

**THE LIFE INSURANCE CORPORATION (AMENDMENT)
ACT, 1965**

No. 33 OF 1965

[29th September, 1965.]

**An Act further to amend the Life Insurance Corporation
Act, 1956**

Be it enacted by Parliament in the Sixteenth Year of the
Republic of India as follows:—

Short title.

1. This Act may be called the Life Insurance Corporation
(Amendment) Act, 1965.

Amend-
ment of
section 26.

2. In the Life Insurance Corporation Act, 1956 (hereinafter refer- 31 of 1956.
red to as the principal Act), in section 26, for the words "business
of the Corporation, including a valuation of the liabilities of the
Corporation", the words "life insurance business of the
Corporation, including a valuation of the liabilities of the Corpora-
tion in respect thereto" shall be substituted.

Substi-
tution of
new
section for
section 28.

3. For section 28 of the principal Act, the following section shall
be substituted and shall be deemed always to have been so substitu-
ted, namely:—

Surplus
from life
insurance
business
how to be
utilized.

"28. If as a result of any investigation undertaken by the
Corporation under section 26 any surplus emerges, ninety-five
per cent. of such surplus or such higher percentage thereof as
the Central Government may approve shall be allocated to or
reserved for the life insurance policy-holders of the Corpora-
tion and after meeting the liabilities of the Corporation, if any,
which may arise under section 9, the remainder shall be paid to
the Central Government or, if that Government so directs, be
utilized for such purposes and in such manner as that Govern-
ment may determine."

Insertion
of new
section
28A.

4. After section 28 of the principal Act, the following section
shall be inserted, namely:—

Profits
from any
business
(other
than life
insurance
business)
how to be
utilized.

"28A. If for any financial year profits accrue from any busi-
ness (other than life insurance business) carried on by the
Corporation, then, after making provision for reserves and other
matters for which provision is necessary or expedient, the
balance of such profits shall be paid to the Central Government."