The B & I BUZZ
Banking & Insurance Explored
AY 2016 - 17

STEP UP INDIA
Nayi soch, Nayi pahal...

NES RATNAM COLLEGE OF ARTS, SCIENCE & COMMERCE
BHANDUP WEST, MUMBAI - 400 078
Established in the 1983 the National Education Society's Ratnam College of Arts, Science and Commerce has evolved as an institution which believe that along with academic excellence, formal education must ideally seek and include programmes & process aimed at character & personality building. So, at Ratnam we go beyond the confines of class room teaching/learning and endeavor to make each and every Ratnamite well honed and confident to face the challenge of the outside world. The institution has an array of co-curricular & extra curricular activities to give opportunities to budding talented students to express themselves.

The college has been the proud recipient of ISO 9001:2000 Certificate on April 14, 2002 - first of its kind in Maharashtra for any education institution for conforming to world standard in education. In the year 2004, the college has been accredited with A grade by National Assessment & Accreditation Council (NAAC), a body of UGC.

In recognition of the contribution of the college towards the course of the education, MCGM has renamed the Bhattipada Road (Approach road to college) as NES Ratnam College Mary in 2006.

In the year 2011, college has been accredited with an 'A' grade by NAAC.

In the year 2015, The College Award by the Mumbai University for the Academic year 2013-2014. has been conferred with Best college.

In the year 2015, The College Award by the Mumbai University for the Academic year 2013-2014.
This magazine for the year 2016-2017 of B.COM (Banking & Insurance) department of NES Ratnam College on theme "STEP UP INDIA" topped off with lots of information and endurance.

We, the Editors are propitious to be a part of it. "STEP UP INDIA" - is heading towards development in various sectors of our economy like in Banking, Insurance, Information Technology etc.

We are gratified to our course co-ordinators Mrs. Riya Rupani & faculty members Mr. Rajiv Mishra & Ms. Khusboo Tripati for inspiring us to push a pencil for this magazine.

We hope you will enjoy every bit of THE B & I BUZZ

Happy reading cheers......!!!

Student Editors
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Automation in Banking - HDFC Deploying A Robot For Automating Banking Services.

After making a dent in IT industry, food sector & manufacturing, automation and robotics have now ventured into the banking industry; and there can some serious side-effects to this disruption. HDFC Bank is all set to deploy a robot inside one of their branches, thereby introducing automation via robotics into the banking industry. No other Indian bank has ventured into this new technological realm, thereby making HDFC Bank the first one to adapt this new innovation.

What Will A Robot Do Inside HDFC Branch?

As per initial reports, this robot would be deployed at one of the Mumbai branches, a location where personalized services like consulting senior citizens and wealth management is not the prime action. This robot would work more or less like a receptionist, or a counter which states, ‘May I Help You’ to customers just entering the branch.

We are assuming that the robot would be having a touch screen displayed on it’s chest, wherein options like cash withdrawal, demat account enquiry, locker facility, fixed deposit etc would be displayed. The customer would be prompted to select one of the options, and a map of the branch would be displayed, showing ‘Take Me There’ option. Hence, this new robot inside the HDFC branch would act more like a helpful bank employee, who can guide the customer to the exact location where he or she wants to go.

The Future Of Robots In Banking Industry

In future, HDFC has some stellar plans related with automation and robotics, embedded into the banking system. Technologies such as facial recognition, voice recognition would be gradually included into the robot, thereby making automation more prominent and most probably, replacing humans in the process. A good example can be lead nurturing. Say a customer has filled details related to home loan on HDFC’s website. Now, when he or she arrives at the branch, the robot would quickly recognize the customer and provide the required information instantly, without wasting anyone’s time.

Robots Inspired From Japanese Banks?
HDFC’s latest salvo at robotics is clearly inspired from Japanese banks, which had introduced robots last year. Mitsubishi UFJ Financial Group, which is one of the largest banks in Japan deployed robots inside their two branches in April last year. This robot, named Nao, was a 1.11 feet humanoid, developed by French company Aldebaran Robotics, which is a subsidiary of Japanese telecom and Internet firm SoftBank.

Powered with a camera fitted on forehead, Nao can recognize facial expressions and the tone of the voice to deliver precise service. As per The Guardian, this is the way Nao greets when a customer enters the branch: “Hello and welcome. I can tell you about money exchange, ATMs, opening a bank account, or overseas remittance.

T.Y.B.COM(B&I)

Raminder kaur
Penny Penny easily spent,
Copper brown and worth 1 cent.
Nickel, nickel thick and fat,
Your's worth 5 cents, I know that.
Dime, dime little and thin,
I remember you're worth 10.
Quarter, quarter big and bold,
You're worth 25, I am told.
   A Penny's worth 1,
   A Penny's worth 5,
   A Penny's worth 10,
   And a quarter 25.
Hey, honey bunny, I know my money money!!

Wake up wake up,
From a darkest days?
Look the sunshine,
Waiting for joy!
Gone for the days,
When darkness prevailed,
Now the time has come,
For you to rise!
Wake up from the long sleep,
To experience a rebirth of,
Joy & silence.
Wake up to reach your goal
Reach reach out,
Reach out for the masses,
Work for their uplift,
Work for the joy,
Work until every nerve

POEM IN YOUR POCKET

SHEENA GUPTA
(F.Y.BBI)
In this article we will explain what Cashless economy is, what are the major advantages of cashless economy and what challenges India will face in moving towards a cashless economy.

- What is a cashless economy?
- Benefits of cashless economy
- Challenges in making India a cashless economy
- Steps taken by RBI and Government to discourage use of cash
- What else needs to be done?

INTRODUCTION:

India continues to be driven by the use of cash; less than 5% of all payments happen electronically however the finance minister, in 2016 budget speech, talked about the idea of making India a cashless society, with the aim of curbing the flow of black money.

Even the RBI has also recently unveiled a document - "Payments and Settlement Systems in India : Vision 2018" - setting out a plan to encourage electronic payments and to enable India to move towards a cashless society or economy in the medium and long term.

What is a cashless economy and where does India stand?

- A cashless economy is one in which all the transactions are done using cards or digital means. The circulation of physical currency is minimal.
- India uses too much cash for transactions. The ratio of cash to gross domestic product is one of the highest in the world - 12.42% in 2014, compared with 9.47% in China or 4% in Brazil.
- Less than 5% of all payments happen electronically.
- The number of currency notes in circulation is also far higher than in other large economies. India had 76.47 billion currency notes in circulation in
2012 - 13 compared with 34.5 billion in the US.

- Some studies show that cash dominates even in malls, which are visited by people who are likely to have credit cards, so it is no surprise that cash dominates in other markets as well.

**Benefits of Cashless Economy**

- Reduced instances of tax avoidance because it is a financial institutions based economy where transaction trails are left.
- It will curb generation of black money.
- Will reduce real estate prices because of curbs on black money as most of black money is invested in Real estate prices which inflates the prices of Real estate markets.
- In Financial year 2015, RBI spent Rs.27 billion on just the activity of currency issuance and management. **This could be avoided if we become cashless society.**
- In a cashless economy there will be no problem of soiled notes or counterfeit currency.
- Reduced costs of operating ATMs.

**Challenges in making India a cashless economy**

- Availability of internet connection and financial literacy.
- Though bank accounts have been opened through Jan Dhan Yojana, most of them are lying unoperational. Unless people start operating bank accounts cashless economy is not possible.
- There is also vested interest in not moving towards cashless economy.
- India is dominated by small retailers. They don't have enough resources to invest in electronic payment infrastructure.
- Most card and cash users fear that they will be charged more if they use cards. Furthermore, non-users of credit cards are not aware of the benefits of credit cards.

*KAJAL TUPE (F.Y.B.B.I)*
After almost three weeks of demonstration, there is visible pain in the lives of ordinary people, a noticeable slowdown in economic activity, and reports of job losses in many sectors. The economy may contract by as much as two percentage points over the next two quarters—a colossal loss in national wealth. However, there can be no rollback. The gains from a cleaner, whiter economy are far bigger in the long run. Here’s how Narendra Modi can save demonstration.

1) **Speed is of the essence.** Don’t depend only on our own printing presses to replenish the cash; subcontract the currency presses of friendly governments whose security levels are unimpeachable. Fly in the new notes and flood the system. The priority is to restore liquidity in the market so people can get on with their lives.

2) **Put black to use.** Offer a significant fiscal stimulus to the economy from the notes not likely to be exchanged, black money that will disappear forever: spending this non-inflationary money an estimated Rs 3 laky core on infrastructure and housing can create masses of jobs and mitigate some of the jobs lost in demonstration.

3) **End Harassment:** Law-abiding citizens will happily pay tax if they believe they will be respectfully treated by income tax officials. People need to be reassured that they can file returns online today; pay tax online; and get refund online. The computer decides, not the ITO, which returns are to be scrutinized. Mode needs to mount a major campaign to reassure people about this reduction in official discretion. He needs to also severely punish any tax official caught harassing a taxpayer.

4) **Reform the Bureaucracy.** Black money is generated because of administrative discretion. A good place to begin reform is to implement Justice Srikrishna’s draft Indian financial code.

5) **Do not attempt to end black money.** People should not break the law but we should overlook small transgressions, just like we ignore pedestrians who cross on a red light. Cash lubricates the system and a cashless society is the road to dictatorship.
6) **Roll back the customs duty on gold.** Smuggling of gold declined in India when import restrictions were lifted after 1991. A decent white business developed in gold and jewellery. In 2013, there was a setback when customs duty on gold was reintroduced. Cash payments became common again because smuggled gold was cheaper.

7) **Focus on real estate.** Demonstration will not stop the corruption that creates black money. For this you have to attack it's underlying sources. In real estate, every step is mired in corruption from buying land to getting approvals. Black money is also the result of excessive stamp duty. For this reason, vijay kelkar had recommended merging stamp duty into GST in his pioneering report on GST. That may be too late but we must keeping fighting for sensible taxes and clean titles in land.
The millennial generation is becoming a driving force for change. Millennials, born from 1980 to 2000, grew up with Amazon, Google, and social media accessible via mobile devices and computers in their hands, on their wrists, and in their bedrooms, and they have an entirely new framework for customer interaction. All generations benefit from highly customer-centric, environment-driven digital technologies. Consumers now expect to buy what they want to buy, when and where they want to buy it, with the ability to find it at the best price.

The second force in insurance is that the ubiquitous adoption of digital technologies means new opportunities for additional premiums, improved customer experience, better risk selection, boosting loss prevention, and increasing governance. In order to compete, insurance companies must find a way to access and process telemetric data from devices and sensors, stream real-time data from social media and external sources such as weather, and monitor data from the explosion of wearable’s in the public and industrial domain. Existing systems simply didn’t envision the volume, velocity, and variety of this data.

Finally, the last force all insurance companies must address is finding better and faster ways to meet the ever-increasing demands of the regulatory environment. The impact of digital innovation will drive new regulation, thus additional pressures on insurance organizations to efficiently and effectively meet these regulatory requirements.

As a result of these drivers, here are the business and technology trends for the next wave of digital insurance we see in 2016 and beyond, from Mark Palmer, Robert Tartaglia, and Rob MacNeil.

1: Digital channels will replace and augment physical channels. A 2015 Bain survey of insurance companies projected that digital channels will continue to significantly replace physical channels in the next 3 to 5 years. The survey found that 20-40% of physical activities in insurance will be transitioned to digital. Specifically, pre-purchase, purchase, servicing, renewals, claims handling and management, payments, and customer feedback and resolution will become digital first, followed by other functions later. This transition will require incremental IT and integration transformation, which is the topic of 4 of our 8 trends below.

2: The millennial effect on the modern application design. If the success of insurance companies depends on millennials, and millennials only want to interface with the firm digitally, what does that mean for IT systems? Insurance companies must turn the IT in their user experience departments upside down. Legacy systems were designed for human worker workflow, assumed
the use of phones and postal mail, and assumed customers were willing to wait for a response. These assumptions are no longer true, and the new insurance customer demands informal service on mobile devices and the web, which are completely different design philosophies for application user experience experts.

3: Embrace and extend legacy insurance IT infrastructure. With this brave, new, looming technology world, can insurance companies afford to simply dump their systems from the past? Of course not! The techniques to embrace and extend the decades of technology debt require innovation in and of itself. Technologies now exist to extend the life of legacy IT assets and increase the return on investments. There is no longer a need to pursue very high risk, costly, resource distracting, and multi-year journeys to replace these systems in order to benefit from digital transformation. For example, one hot technology trend is the use of in-memory data grid to move and cache back office data for new, innovative, digital applications. Data grids reduce load on existing systems and can save tens of millions of dollars in some cases, at the same time reducing the need to buy additional storage.

4: The rise of digital customer relationship management and digital integration. Customer relationship used to be a purely human practice, but moving forward, relationship management must be digital. For example, modern insurance call centers must have a seamless, real-time, 360-degree view of social media engagement, mobile application interaction, and geo-awareness from IoT sensors. This relationship management scenario is hard to accomplish with legacy systems. Modernized integration infrastructure with up-to-date web API, cloud-based services, IoT aware connectivity, as well as traditional integration infrastructure and data integration is required.

5: IoT increases the need for streaming analytics to innovate. Insurance companies are now capturing new data from the “Internet of Everything.” For example, wearable device data allow insurers to offer discounts for healthy behavior, based on activity. But activity-based products require activity-based data and systems, and require the ability to process massive amounts of streaming information from devices. New technical challenges arise. How can streaming data be efficiently analyzed? Which streams must be archived? How will privacy be maintained? How will insurance companies deal with the volume of data streaming from these devices? These technology challenges didn’t exist in the last era of insurance, and pose formidable challenges on how to apply streaming analytics technology, historical analytics, security, and big data fabrics.

6: Increased focus on algorithmic risk assessment. Digital insurance data is fast moving—like streaming market data in the capital markets. In 2016, insurance companies will increasingly apply real-time algorithmic computing technologies born on Wall Street to the onslaught of streaming data from GPS, mobile, and wearable devices in order to make algorithmic decisions about subscriber conditions. But unlike Wall Street, insurance companies are not building low-
latency automation. Instead, they’re using continuous algorithmic analysis to continuously monitor streaming data to manage risk, continuously manage subscriber loyalty, and continuously search for sales opportunities.

7: Driverless cars pose new forms of risk. As Elon Musk and Google continue to lead driverless car innovation, the insurance industry must respond. Risk management will not be the same in the digital era—not only in terms of forecasting risk, but also in managing and mitigating risk in real-time. That is, if an automated driver feature in your car causes an accident, who is at fault? The Tesla software engineer who wrote the bug in the software? The “driver” who didn’t touch the wheel? The driver of the vehicle that may be have been hit by the autonomous car, but was also partially at fault? And, relatedly, what is the obligation of all insurance companies to gather and analyze massive amounts of streaming forensic data from insured, automated assets in order to decide? How can risk be mitigated in real-time by monitoring streaming data? The digital insurance company must invest in capturing these new forms of data, and in data science to analyze it for forensics, patterns, and predictive actions to decide how to respond to these regulatory pressures.

8: The new digital Data Scientist steps to the forefront. Data Scientist used to be synonymous with actuary in the insurance industry. But in the new digital insurance era, data science is being applied to IoT data for forensics, history for predictive analytics, and location awareness for risk mitigation. These are new forms of data science that will rise to the forefront of the modern insurance firm.

LAXMI YADAV
(FY.BBI)
FACTS OF INSURANCE COMPANY

⇒ Limit of FDI in Insurance sector: 49%

⇒ Largest Life Insurance Company in India is: Life Insurance Corporation of India (LIC)

⇒ Which was oldest insurance company, found in 1906: National Insurance Company

⇒ Life Insurance Corporation was found on: 1 September, 1956

⇒ Headquarter of LIC is situated at: Mumbai

⇒ Oldest (1818) life insurance company is: Oriental Life Insurance Company

⇒ Insurance is listed in the constitution of India in _______scheduled as Union List subject: Seventh

⇒ Insurance is legislated by: Central Government

⇒ Chairman of Life Insurance Corporation of India is: S.K. Roy

⇒ "Stepping into shoes of other" related with: Principle of Subrogation
⇒ A person must be benefited by that thing which he wants to be insured is called: **Insurable Interest**

⇒ Supervision and Development of Insurance in India is in the hands of: **Insurance Regulatory Development Authority**

⇒ IRDA was constituted by which of the following committee's recommendations: **Malhotra Committee**

⇒ The insurance industry of India consists of: **52 Insurance Companies**

⇒ Currently, Number of Life Insurance Companies running in India are: **24**

⇒ How many Non-Life Insurance Companies are running in India?: **28**

⇒ Insurance Institute of India (I.I.I.) was established in India in: **1955**

⇒ Insurance Institute of India was formerly known as: **Federation of Insurance Institute**

⇒ Among the Life Insurance Companies, Which is sole public sector company: **Life Insurance Corporation of India (LIC)**

⇒ How many Non-life insurance companies are public sector insurers: **6**

⇒ FIPB stands for: **Foreign Investment Promotion Board**
⇒ Out of 49% FDI in Insurance sector, how much % is under Automatic Route: **26%**

⇒ Out of 49% FDI in Insurance sector, how much % need FIPB's approval: **23%**

⇒ For mis-selling Insurance Products, Insurance Agents will be fined for: **Rs. 10,000**

⇒ An unauthorized agents whose only job is to dupe unsuspecting customers will be fined ______ for their scams: **Rs. 10 Lakhs**

⇒ Non - Compliance of IRDA's rule and regulations can result in ______ in fines for companies: **Rs. 25 Crores**

⇒ Guarantee or assurance to put the insured in the same position in which he was immediately prior to the happening of the uncertain event (Except Life Insurance) is known as: **Principle of Indemnity**

⇒ General Insurance Corporation of India was incorporated on: **22 November, 1972**
# BANKING WORD SEARCH

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BELIEVE...BELONG...BECOME...!

Our Banking and Insurance department has its own club called “AMITY CLUB”. Inauguration of activities of club for 2016-2017 took place on ,2016

Following activities were conducted which was open to students of all streams.

AM-OLYMPIC

ROUNDS: 1. Imagine & Draw
2. who Am I?
3. Guess The Voice

WINNERS:

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<td>Pooja maurya</td>
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<td>FIRST POSITION</td>
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<td>Mamta dawan</td>
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<td>SECOND POSITION</td>
<td>Rahul pillai</td>
<td>S.Y.BSC</td>
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<td></td>
<td>Nazaren Sagayaraj</td>
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3 WISE

ROUNDS: 1. Listening Skill
2. Team Work
3. Learning Skill

WINNERS:

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Manzil was back at nes ratnam with a new theme “tirbe-o-brand” inaugurated this annual intercollegiate management festival organized by bms and bbi departments of the college on 17th september, 2016. Around 9 fun filled and intellectually stimulating events, pitting the talent of the host college against those of competing colleges, kept the participants and the crowds in throes of thrilling anticipation.

Dr. Balasubramanian, director of nes-svb group was invited as principal guest of honour. Dr. Balasubramanian was quoted saying that he was very impressed by the theme of “tribe-o-brand”. He was of the view that today’s generation does not have much idea about the life of tribal people and this theme threw light on the management skill utilized by tribal people in their daily lives.

Mr. Swapnil bhoite was the guest of honour. He was resource person for “workshop on leadership skills” which attracted participants across.

The team’s creativity and involvement was evident in the colorful decorations that gave the college a festive look.

According to the course co-ordinator riya rupani, “more than 500 participants, from 30 colleges, took part in the management extravaganza. In addition to the usual crowd pullers “pirates of manzil” (treasure hunt) and “minutes to win”, the festival also played host to slew of entertaining and invigorating events.”

Ratnam college firmly believes success of any institute depends on how students perform & interact at portals of corporate world. So to groom their personality, to cope up with the challenges various management events like box cricket { 5pl}, road to glory 2k16, ploating pyramid, treasure hunt, workshop on leadership, minutes to win it, minutes to chase it, tribes of zombiepur and test your memory.

The college witnessed colors of participation, enthusiasm & potential. All the participants did the phenomenal job.

From dawn to dusk, the college was filled with vivacity & vim. Manzil has truly lived up to its reputation of being the best & bringing out the best.

Finally the fest emerged as true reflection of spectacular teamwork.

“The growing popularity of manzil is reflected in the large number of participants and sponsors. The management festival has, over the years, become synonymous with the youth and creativity, offering exciting opportunities for a range of aptitudes to express themselves, enjoy and entertain,” maintained and the college principal rina s