



**MANGALORE UNIVERSITY**  
**DEPARTMENT OF BUSINESS ADMINISTRATION**  
**MASTER OF BUSINESS ADMINISTRATION (MBA)**

**MBAS 562: LEGAL ASPECTS OF BANKING AND INSURANCE**

Workload : 04 hours per week

Examination : 03 hours - 70 marks

Objectives : To acquaint the students with the legal aspects relating to banking and insurance sector.

Pedagogy : Lectures, assignments, practical exercises, discussions, seminars

**Chapter 1: Legal framework of regulation of Banks:** Control over organization of Banks; Regulation of Banking Business; Returns- Inspection and winding up; Banking Regulation Act 1949; RBI Act 1934.

**Chapter 2: Legal aspects of Banking Operations:** Responsibility of Paying Banker – Collecting Banker – Indemnities – Bank guarantees – Letters of Credit – Bill Finance; Cases.

**Chapter 3: Law relating to securities and modes of charging:** Types of borrowers – Types of Credit facilities – Secured and unsecured loans – Registration & satisfaction of charges; Cases.

**Chapter 4: SARFAESI Act, 2002:** Introduction – Securitization of financial assets – Enforcement of security interest – Banking Ombudsman scheme 2002- Procedure for redressal of grievances – Arbitration procedure – Conciliation; Cases.

**Chapter 5: Recovery of Assets due to Banks:** FI Act of 1993 – Tribunal and appellate tribunals, Provisions and procedure of tribunals – Bankers Book of Evidence Act 1891; Cases.

**Chapter 6: Insurance Contract Analysis:** Legal framework of Insurance Business – Claims Negotiation – Understanding Contracts Structure – Standard Contract; Cases

**Chapter 7: Legal aspects of Insurance:** Insurance Act 1938; Indian contract Act 1872; Consumer protection Act 1986; Life Insurance Act 1956; IRDA Act 1999, Re-insurance and Double Insurance; Motor Vehicles Act 1938 and 1988- Public Liability Clause 1991; Case.

**Chapter 8: Insurance Documents:** Insurance forms- proposal forms; Cover notes – Certificate of Insurance; Policy forms – Endorsements – Other Documents; Cases.

## Reference

1. Legal and Regulatory Aspects of Banking Operations – IIBF, 2/e, Mcmilan, New Delhi.
2. P.K.Gupta-Insurance & Risk Management ,2/e-Himlaya Publishing House, Mumbai.
3. Natarajan &Gorden-Banking Theory Law & Practice - Himalaya Publishing, Mumbai.
4. Shekhar KC, ShekharLekshmy- Banking Theory and practices - Vikas Publishing House, New Delhi.

