



Mains Practice Question

Case Studies

You are working as an executive in a nationalized bank for several years. One day one of your close colleagues tells you that her father is suffering from heart disease and needs surgery immediately to survive. She also tells you that she has no insurance and the operation will cost about Rs. 10 lakh. You are also aware of the fact that her husband is no more and that she is from a lower middle class family. You are empathetic about her situation. However, apart from expressing your sympathy, you do not have the resources to fund her.

A few weeks later, you ask her about the well-being of her father and she informs you about his successful surgery and that he is recovering. She then confides in you that the bank manager was kind enough to facilitate the release of 10 lakh from a dormant account of someone to pay for the operation with a promise that it should be confidential and be repaid at the earliest. She has already started paying it back and will continue to do so until it is all returned.

- A. What are the ethical issues involved?
- B. Evaluate the behavior of the bank manager from an ethical point of view.
- C. How would you react to the situation?

10 Nov, 2023 GS Paper 4 Case Studies

- **Ethical issues involved:**

- The **bank manager's** compassionate act of facilitating the release of funds from a **dormant account** for a **colleague's father's surgery**, with a promise of **confidentiality**, raises concerns about **fairness, equity, and transparency**.
- While the gesture is commendable, it **potentially bypasses** established **banking procedures**, possibly constituting an **abuse of authority**.
- The **lack of transparency** raises questions about **equal treatment of customers**. Ensuring **timely and fair repayment** of the **borrowed funds** is an **ethical responsibility**. The **colleague's disclosure** of the source of the funds also challenges **confidentiality**.

- **Evaluation of behaviour of the bank manager:**

- The bank manager's behavior in **facilitating the release of funds** from a **dormant account** to help a colleague's father's surgery displays **commendable compassion and empathy, reflecting positively on ethical grounds**.
- Upholding **confidentiality** aligns with **fundamental banking principles, fostering trust**.
- This situation underscores the importance of adhering to established **banking procedures** and promoting **equitable treatment of all clients**. It also emphasizes the need for **clear ethical guidelines** and robust accountability in financial institutions.

- **How would you react to the situation?**

- In this situation, my response would be **empathetic** and **supportive** towards my **colleague**, acknowledging the challenges she faces with her **father's health** and **financial situation**.
- I would express my concern for her **well-being** and her **father's recovery**. I would also emphasize the **importance of adhering to ethical** and **legal standards** in **financial transactions**.
- I would encourage her to ensure that all actions, including the **use of dormant account funds**, are in compliance with **banking regulations** and **conducted transparently**.
- I would offer guidance on seeking appropriate channels for **financial assistance**, so that she can repay the dormant account money ensuring **fairness** and **accountability** in the process.

PDF Refernece URL: <https://www.drishtias.com/mains-practice-question/question-8026/pnt>

