

MBAS 562: LEGAL ASPECTS OF BANKING AND INSURANCE

Workload	04 hours per week
Examination	03 hours - 70 marks
Objectives	<ol style="list-style-type: none">1. Describe the legal aspects of banking and insurance2. Write down the law relating to securities3. Comprehend the legal framework of the insurance contract4. Identify the various law relating to insurance and various insurance documents and cases
Course Out come	<ol style="list-style-type: none">1. Understand the legal framework of regulation of Banking operations2. Understand the legal framework of aspects of banking operations.3. Understand the law relating to securities and modes of charging4. Understand the legal aspects of Insurance, insurance contract and documents.
Pedagogy	Lectures, assignments, practical exercises, discussions, seminars

Module 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.

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

Module 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.

Module 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.

Module 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.

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

Module 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.

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

Reference Books

1. Legal and Regulatory Aspects of Banking Operations – IIBF, 2/e, Mcmilan, New Delhi.
2. P.K.Gupta-Insurance & Risk Management ,2/e-Himalaya 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.

