

UNIVERSITY OF DELHI

Faculty of Law



LL.M (2/3 Year) II & IV Term
Course

Insurance Law and Banking

Course Code: 2YLM-207/3YLM-207

[2025-2026]

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Paper-2YLM-207/3YLM-207: Insurance Law & Banking

PART A INSURANCE LAW

TOPIC I

General Principles of Law of Insurance and Markets

- Development and History of Insurance Law
- Contract of insurance as a contract of adhesion
- Kinds of Insurance - Life Insurance, General Insurance, Fire Insurance, Marine Insurance, and Emerging types of insurance like Health insurance, Pet insurance, Theft insurance, Crop insurance, etc

Principles of Insurance and Legal framework

- Essential Elements of Insurance Contracts: Insurable Interest ; Indemnity; Subrogation, Contribution, Re-insurance; Double Insurance; Mitigation of risk; Premium
- Principles of Insurance Contracts - *Uberrimae fidei* (or *uberrima fides*); Causa Proxima
- Rules of Interpretation of Insurance Contracts

Suggested Cases:

1. Pink v. Fleming (1890) 25 QBD 396
2. Mithoolal Nayak v. Life Insurance Corporation of India. AIR 1962 SC 814
3. Kasim Ali Bulbul v. New India Assurance Co. AIR 1968 J & K 39
4. Smt. Krishna Wanti Puri v. Life Insurance Corporation of India, AIR 1975 Del. 19
5. Smt. Dipashri v. Life Insurance Corporation of India, AIR 1985 Bom 192
6. Life Insurance Corporation of India v. Asha Goel, AIR 2001 SC 549
7. New India Assurance Co. Ltd. V. M/s Zuari Industries Ltd. (2009) 9 SCC 70
8. Simmonds v. Cockell (1920) All ER Rep. 162

9. Harris v. Poland (1941) All ER 204: 1 K.B.D. 204
10. Vikram Greentech (I) Ltd. v. New India Assurance Co. Ltd AIR 2009 SC 2493
11. Bajaj Allianz General Insurance Co. Ltd. and Ors. v. The State Of Madhya Pradesh, Supreme Court Judgment dated: 24.04.2020

TOPIC II

Insurance Legislations

THE INSURANCE ACT 1938 - Nature and scope; Definitions- Policy Holder - S.2(2); Fire Insurance Business- S. 2(6A); General Insurance Business- S. 2(6B); Health Insurance Business- S.2(6C); Insurer - S. 2(9); Insurance agent - S.2(10); Life Insurance Business - S.2(11); Marine Insurance Business - S.2(13A); Policy not to be called in question on ground of mis-statement after two years - S.45

THE INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY ACT, 1999

IRDA - Duties, Powers and Functions

Part B BANKING LAWS

TOPIC III

Introduction to Banking

- Indian Banking System -Features, Money Lenders
- Narsimham Committee Report and its impact on banking sector reforms
- Current regime of Insolvency in India and its impact on the Banking Sector
- Legislative measures: Control over organization of Banks; Regulation of Banking Business; Returns- Inspection and winding up;

1. The Banking Regulation Act, 1949-

- Interpretations - Banking - S.5(b); Banking Company - S.5(c); Banking Policy - S. 5(ca);
- Definition of 'bank', 'banker', 'banking', 'banking companies'
- Development of banking business and companies;
- Regulations and restrictions;
- Powers and control exercised by the Reserve Bank of India (B.R. Act, sections 5-36AD)
- The Banking Regulation (Amendment) Act, 2017 - Provisions regarding Non-performing Assets (NPAs)
- Functions of RBI.
- Monetary and Credit Policy

- Licensing of Banks.
 - Amalgamation of Banking Companies.
 - Suspension of Business and Winding Up.
2. **Reserve Bank of India Act, 1934 -**
- Establishment and Incorporation of Reserve Bank - Sec 3
 - Central Banking Functions - 20-28A, 38-43
 - Collection and Furnishing of Credit Information - 45A-45F
 - Provisions Relating To Non-Banking Institutions Receiving Deposits And Financial Institutions 45H-45QB
3. **The Insolvency and Bankruptcy Code, 2016 -**
- General overview;
 - Definitions - Corporate Debtor - S. 3(8); Insolvency Professional- S.3(19); Secured Creditor - S.3(30); Adjudicating Authority - S.5(1); Corporate Applicant - S.5(1); Financial Creditor - S.5(7); Information Memorandum - S.5(10) and S. 29; Operational Creditor - S. 5(20);
 - Chapter II- Corporate Insolvency Resolution Process (CIRP) - Sections 6-32A

Suggested Cases:

1. R.C. Cooper v. Union of India, AIR 1970 SC 564
2. Sajjan Bank (Private) Ltd. v. Reserve Bank of India, AIR 1961 Mad. 8
3. Small Industries Development Bank of India v. M/S Sibco Investment Pvt. Ltd. Supreme Court Judgment dated: 3 January, 2022
4. M/S Integrated Finance Co. Ltd v. Reserve Bank of India, (2015) 13 SCC 772
5. Vivek Narayan Sharma v. Union of India, Decided on 2 January, 2023

Topic IV

The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI)

- Background and Objective of the Act
- Definitions :
 - Asset Reconstruction
 - Asset Reconstruction Company
 - Central Registry
 - Default
 - Non-performing Asset
 - Qualified Institutional Buyer
- Enforcement of Security Interest (Sec. 13)

- Application against measures to recover secured debts (Sec. 17)
- Central Registry (Ss. 20, 20A, 20B, 21)
- Civil Court not to have jurisdiction (Sec. 34)

Suggested cases:

1. Mardia Chemicals Ltd. v. U.O.I. & Ors., (2004) 4 SCC 311
2. Pandurang Ganpati Chaugule v. Vishwasrao Patil Murgud Sahakari Bank Limited, Supreme Court Judgment dated: 20 May 2020
3. The Enforcement of Security Interest and Recovery of Debts Laws and Miscellaneous Provisions (Amendment) Act, 2016

Topic V

Negotiable Instruments - The Negotiable Instruments Act, 1881

- Negotiable Instruments - Section 13
- Promissory Note - Section 4
- Bill of Exchange - Section 5
- Cheque - Section 6
- Parties to Negotiable Instruments - Section 7
- Holder and Holder in Due Course - Section 8 and 9
- Chapter XVII- Of Penalties In Case Of Dishonour Of Certain Cheques For Insufficiency Of Funds In The Accounts
- The Negotiable Instruments (Amendment) Act, 2015 - Relating to Territorial Jurisdiction
- Negotiable Instruments (Amendment) Act, 2018 - Relating to Interim Compensation

Suggested cases:

1. Ponnuswami Chettiar v. P. Vellaimuthu Chettiar, AIR 1957 Mad. 355
2. Ashok Yeshwant Badeve v. Surendra Madhavrao Nighojakar, AIR 2001 SC 1315
3. Lachmi Chand v. Madanlal Khemka, AIR 1947 All. 52
4. C.C. Alavi Haji v. Palapetty Muhammed.2007 (7) SCALE 380
5. Rangappa v. Sri. Mohan (2010) 11 SCC 441
6. Laxmi Dyechem v. State of Gujarat and Ors. (2012) 13 SCC 375
7. MSR Leathers v. S. Palaniappan 2012 ALL SCR 3025
8. G. J. Raja v. Tejraj Surana AIR 2019 SC 3817
9. Surinder Singh Deswal and Ors. v. Virender Gandhi (2019) 8 SCALE 445

Topic VI

Emerging Concepts in Banking: Issues and Challenges (Self Study & Group Discussion Module)

- Internet Banking
- Mobile banking and E- Payments
- ATM Card/Debit/Credit card, /Google pay etc.RTGS/NEFT Banking Ombudsman
- Consumer Protection and banking services
- Digital Currency, Bitcoin and Unregulated Currency

PRESCRIBED READINGS

1. A K Mysamy & P S Suman, Supreme Court on Insolvency and Bankruptcy Cases - An Encyclopedia of Cases(Lexis- Nexis, 1st Edn,2021)
2. B.R Sharma, bank Frauds -Prevention and Detection (Also includes Computer and Credit Card Crimes),Lexis Nexis ,4th Edn, 2016
3. Datta. C R, Kataria, S K, Banker's manual , Vol. 1& 2 Commentary on banking laws & allied acts, (24th Edn, LexisNexis Butterworth's Wadhwa Nagpur,2011)
4. Tannan M.L, Banking Law, and Practice in India ,(29th Edn.Lexis Nexis ,2021)
5. Saha ray, H K; Saha ray, Madhusudan, Negotiable instruments Act 1881, Dishonor of cheques, (3rd edn. Premier Publishing co., Allahabad, 2011)
6. Sharma, D K, Dishonor of cheques,(India Law House New Delhi,2012)
7. Laxman Rao, Narayan, Dishonor of cheques: Law and Practice (2nd ed., S Gogia and Company, Hyderabad, 2004)
8. .Tannan M.L,Kothari Vinod, Banking Law &Practice in India ,(28th Edn ,EBC,2021)
9. Hapgrood, Mark, Paget's Law of Banking, (13th edn. Butterworths Law, 2006)
10. Gupta. S.N.: Dishonor of Cheques-Liability Civil &Criminal (5th Edn. Universal Law publishing co. pvt. ltd., New Delhi, 2006)
11. . P.S Narayana, Whitesmann's Acquittal of Accused in Dishonor of Cheques (2007-2021)
12. S.N Gupta, Universal Dishonor of Cheques Liability Civil and Criminal,

(Universal Publishing House Ninth Edition 2017)

13. Wasim Beg, M.R. Malik, Dishonor of Cheques, Law & Justice Publishing Co. 2020)
14. S.K Awasthi, Sandeep Minocha , Conviction in Dishonor of Cheques, Key Legals Publications, 2020)
16. David L. Bickelnaup, General Insurance, 10th ed. (USA; Richard D. Irwin, Inc,
17. Avtar Singh, Principles of Insurance law, 7th ed. (Nagpur; Wadhwa & Co, 2002).
18. E.R. Hardy Iva my, General Principles of Insurance Laws, 6th ed. (London; Butterworth's, 1993).
19. John Birds & Norma J. Herd, Bird's Modern Insurance law, 6th ed. (London; Sweet & Maxwell, 2004).
20. K.S.N Murthy & Dr. KVS Sarma, Modern Law of Insurance in India, 4th ed. (New Delhi; Lexis Nexis Butterworths, 2002).
21. 22.M N Srinivasan's Principles of Insurance law, 7th ed. (Nagpur; Wadhwa & Co, 2002).

Further Reading materials online

Bhupal Bhattacharya, The Role and Impact of the Insurance Regulatory and Development Authority on the Growth and Development of the Indian Insurance Market <https://lawjournals.celnet.in/index.php/jbil/article/view/1261>

Geetanjali Nataraj Ashwani , Banking Sector Regulation in India: Overview, Challenges and Way Forward. <https://journals.sagepub.com/doi/10.1177/0019556118783065>

Kusum W. Ketkar and Suhas L. Ketkar, "Bank Nationalization, Financial Savings, and Economic Development: A Case Study of India", 27 The Journal of Developing Areas 69 (1992) available from <https://www.jstor.org/stable/4192167>

Anamitra Roy and Aamarpali Roy, "Nationalization of Commercial Banks in India" available at https://www.researchgate.net/publication/343335927_Nationalization_of_Commercial_Banks_in_India

Manju Rajan Babu and Ashok Kumar M. "Evaluating the nationalization & privatization effect: a case of Indian banking industry", available at

https://www.businessperspectives.org/images/pdf/applications/publishing/templates/article/as_sets/9930/BBS_2018_01_Babu.pdf

Ram Naresh Chaudhary ,SUPREME COURT ON DISHONOUR OF CHEQUES Available at <http://www.dehradunlawreview.com/wp-content/uploads/2020/06/4-Supreme-Court-on-dishonour-of-cheques.pdf>

Aparna Das, Apurba Pattana yak and Suvangi Ray, Critical Analysis of Section 138 of Negotiable Instruments Act, 1881 available at <https://www.ijlmh.com/paper/critical-analysis-of-section-138-of-negotiable-instruments-act-1881/>

Pre And Post-Summons Online Mediation, Summons Via SMS/WhatsApp, Disclosure Of Defense Before Trial [Read Amici Reports On Fast Disposal Of Cheque Case

<https://www.livelaw.in/top-stories/pre-and-post-summons-online-mediation-summons-via-smswhatsapp-disclosure-of-defence-before-trial-read-amici-reports-on-fast-disposal-of-cheque-cases-165110>

Competing in a new age of insurance: How India is adopting emerging technologies available at <https://www.pwc.in/assets/pdfs/consulting/financial-services/competing-in-a-new-age-of-insurance.pdf>

[https://www.lifeinscouncil.org/component/Insurance%20\(Amendment\)%20Act%202021.pdf](https://www.lifeinscouncil.org/component/Insurance%20(Amendment)%20Act%202021.pdf)

[Insurance Amendment Act 2021](#)

Sangeetha R, Dr. Mathew Jain, A comparative analysis on the business performance of private and public sector banks in India, available at s://indianjournals.com/ijor.aspx?target=ijor%3Aijmie&volume=3&issue=7&article=034&utm_source=TrendMD&utm_medium=cpc&utm_campaign=International_Journal_of_Management_IT_and_Engineering_TrendMD_0#IJ

Note: These suggested reading materials are not to be treated as exhaustive of the scope of the paper, students are expected to read and study the legislations as amended up-to-date,

case laws and consult the latest editions of books and research articles covered by the title of the paper.