

**SUBJECT : BANKING LAW INCLUDING NEGOTIABLE INSTRUMENTS ACT**  
**SUBJECT CODE : H3JD**

**Unit – I**

History of Banking – Different types of Banks including foreign companies – Nationalisation of major banks - RBI's control over commercial banks – Special status of RBI and State Bank of India – Subsidiary Banks.

**Unit – II – Banker and Customer:**

Definition of Banker & Customer and relationship between them – Special types of customer – Banker as Borrower – Different types of accounts – Duties and rights of the Banker and different types of instruments – Banker – Paying Banker and Collecting Banker.

**Unit – III – Laws relating to loans, advances and investments by Banks**

Subsidiary business operations of bankers with special reference to Safety Deposit Lockers – Liability of Banker in case of bank robberies and fraud by bank employees – Vicarious liability of the bank employees – Vicarious liability of the bank – Recovery of loans and advances – Recovery of debts due to banks, Financial Institutions Act, 1993.

**Unit – IV – Winding up of companies**

Effect of winding up of Banking Companies – Rights of customers on winding up of companies – Necessity for reforms in Indian Banking Law to meet global challenges – Banking ombudsman – Debt Recovery Tribunal – Sarsesi Act.

**Unit – V – Negotiable Instruments**

Definition and characteristics – Parties to negotiable instruments – Presentation – Negotiation discharge and dishonour – Liability – Various kinds of crossing – effect of crossing of cheque – Rights of holder and holder in due course against Banker – Civil and criminal liability for dishonour of cheques under Section 138 to Section 142 of the Amended Negotiable Instruments Act.

**Books for reference:**

1. Sir John Paget - Law of Banking
2. H.P. Sheldon - The Practice and Law of Banking

**Recommended Books for study:**

1. Tannan's – Banking law and Practice in India (India Law House, New Delhi)
2. Bhashyan & Adiga – Negotiable Instruments (Bharat Law House Pvt. Ltd., New Delhi.)

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