

THE STATE BANK OF INDIA (AMENDMENT)

ACT, 1955.

ACT NO. 33 OF 1955

Repealed by Act 58 of 1960,

S. 2 & Sch. I (copy 26-12-60)

[21st September, 1955]

An Act to amend the State Bank of India Act, 1955.

BE it enacted by Parliament in the Sixth Year of the Republic of India as follows:—

1. This Act may be called the State Bank of India (Amendment) Act, 1955. **Short title.**

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Amendment of section 5. 2. In sub-section (1) of section 5 of the State Bank of India Act, 1955 (hereinafter referred to as the principal Act), for the words and figure "transferred to it by paragraph 2 of the First Schedule", the words and figure "transferred to and vested in it under section 6" shall be substituted.

Amendment of section 6. 3. In section 6 of the principal Act, for sub-section (3), the following sub-section shall be substituted, namely:—

"(3) Unless otherwise expressly provided by or under this Act, all contracts, deeds, bonds, agreements, powers of attorney, grants of legal representation and other instruments of whatever nature subsisting or having effect immediately before the appointed day and to which the Imperial Bank is a party or which are in favour of the Imperial Bank shall be of as full force and effect against or in favour of the State Bank, as the case may be, and may be enforced or acted upon as fully and effectually as if instead of the Imperial Bank the State Bank had been a party thereto or as if they had been issued in favour of the State Bank."

Amendment of section 16. 4. In sub-section (3) of section 16 of the principal Act, after the words "in existence", the words "in India" shall be inserted.

Substitution of new section for section 51. 5. For section 51 of the principal Act, the following section shall be substituted, namely:—

Requirements of foreign law to be complied with in certain cases.

"51. If, according to the laws of any country outside India, the provisions of this Act by themselves are not effective to transfer to and vest in the State Bank any asset or liability which forms part of the undertaking of the Imperial Bank and which is situate in that country, the Imperial Bank shall take all such steps as may be required by the laws of that country for the purpose of effecting or perfecting such transfer and vesting, and in connection therewith the Imperial Bank may realise any asset and discharge any liability and transfer the net proceeds thereof to the State Bank."

Insertion of new sections 54, 55, 56 and 57. 6. After section 53 of the principal Act, the following sections shall be inserted, namely:—

Amendment of Act 47 of 1920.

"54. The Imperial Bank of India Act, 1920, shall be amended in the manner directed in the Fifth Schedule.

47 of 1920.

No proceeding to lie in India against Imperial Bank after appointed day.

55. On and from the appointed day, no person shall make any claim or demand or take any proceeding in India against the Imperial Bank or a director, officer or other employee thereof in his capacity as such director, officer or employee except in so far as may be necessary for enforcing the provisions of this Act or except in so far as it relates to any offence committed by any such director, officer or employee.

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7 of 1920. 56. On and from the appointed day, any reference to the Imperial Bank or to the Bank of Bengal, the Bank of Madras or the Bank of Bombay in any law (other than this Act or the Imperial Bank of India Act, 1920) or in any contract or other instrument shall, except as otherwise provided in any general or special order made by the Central Government, be deemed to be a reference to the State Bank. References to the Imperial Bank, the Bank of Bengal, etc., in other laws.

7 of 1920. 57. (1) On such day as the Central Government may, by notification in the Official Gazette, specify in this behalf, the Imperial Bank shall stand dissolved, and the Imperial Bank of India Act, 1920, shall stand repealed. Dissolution of Imperial Bank, etc.

(2) On the day specified in the notification under subsection (1), the State Bank shall pay to the Reserve Bank a sum of ten lakhs of rupees.

(3) If, on the day specified in the notification under subsection (1), the Imperial Bank has in its possession or custody any assets created on or after the appointed day, such assets shall be disposed of in accordance with directions issued by the Central Government in this behalf."

7. After the Fourth Schedule to the principal Act, the following Schedule shall be added:— Insertion of new Schedule.

"THE FIFTH SCHEDULE

[See section 54]

AMENDMENTS TO THE IMPERIAL BANK OF INDIA ACT, 1920.

Section 2.—(a) Omit clauses (c), (d), (f), (g) and (ii)

(b) For clauses (j), (k), (l) and (m), substitute—

“(j) ‘State Bank’ means the State Bank of India constituted under the State Bank of India Act, 1955.”

Section 3.—(a) In sub-section (2), for the words “Every person who, immediately before the appointed day, was registered as a shareholder or as a holder of stock in any of the Presidency Banks, together with such other persons as may from time to time become shareholders in the Bank in accordance with the provisions of this Act, shall, as long as they are shareholders in the Bank,” substitute the following, namely:—

“The persons who for the time being are holding office as Chairman, Vice-Chairman and Managing Director of the State Bank shall”.

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(b) For sub-section (3), substitute—

“(3) The capital of the Bank shall consist of ten lakhs of rupees which shall be paid to the Bank by the Reserve Bank of India on the 1st day of July, 1955.”

(c) Omit sub-section (4).

Omit sections 4, 5, 6, 7, 13, 13A, 14, 15, 16, 17, 18, 19 and 20.

For section 23, substitute the following:—

“23. The Bank shall have its Head Office in Bombay.”

For section 24, substitute—

“24. (1) The general superintendence of the affairs and business of the Bank shall be entrusted to the Chairman for the time being of the State Bank who may exercise all powers and do all such acts and things as may be exercised or done by the Bank or which, immediately before the 1st day of July, 1955, were required or permitted to be exercised or done by the Central Board or by any Local Board of the Bank, and accordingly references to the Central Board, if any, in this Act or in any Regulations made thereunder shall be construed as references to the Chairman for the time being of the State Bank.

(2) Any of the powers or functions conferred on the Chairman of the State Bank by sub-section (1) may be exercised or performed by any such officer or other employee of the State Bank as may be authorised by the Chairman by general or special order.”

Omit sections 25, 26, 27, 28 and 29.

Section 31.—In sub-section (2), omit clauses (a) to (j).

Section 32.—Omit sub-section (2).

After section 32, insert the following:—

“32A. (1) Every person (other than the Managing Director and Deputy Managing Director) who, immediately before the 1st day of July, 1955, had authority conferred by any notification issued under Regulation 51 of Schedule II or under bye-law 26 made under section 31 or under any power of attorney granted by the Bank to sign any instrument or perform or do any act or thing for and on behalf of the Bank, shall, on and from the aforesaid date, continue to have the same authority, and shall not, by reason of anything contained in the State Bank of India Act, 1955, be deemed to have vacated any office or employment held by him in the Bank immediately before

Head Office
of the Bank.

General
superinten-
dence of
affairs and
business of
Bank.

Persons
authorised
to act on
behalf of
Bank.

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the aforesaid date in connection with which such authority had been conferred on him, but the Bank may at any time revoke any such authority.

(2) Without prejudice to any other provision contained in this Act, the Bank may, by power of attorney, empower any person for and on behalf of the Bank to execute any instrument or to exercise any right or to perform or do any act or thing which may be executed, exercised, performed or done by the Bank.”.

In Schedule II,—

(a) omit Regulations 1 to 48;

(b) for Regulation 49 substitute—

“49. The common seal of the Bank shall not be affixed to any instrument except in the presence of the Chairman or the Vice-Chairman or a Managing Director of the State Bank, who shall sign his name to the instrument in token of his presence, and such signing shall be independent of the signing of any person who may sign the instrument as a witness, and unless so signed, such instrument shall be of no validity.”

Common Seal.

(c) in Regulation 51, for the words “The Managing Director and Deputy Managing Director, the secretaries and such other employees”, substitute the words “Such employees”, and omit the words “and to execute proxies to vote at meetings on behalf of shareholders from whom the Bank holds general powers-of-attorney” occurring at the end;

(d) to Regulation 52, add the following:—

“Provided that nothing contained in this Regulation shall have effect in relation to the holding of any office by, or the employment of any such person in, the State Bank.”;

(e) in Regulation 54(2), omit “signed by a majority of the Directors”;

(f) omit Regulations 55, 56, 57, 58, 60(2), 60A, 61, 62, 63 and 64;

(g) for Regulation 65, substitute the following:—

“65. A notice may be served on the Bank by leaving it at, or sending it by post to, the Head Office of the Bank.”

Service of notice on Bank.

Handwritten notes:
for all copies of the Act...
with the seal of the Bank

Amendments
deemed al-
ways to have
been made
in the prin-
cipal Act.

8. The amendments made by sections 2 to 7 shall be deemed always to have been made in the principal Act.

Repeal of
Ordinance
4 of 1955.

9. The State Bank of India (Amendment) Ordinance, 1955, is hereby repealed.
