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इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।
Separate paging is given to this Part in order that it may be filed as a separate compilation

MINISTRY OF LAW AND JUSTICE
(Legislative Department)

New Delhi, the 27th December, 1985/Pausa 6, 1907 (Saka)

The following Act of Parliament received the assent of the President on the 27th December, 1985, and is hereby published for general information:—

THE BANKING LAWS (AMENDMENT) ACT, 1985
No. 81 OF 1985

[*27th December, 1985*]

An Act further to amend the Reserve Bank of India Act, 1934, the State Bank of India Act, 1955, the State Bank of India (Subsidiary Banks) Act, 1959, the Deposit Insurance and Credit Guarantee Corporation Act, 1961, the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, the Regional Rural Banks Act, 1976, the Deposit Insurance Corporation (Amendment and Miscellaneous Provisions) Act, 1978, the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980, the Export-Import Bank of India Act, 1981 and the National Bank for Agriculture and Rural Development Act, 1981.

BE it enacted by Parliament in the Thirty-sixth Year of the Republic of India as follows:—

CHAPTER I
PRELIMINARY

Short title and commencement.

1. (*1*) This Act may be called the Banking Laws (Amendment) Act, 1985.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint and different dates may be appointed for different provisions of this Act.

CHAPTER II

AMENDMENT TO THE RESERVE BANK OF INDIA ACT, 1934

Amendment of Act 2 of 1934.

2. In section 17 of the Reserve Bank of India Act, 1934, in clause (*4A*), in the proviso, for the words "ninety per cent. of the paid-up share capital", the words "twice the paid-up share capital" shall be substituted.

CHAPTER III

AMENDMENT TO THE STATE BANK OF INDIA ACT, 1955

Amendment of Act 23 of 1955.

3. In section 40 of the State Bank of India Act, 1955, in sub-section (*4*), the words "while it is in session for a total period of thirty days which may be comprised in one session or in two or more successive sessions" shall be omitted.

CHAPTER IV

AMENDMENT TO THE STATE BANK OF INDIA (SUBSIDIARY BANKS) ACT, 1959

Amendment of Act 38 of 1959.

4. In section 43 of the State Bank of India (Subsidiary Banks) Act, 1959, in sub-section (*3*), the words ", while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions" shall be omitted.

CHAPTER V

AMENDMENTS TO THE DEPOSIT INSURANCE AND CREDIT GUARANTEE CORPORATION ACT, 1961

Amendment of section 2.

5. In section 2 of the Deposit Insurance and Credit Guarantee Corporation Act, 1961 (hereafter in this Chapter referred to as the Deposit Insurance Corporation Act), in clause (*g*), after sub-clause (*i*), the following sub-clause shall be inserted, namely:— 47 of 1961.

"(*ia*) any amount due on account of any deposit with any insured bank which has been specially exempted in this behalf by the Corporation with the previous approval of the Reserve Bank; or".

Amendment of section 32.

6. In section 32 of the Deposit Insurance Corporation Act, in sub-section (*2*), the words ", while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions" shall be omitted.

CHAPTER VI

AMENDMENTS TO THE BANKING COMPANIES (ACQUISITION AND TRANSFER OF UNDERTAKINGS) ACT, 1970

Amendnent of section 3.

7. In section 3 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 (hereafter in this Chapter referred to as the 5 of 1970.

Bank Nationalisation Act), after sub-section (2), the following sub-section shall be inserted, namely:—

"(2A) Notwithstanding anything contained in subs-section (2), the paid-up capital of every corresponding new bank constituted under sub-section (1) may from time to time be increased by—

(a) such amounts as the Board of Directors of the corresponding new bank may, after consultation with the Reserve Bank and with the previous sanction of the Central Government, transfer from the reserve fund established by such bank to such capital:

(b) such amounts as the Central Government may, in consultation with the Reserve Bank, contribute to such paid-up capital;

Provided that the paid-up capital of any such bank shall in no case be in excess of rupees one hundred crores.".

Amendment of section 9.

8. In section 9 of the Bank Nationalisation Act, in sub-section (2), in clause (a), for the words "fifteen crores", the words "one hundred crores" shall be substituted.

Amendment of section 10.

9. In section 10 of the Bank Nationalisation Act, in sub-section (8), the words ", while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions" shall be omitted.

Change of name of United Commercial Bank and consequential amendment of the First Schedule, etc.

10. (1) The corresponding new bank known as the "United Commercial Bank" constituted under section 3 of the Bank Nationalisation Act shall be renamed as "UCO Bank", and accordingly in the First Schedule to the said Act, in column 2, for the words "United Commercial Bank", the letters and word "UCO Bank" shall be substituted.

(2) The change of name of United Commercial Bank by sub-section (1) shall not affect any rights and obligations of that bank or render defective any legal proceedings by or against it, and any legal proceedings which might have been continued or commenced by or against that bank by its former name may be continued or commenced by or against it by its new name.

CHAPTER VII

AMENDMENT TO THE REGIONAL RURAL BANKS ACT, 1976

Amendment of Act 21 of 1976.

11. Section 20 of the Regional Rural Banks Act, 1976 shall be renumbered as sub-section (1) thereof and after sub-section (1) as so renumbered, the following sub-section shall be inserted, namely:—

"(2) The Central Government shall cause every auditor's report and report on the working and activities of each Regional Rural Bank to be laid, as soon as may be after they are received, before each House of Parliament.".

CHAPTER VIII

AMENDMENT TO THE DEPOSIT INSURANCE CORPORATION (AMENDMENT AND MISCELLANEOUS PROVISIONS) ACT, 1978

Amendment of Act 21 of 1978.

12. In the Deposit Insurance Corporation (Amendment and Miscellaneous Provisions) Act, 1978, Chapter IV shall be omitted.

CHAPTER IX

AMENDMENTS TO THE BANKING COMPANIES (ACQUISITION AND TRANSFER OF UNDERTAKINGS) ACT, 1980

Amendment of section 3

13. In section 3 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980 [hereafter in this Chapter referred to as the Bank (Second) Nationalisation Act], after sub-section (2), the following sub-section shall be inserted, namely:— 40 of 1980

"(2A) Notwithstanding anything contained in sub-section (2), the paid-up capital of every corresponding new bank constituted under sub-section (1) may from time to time be increased by—

(a) such amounts as the Board of Directors of the corresponding new bank may, after consultation with the Reserve Bank and with the previous sanction of the Central Government, transfer from the reserve fund established by such bank to such paid-up capital;

(b) such amounts as the Central Government may, in consultation with the Reserve Bank, contribute to such paid-up capital:

Provided that the paid-up capital of any such bank shall in no case be in excess of rupees one hundred crores.".

Amendment of section 9.

14. In section 9 of the Bank (Second) Nationalisation Act, in sub-section (2), in clause (a), for the words "fifteen crores", the words "one hundred crores" shall be substituted.

Amendment of section 10.

15. In section 10 of the Bank (Second) Nationalisation Act, in sub-section (8), the words ", while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions" shall be omitted.

CHAPTER X

AMENDMENT TO THE EXPORT-IMPORT BANK OF INDIA ACT, 1981

Amendment of Act 28 of 1981.

16. In section 6 of the Export-Import Bank of India Act, 1981, in sub-section (2), for the words "three years", the words "five years" shall be substituted.

CHAPTER XI

AMENDMENTS TO THE NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT ACT, 1981

Amendment of section 6

17. In section 6 of the National Bank for Agriculture and Rural Development Act, 1981 (hereafter in this Chapter referred to as the National Bank Act),— 61 of 1981.

(a) in sub-section (2), the proviso shall be omitted;

(*b*) in sub-section (*3*),—

(*i*) in the opening portion, the words "and the Board" shall be omitted;

(*ii*) the proviso shall be omitted.

18. In section 7 of the National Bank Act,— Amendment of section 7.

(*a*) in sub-section (*1*), the proviso shall be omitted;

(*b*) after sub-section (*1*), the following sub-section shall be inserted, namely:—

"(*1A*) Notwithstanding anything contained in sub-section (*1*), the Central Government shall have the right to terminate the term of office of the Chairman at any time before the expiry of the term specified under that sub-section by giving him a notice of not less than three months in writing or three months' salary and allowances in lieu of such notice.".

R. V. S. PERI SASTRI,
Secy. to the Govt. of India.

IndiaCode

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