नैशनल बैंक** Punjab National Bank  
(प.का.: 7, भीखाजी कामा प्लेस, नई दिल्ली) (H.O.: 7, Bhikaji Cama Place, New Delhi) www.pnbIndia.in

**जमा-पुष्टि** **NOT PAYABLE BEFORE MATURITY**  
**CONFIRMATION OF DEPOSIT**

शाखा/Branch: **MOR MAJRA**  
शाखा क्रमांक/Branch No.: **786800** शास्त्रक आई.टी.सी./Customer I.D. No.: **687000333** शाखा. नं./Account No.: **9868000100001348** श्रेणी/Category: **JOINTLY**

श्री/श्रीमति/कुमारी/Received from Sh./Smt./Ms.: **COLLEGE OF EDUCATION ARYA KANYA GURUKUL MOR MAJRA**  
दिनांक/Date of Birth: **21-11-2017**

निवासी/Resident of: **VPO, MORMAJRA, TEH. AGSANDHI, KARNAL, HARYANA**  
व्यक्ति/Person: **Regional director NAC, NCTE**

रुपये/Rupees: **₹ 5,00,000.00** for a period of **5 yrs** at the rate of **five lakh only.**

विकास/Option: **INCOME**

जारी करने की तिथि/Date of Issue: **21-11-2017** जारी करने का स्थान/Issued at: **21-11-2017**

योजना/Scheme: **FD - SUGAM DEPOSIT (CLM)** Repayat Ac: **No Repayat Ac**

हम आपकी उपरोक्त जमा राशि स्वीकार करने की पुष्टि करते हैं।  
We confirm having accepted from you the above deposit.  
महत्वपूर्ण सूचना के लिए कृपया पृष्ठ के पीछे देखें।  
Please see on reverse for important information.

अधिकृत हस्ताक्षरकर्ता (किरीट/सं.)  
Authorised Signatory (GBPA No.): **Shalin Singh 351539**

अधिकृत हस्ताक्षरकर्ता (किरीट/सं.)  
Authorised Signatory (GBPA No.): **PAN - AABTM 33177**

**भारतीय स्टेट बैंक** State Bank of India  
Issuing Branch: **SUMAG NAGAR**  
ब्रंच कोड /CODE No: **16826**  
Tel No. **05612-**

**मांगद्राफ्ट**  
**DEMAND DRAFT**

मांगे जाने पर **ON DEMAND PAY**  
रुपये RUPEES **\*\*\*\*\*ONE CRORE AND TWENTY FIVE LAKH**  
रुपये ONLY \*\*\*\*\*

अदा करें **₹ \*\*1,25,00,000.00\*\***

IOI 000381156399 Key: **NEJMAW** Sr. No: **876201**

**भारतीय स्टेट बैंक**  
**STATE BANK OF INDIA**

मूल्य प्राप्त / VALUE RECEIVED

अधिकृत हस्ताक्षरकर्ता  
AUTHORISED SIGNATORY

ब्रांच मैनेजर  
BRANCH MANAGER

DD NUMBER **16 5638616** 00000 20001: 00056916 16

- A contract by which one party promises to save the other from loss caused to him by the conduct of the promisor himself or the conduct of any other person.
- Section 124 of Indian Contract Act, 1872
- Transaction of issue of duplicate demand draft, fixed deposit receipt etc.



<b>Transaction</b>	<b>Bank</b>	<b>Customer</b>
Articles left by mistake	Trustee	Beneficiary
Deposit in the Bank	Debtor	Creditor
Loan from Bank	Creditor	Debtor
Safe Custody	Bailee	Bailor
Locker	Lessor	Lessee
Collection of cheque	Agent	Principal
Purchase of a draft	Debtor	Creditor
Payee of a draft	Trustee	Beneficiary
Pledge	Pawnee (Pledgee)	Pawnor (Pledger)
Mortgage	Mortgagee	Mortgagor
Standing Instruction	Agent	Principal
Sale/purchase of securities on behalf of customer	Agent	Principal
Money deposited but instruction not given for its disposal	Trustee	Beneficiary
Shares given for sale	Agent	Principal
Hypothecation	Hypothecatee	Hypothecator

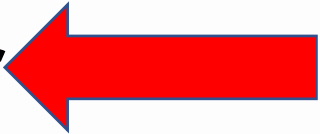
**Q. In deposit accounts, the main relationship between a bank and a customer is \_\_\_\_\_.**

**(a) creditor-bank, debtor-customer**

**(b) debtor-bank, creditor-customer**

**(c) agent-principal (d) servant-owner**

**(e) only (a) and (b).**



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**Q. When a bank lends money to the corporate person the relationship between them is of \_\_\_\_\_.**

**(a) borrower and lender**

**(b) creditor-debtor** 

**(c) debtor-creditor**

**(d) customer and client**

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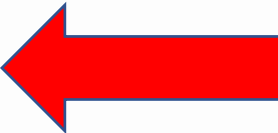
**Q. Bailor-bailee relationship is applicable in case of \_\_\_\_\_.**

**(a) cash deposited with cashier by customer**

**(b) safe deposit locker**

**(c) demand draft issued by bank**

**(d) keeping articles in safe custody with bank**





**Q. What relationship is created when the bank collects a cheque in clearing?**

- (a) holder for value**
- (b) clearing member and principal**
- (c) agent and principal** 
- (d) Bailee and holder**
- (e) none of above**

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**Q. A credit voucher for ₹ 34,544 favouring Tarun was wrongly posted to Varun Bose by the bank, the relationship established with Varun Bose is of \_\_\_\_\_.**

**(a) trustee and beneficiary**

**(b) debtor and guarantor**

**(c) creditor and indemnifier**

**(d) creditor and debtor** 



**Q.1 When FDR is lost by a customer of a bank, what document is executed:**

**(a) Promissory bond**

**(b) Indemnity bond**



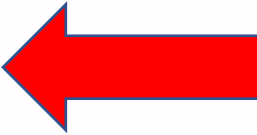
**(c) Guarantee bond**

**(d) Government bond**

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**Q.2 The relationship between a banker and a customer depends upon the:**

- a) type of bank**
- b) nature of services provided by the banker**
- c) type of customer category**
- d) nature of relation with customer on the basis of customer business**



**Q.3 When a customer deposits money with his bank, the customer becomes a lender, and the bank becomes a borrower. The money handed over to the bank is a debt. The relationship between the banker and the customer is:**

- a) a debtor and a creditor**
- b) a creditor and a debtor**
- c) an agent and a principal**
- d) a principal and an agent**





**Q.4 Which of the following is a person or firm that holds and administers property or assets for the benefit of a third party?**

- a) A bank**
- b) A trustee**
- c) An agent**
- d) A customer**



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**Q.5 The relationship of agency, terminates on which of the following case of the customer or on completion of the work assigned?**

**a) death**

**b) insolvency**

**c) Lunacy**

**d) Any of the above**



**Q.6 If a customer keeps certain valuables or securities with the bank for safe-keeping or deposits a certain amount of money for a specific purpose, the banker is:**

- a) an agent**
- b) a principal**
- c) a role model**
- d) a trustee**





**Q.7 Ancillary services rendered by the bank are remittance, collection of cheques, bills, to pay regularly, electricity bills, telephone bills, insurance premium, club fees, etc. on behalf of the customers. In these cases, the bank acts as:**


- a) an agent**
- b) a principal**
- c) a trustee**
- d) a debtor**



**Q.8 A contract by which one party promises to save the other from loss caused to him by the conduct of the promisor himself or the conduct of any other person is a contract of indemnity as per:**

- a) Sec. 124 (Negotiable Instruments Act, 1881)**
- b) Sec. 124 (RBI Act 1934)**
- c) Sec. 124 (Banking Regulation Act, 1949)**
- d) Sec. 124 (Indian Contract Act, 1872)** 

**Q.9 In banking, which relationship occurs in transactions of issue of duplicate demand draft, fixed deposit receipt etc, In these cases the person availing the facility will compensate the other for any loss arising from the wrong/excess payment?**

- a) Bank is indemnified and customer is indemnifier**
- b) Bank is indemnity holder and customer is indemnifier**
- c) Bank is agent and customer is principal**
- d) Both a and b** 



**Q.10 A credit voucher for ₹ 10,500 favouring Mr. A was wrongly posted to Mr. Z by the bank, the relationship established with Mr. Z is of:**

**(a) trustee and beneficiary**


**(b) debtor and guarantor**

**(c) creditor and indemnifier**


**(d) creditor and debtor**



**Q.1 Which of the following accounts are used when a party wants to exercise some control on the use of the funds received in the account in the name of another party?**

- a) Trusteeship account**
- b) Escrow account** 
- c) Executorship account**
- d) Safe custody account**

**Q.2 Which of the following is/are part of the Safe Custody or Trusteeship Services in a bank?**

- 1. Hiring out safe deposit lockers**
  - 2. Escrow services for document**
  - 3. Trusteeship**
  - 4. Executorship**
- a) Only 1 and 2**
  - b) Only 2 and 3**
  - c) Only 3 and 4**
  - d) All 1,2,3 and 4**
- 



**Q.3 Which of the following added in Three-in-One Account in third party products provided by the bank?**

- 1. Demat Account**
- 2. Trading Account**
- 3. Savings/ Current Account**
- 4. DP Account**

**a) Only 1 , 2 and 3**


**b) Only 2 , 3 and 4**

**c) Only 1 , 2 and 4**

**d) All 1, 2, 3 and 4**



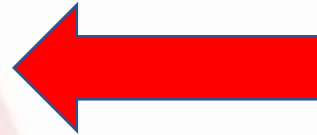
**Q.4 Which of the following Remittance Service is not provided by the bank?**

- 1. National Electronic Funds Transfer (NEFT)**
  - 2. Real Time Gross Settlement (RTGS)**
  - 3. Immediate Payment Service (IMPS)**
  - 4. Unified Payment Interface (UPI) Transfers**
  - 5. Share Transfer From One Demat To Another Demat Account**
  - 6. Aadhaar Enabled Payment System (AePS)**
  - 7. National Automated Clearing House (NACH)**
- a) Only 6 and 7**
  - b) Only 5, 6 and 7**
  - c) Only 5** 
  - d) All 1 to 7**

**Q.5 Which of the following Deposit Products is not provided to the Non-Resident Indians?**

**a) NRO Account**

**b) PPF Account**



**c) NRE Account**

**d) FCNR (B) Account**

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**Q.6 Which of the following is a combination of demand and fixed deposits, introduced giving flexibility to customer?**

- a) Hybrid Deposits**
- b) Flexi Deposits**
- c) Special Deposits**
- d) Savings Deposits**
- e) Both a and b**





**Q.7 Which of the following is part of the demand deposit?**

- a) Current Deposits**
- b) Saving Deposits**
- c) Fixed Deposits**
- d) Recurring Deposits**
- e) Both a and b**



**Q.8 What is the minimum and maximum time period of the term deposits?**

**a) 7 days- 120 months**



**b) 30 days- 120 months**

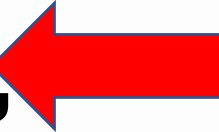
**c) 7 days- 60 months**

**d) 3 days- 120 months**

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**Q.9 The term 'Banking' is defined under which of the following act?**

- a) Sec. 5(b) of 'the Banking Regulation Act, 1949**
- b) Sec. 5(b) of 'the RBI Act, 1934**
- c) Sec. 5(b) of 'the Banking Regulation Act, 1934**
- d) Sec. 5(b) of 'the RBI Act, 1949**



**Q.10 Time Deposits** Term deposits (TD) are for investing surplus funds for short to long term. TD can not have feature?

- (i) Mode of interest payment – Periodical or cumulative.**
- (ii) Mode of investment – in lump sum or in instalment.**
- (iii) Mode of return of principal – on maturity or in instalment**
- (iv) Mode of interest payment is not provided**

