

BBA.LL.B (HONS.) – VII-SEMESTER

BANKING AND INSURANCE LAWS

COURSE CODE:

Course Objectives: Banking and insurance sector play a pivotal role in an economy. Banking and insurance activities involve majority of legal regulations for its operations. The main objective of this Course is to provide an understanding and analysis of conceptual parameters of banking and insurance laws.

Course Outcomes:

1. To identify the salient features of banking and insurance systems
2. To define and differentiate various types of relationships in banking and insurance laws
3. To identify various types of negotiable instruments and their applicability to various transactions
4. To analyse and interpret laws, judicial decisions pertaining to banking and insurance
5. To identify and able to conduct research on emerging trends in banking and insurance laws

UNIT-I: Introduction to Banking Law- The Evolution of Banking Services and its History in India; Banking System in India and Control by Reserve Bank of India; emergence and importance of commercial banking; an overview of development in banking since independence.

UNIT-II: Relationship between banker and customer, Law and procedure governing banking instruments, Management of assets, Lending policies, Development banking, law relating to Banking Regulation; bankers book evidence; recovery of debts due to banks and financial institutions; Banking sector reforms in India - an overview; cooperative banks; nationalised banks; private sector banks; international banking, foreign banks, off-shore banking; recent developments in banking sector.

UNIT-III: Negotiable Instruments, The Negotiable Instruments Act, 1881- Promissory Note, Bill of Exchange, Cheque – Definition and Nature, ‘Holder’ and ‘Holder in Due Course’, Transfer of Negotiable Instruments; Liability of Parties and Discharge of Parties from Liability on Promissory Note, bill of exchange and Cheque; Crossing of Cheques; Liabilities for Dishonour of Cheques

UNIT-IV: Introduction to insurance law, insurance Meaning, nature, scope and significance; essential requirements and principles of risk insurance; re-insurance; General Principles – Proximate Cause; Doctrine of Utmost Good Faith; Rules of Construction of Insurance Policy; Nationalisation of insurance business in India;

UNIT-V: The Insurance Act, 1938; The Marine Insurance Act, 1963; The Life Insurance Corporation Act, 1956; The General Insurance Business (Nationalization) Act, 1972; The Insurance Regulatory and Development Authority Act, 1999; Accident and motor insurance; Fire insurance; Deposit and credit insurance; Marine insurance; Risk management; Insurance surveyorship; recent developments in insurance sector.

Text Books:

1. M L Tanna, Banking Law & Practice in India, 26th Edition, LexisNexis, 2017
2. P. Vasantha Kumar, Banking and Negotiable Instruments - Law and Practice, 1st Edition, EBC, 2020
3. M N Srinivasan, Principles of Insurance Law, 10th Edition, LexisNexis, 2017