

VEER NARMAD SOUTH GUJARAT UNIVERSITY

Banking -1 S.Y.B.COM (SEM-3)

Unit 1: Banker and Customer Relationship – 40 Marks

- Definition of banker and customer
- General and legal relationship between banker and customer
- Banker as a borrower
- A debt by a banker vs. an ordinary commercial debt
- Rights of bankers
- Bankers' lien and right of set-off
- Banker's right to charge interest and commission
- Banker's duty to maintain secrecy of the customer's accounts

Unit 2: Payment and Collection of Customer's Cheque – 40 Marks

- Meaning of payment cheques
- Meaning of collection cheques
- Precautions
- Payment in due course
- When a banker is justified in refusing payment
- Wrongful dishonour of cheque
- Countermanding payments of cheques and drafts
- Protection given to a paying banker: banker as owner for subrogation
- His customers and banker cashing cheque
- Precautions
- Recovery of money
- Obligations of the drawing bank
- Money to be given to the collecting bank

Unit 3: Practical Problems – 20 Marks

- Practical problems on any of the above topics