

**SARDAR PATEL UNIVERSITY**  
**Programme & Subject: BA LLB**  
**Semester: IV**  
**Syllabus with Effect from: June - 2010**

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| <b>Paper Code: IL - 405</b>  | <b>Total Credit:</b> |
| <b>Title Of Paper: Banking Laws Including Negotiable Instruments Act</b> |                      |

| Unit                                       | Description in Detail  | Weightage (%) |
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| <b>(A) Banking Law</b>                     |  |               |
| I  | Nature and Development of Banking including Co-operative Banking   |               |
| II   | Constitutional Perspective<br>Schedule VII List-I Entry : 36, 37,38,43,44,45,46<br>Schedule VII List-II Entry : 30 of Constitution of India.   |               |
| III  | <b>Law Relating to Banking Companies in India</b><br><b>Banking Regulation, Act.1949</b><br>Lending by Banks<br>Securities for bank advances<br>Pledge<br>Bailment<br>Guarantees as security<br>Contract of guarantee and contract of indemnity<br>Kinds of guarantees: specific & continuing<br>Surety's rights and liabilities.<br>Repayment<br><b>Reserve Bank of India, Act, 1934</b><br>Section 45 only – as amended in 1997<br>Chapter-III-A : Collection and Funding of Credit Information<br>Chapter-III-B : Provisions relating to Non-Banking Institutions receiving deposits<br><b>Bankers' Books Evidence Act, 1891</b><br><b>Debt Recovery Tribunal Act, 1993</b><br>Recovery of Debts<br>Procedure<br>Powers & Functions<br>(Only Sections: 2(d) Bank, 2(g) Debt and Chapter III, IV & V)<br>The Banking Ombudsman Settlement of Dispute/Complaints relating to Banking Services |               |
| <b>(B) The Negotiable Instruments Act:</b> |  |               |
| I  | <b>Meaning and Definition of Negotiable Instruments</b><br>Characteristics of Negotiable Instruments<br>Kinds of Negotiable Instruments<br>presumptions as to Negotiable Instrument (Sec. 118 & 119)   |               |
| II   | Promissory Note, Bills of Exchange & Cheque<br>Its meaning, characteristics and points of difference between them  |               |
| III  | Parties to a Negotiable Instrument<br>Holder and Holder in due course  |               |
| IV   | <b>Dishonor of a Negotiable Instrument</b><br>Notice of dishonor   |               |



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|   | Noting and Protesting<br>Penalties in case of dishonor of certain cheque (New Chapter XVII - Secs.138 & 142)   |  |
| V | <b>Banker and Customer</b><br>Definition of Banker and Customer<br>Rights and obligations of Banker<br>When may a Banker dishonor a customers' Cheque?<br>When must a Banker dishonor a customers' Cheque?<br>Protection of Paying Banker<br>Protection of Collecting Banker |  |

### Statutory Material

- Reserve Bank of India Act, 1934
- Banking Regulation Act, 1949
- Negotiable Instruments Act, 1881
- Bankers' Books Evidence Act, 1891

### Basic Text & Reference Books:-

- Banking Law and Practice Universal, New Delhi, 1999 - T.K. Mukherjee
- Tannan's Banking Law and Practice in India Law house, New Delhi, 2000 - M.L. Tannen
- Banking Law and Practice Sultan Chand & Sons - P.N. Varshney
- The Banking Law in Theory and Practice Universal, New Delhi, 1999 - S.N. Gupta
- Banks & The Consumer Protection Law Universal, New Delhi - S.N. Gupta
- Negotiable Instruments Act, 1881 - Avtar Singh
- The Negotiable Instruments Act Bharath Law House, New Delhi, 1997 - Bhashyam and Adiga
- Kherganvala on The Negotiable Instruments Act Buterworth, New Delhi, 1998 -M.S. Parthasarathy
- Sethi's Commentaries on Banking Regulation Act And allied Banking Laws Law Publishers, Allahabad, 2000- G.S.N. Tripathi
- Recovery of Dept. due to Bankers and Financial Institutes Act, 1993 Asia Law House Ltd.

