

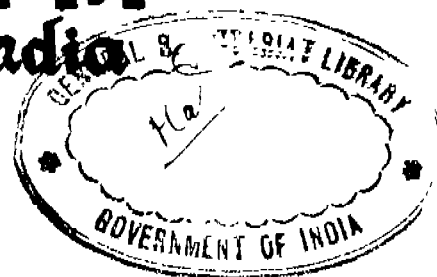
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भाग II—खण्ड 2
PART II—Section 2

प्राधिकार से प्रकाशित

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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.

LOK SABHA

The following Bills were introduced in Lok Sabha on 12th March, 2001:—

BILL NO. 24 OF 2001

A Bill further to amend the General Insurance Business (Nationalisation) Act, 1972.

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

1. (1) This Act may be called the General Insurance Business (Nationalisation) Amendment Act, 2001.

Short title
and com-
mencement.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

57 of 1972.

2. In section 9 of the General Insurance Business (Nationalisation) Act, 1972 (herein after referred to as the principal Act),—

Amendment
of section 9.

(a) in sub-section (1), the following proviso shall be inserted, namely:—

‘Provided that on and from the commencement of the General Insurance Business (Nationalisation) Amendment Act, 2001, the provisions of this sub-section shall have effect as if for the words “superintending, controlling and carrying on the business of general insurance”, the words “carrying on re-insurance business” had been substituted.’;

(b) in sub-section (2), the following proviso shall be inserted, namely:—

“Provided that the Central Government may, by notification, increase or reduce the authorised capital or subscribed capital, as the case may be, as it deems fit.”.

Insertion of
new section
10A.

3. After section 10 of the principal Act, the following section shall be inserted, namely:—

Transfer to
Central
Government
of shares
vested in
Corporation.

“10A. All the shares in the capital of the acquiring companies, being—

- (a) the National Insurance Company Limited;
- (b) the New India Assurance Company Limited;
- (c) the Oriental Insurance Company Limited;
- (d) the United India Insurance Company Limited,

and vested in the Corporation before the commencement of the General Insurance Business (Nationalisation) Amendment Act, 2001 shall, on such commencement, stand transferred to the Central Government.”.

Amendment
of section 18.

4. In section 18 of the principal Act,—

(a) in sub-section (1), after clause (e), the following proviso shall be inserted, namely:—

“Provided that all the functions of the Corporation specified in this sub-section, on and from the commencement of the General Insurance Business (Nationalisation) Amendment Act, 2001, shall be performed by the Central Government.”;

(b) in sub-section (2), for the word “Corporation”, the words “Central Government” shall be substituted.

Amendment
of section 19.

5. In section 19 of the principal Act, in sub-section (3), for the word “Corporation”, the words, brackets and figures “Central Government or the Insurance Regulatory and Development Authority established under sub-section (1) of section 3 of the Insurance Regulatory and Development Authority Act, 1999” shall be substituted.

41 of 1999.

Amendment
of section 22

6. In section 22 of the principal Act, for the words “The Corporation may at any time transfer any officer”, the words “The Central Government or any person authorised by it, may at any time transfer any officer” shall be substituted.

Amendment
of section
24A.

7. In section 24A of the principal Act, the following proviso shall be inserted, namely:—

“Provided that the Corporation shall, on and from the commencement of the General Insurance Business (Nationalisation) Amendment Act, 2001, cease to carry on general insurance business.”.

Amendment
of section 39.

8. In section 39 of the principal Act, in sub-section (2), for clause (b), the following clauses shall be substituted, namely:—

“(b) the conditions, if any, subject to which the Corporation shall carry on re-insurance business;

(ba) the conditions, if any, subject to which the acquiring companies shall carry on general insurance business.”.

STATEMENT OF OBJECTS AND REASONS

The General Insurance Corporation of India (GIC) was formed as a Government company under sub-section (1) of section 9 of the General Insurance Business (Nationalisation) Act, 1972 (GIBNA, 1972). It was entrusted with the task of superintending, controlling and carrying on the business of general insurance. On the formation of the GIC, the shares of the Indian insurance companies, which vested in the Central Government, were transferred to the GIC and all the Indian insurance companies became the subsidiaries of the Corporation. Under the schemes framed under GIBNA, 1972, the Indian insurance companies got merged in one another and ultimately four Indian companies, namely, the National Insurance Company Limited, the New India Assurance Company Limited, the Oriental Insurance Company Limited and the United India Insurance Company Limited are left which are so situated as to promote competition between them so that effective services in the field of general insurance be rendered by them in all parts of India.

2. The Insurance Regulatory and Development Authority Act, 1999 (IRDA) Act, 1999 incorporated a new sub-clause (c) in clause (7A) of section 2 of the Insurance Act, 1938 under which an Indian insurance company can carry on life insurance business or general insurance business or re-insurance business. Clause (ii) of sub-section (8) of section 101A of the Insurance Act, 1938 also defines the expression "Indian re-insurer" to mean an insurer, specified in sub-clause (b) of clause (9) of section 2 of the said Act, who carries on exclusively re-insurance business and is approved in this behalf by the Central Government.

3. At present, the General Insurance Corporation of India (GIC) is undertaking re-insurance business in India and also underwriting direct general insurance business in civil aviation and crop insurance. GIC is also the holding company of four subsidiary insurance companies mentioned in the first paragraph which are carrying on general insurance business. In view of the aforesaid provisions in the Insurance Act, 1938 and the IRDA Act, 1999, GIC can carry on exclusively re-insurance business or general insurance business. The Central Government has decided to entrust re-insurance business to GIC and delink the said four subsidiary companies carrying on general insurance business from GIC. While the ceasing of underwriting of civil aviation and crop insurance business by GIC is being dealt with administratively, it is proposed to delink GIC from its subsidiaries by making necessary amendments in GIBNA, 1972.

4. With the enactment of GIBNA in the year 1972, the share capital of insurance companies which stood transferred to and vested in the Central Government was immediately transferred to and vested in GIC. It is now proposed to transfer back to the Central Government, the share capital of the subsidiary companies [vested in GIC] by making necessary amendment in GIBNA, 1972.

5. The Bill seeks to achieve the above objects.

YASHWANT SINHA.

NEW DELHI;

The 22nd February, 2001.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 8 of the Bill seeks to amend section 39 of the General Insurance Business (Nationalisation) Act, 1972 to empower the Central Government to make rules to provide for the conditions subject to which the Corporation shall carry on re-insurance business and the acquiring companies shall carry on general insurance business.

2. The matters in respect of which rules may be made are matters of procedure and administrative detail and it is not practicable to provide for them in the Bill itself.

3. The delegation of legislative power is, therefore, of a normal character.

BILL NO. 23 OF 2001

A Bill to repeal the Hyderabad Export Duties (Validation) Act, 1955.

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

1. (1) This Act may be called the Hyderabad Export Duties (Validation) Repeal Act, 2001. Short title.

2. The Hyderabad Export Duties (Validation) Act, 1955 is hereby repealed.

Repeal of
Act 20 of
1955.

STATEMENT OF OBJECTS AND REASONS

The Hyderabad Export Duties (Validation) Act, 1955 was enacted to validate the levy and collection of certain duties on export of goods from the erstwhile State of Hyderabad to other States during the period from the 4th February, 1945 to the 30th September, 1954. The Commission on Review of Administrative Laws which was set up by the Central Government on the 8th May, 1988, *inter alia*, recommended repeal of the Hyderabad Export Duties (Validation) Act, 1955 which has become obsolete and hence its retention as a separate Act is considered unnecessary.

2. The Government of Andhra Pradesh was consulted in the matter and it has no objection to repealing the Act.

3. Since the objective of the Act to validate certain actions taken during specific period has already been achieved, the Act is no longer relevant and is proposed to be repealed.

4. The Bill seeks to achieve the above object.

YASHWANT SINHA.

NEW DELHI;
The 2nd February, 2001.

G. C. MALHOTRA,
Secretary-General.