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## **Government of Mizoram**

### **PART V**

Acts of Parliament and ordinances promulgated by the President,

Bills introduced in the Parliaments of India;

Bills published before introduction in the parliament, and Report of Selection Committees presented or to be presented in the parliament.

No. LJD 22/73/146, the 28th February, 1974. The following Acts passed by the Parliament and assented to by the President and Published in the Gazette of India is republished for General Information.

## THE STATE BANK LAWS (AMENDMENT) ACT 1973

An  
Act

*further to amend the State Bank of India Act, 1955 and the State Bank of India (Subsidiary Banks) Act, 1959.*

Be it enacted by Parliament in the Twenty-fourth Year of the Republic of India as follows :—

### CHAPTER I

#### PRELIMINARY

1. (1) This Act may be called the State Bank Laws (Amendment) Act, 1973.

Short  
title and  
commen-  
cement.

(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

## AMENDMENTS TO THE STATE BANK OF INDIA ACT, 1955

- 23 of 1955      2. In section 2 of the State Bank of India Act, 1955 (hereinafter in this Chapter referred to as the State Bank Act), after clause (i), the following clause shall be inserted, namely :—  
 Amendment of section 2.  
                   “(j) “Workman” has the meaning assigned to it in the Industrial Disputes Act, 1947.”
- 14 of 1947
- Amendment of section 19      3. In section 19 of the State Bank Act, in sub-section (1) after clause (c) the following clauses shall be inserted, namely :—  
                   “(ca) one director, from among the employees of the State Bank, who are workmen, to be appointed by the Central Government in the manner provided in the rules made under this Act ;”  
                   “(cb) one director, from among such of the employees of the State Bank, as are not workmen, to be appointed by the Central Government in the manner provided in the rules made under this Act.”
- Amendment of section 20      4. In section 20 of the State Bank Act, after sub-section (3), the following sub-section shall be inserted, namely :—  
                   “(3A) A director appointed under clause (ca) or clause (cb) of sub-section (1) of section 19 shall hold office for such term, not exceeding three years, as the Central Government may specify and thereafter until his successor shall have been duly appointed, and shall be eligible for re-appointment.”
- Amendment of section 21      5. In section 21 of the State Bank Act, in sub-section (1), in clause (a), for the words “the secretary and treasurer,” the words “the chief general manager” shall be substituted.
- Amendment of section 21B.      6. In section 21B of the State Bank Act,—  
                   (i) for the words, brackets, figures and letters “in relation to any business that may be carried on or transacted by the State Bank under sub-section (1) of section 32 and

clauses (i) (excluding the proviso), (ii), (iii), (iv), to (vi), (vii), (viii), (ix) and (x) of section 33 and shall", the words, brackets letters and figures "in relation to the business of banking and the forms of business set out in clauses (a), (b), (c), (d), (e), (f), (g), (h), (i), (k), and (l), of sub-section (1) of section 6 of the Banking Regulation Act, 1949, and such other forms of business referred to in sub-section (1) of the said section 6, as may be approved by the Central Board in this behalf and shall also" shall be substituted; 10 of 1949

(ii) the following proviso shall be added at the end, namely :

"Provided that a Local Board shall transact the businesses of borrowing of money and the acquiring, holding, issuing on commission, under-writing and dealing in stock, funds, shares, debentures, debenture stock, bonds, obligations, securities and investments, only if the Central Board approves any of such businesses in this behalf and confers or assigns any of such businesses to the Local Board".

Amend-  
ment of:  
section 22.

7. In section 22 of the State Bank Act,—

(i) in clause (d) of sub-section (1), for the words "secretary and treasurer", the words "chief general manager" shall be substituted;

(ii) after clause (d) of sub-section (1) the following clause shall be inserted, namely :—

"(da) in the case of a director appointed under clause (ca) or clause (cb) of sub-section (1) of section 19,—

(i) he is not serving in the State Bank or has not been serving in it for a continuous period of at least five years, and

(ii) he is of such age that there is a likelihood of his attaining the age of superannuation during his term of office as a director; or";

(iii) in the proviso to clause (h) of sub-section (1), for the words "Provided that" the following shall be substituted, namely :—

"Provided that in the case of a director appointed under clause (ca) or clause (cb) of sub-section (1) of section 19, the disqualification mentioned in clause (d) shall not operate :

Provided further that"

8. In section 24 of the State Bank Act, in sub-section (3),—

Amend-  
ment of  
section 24.

(i) for the words, brackets and letter "nominated under clause (d)", the words, brackets and letters "appointed under clause (ca) or clause (cb) or nominated under clause (d)" shall be substituted;

(ii) for the word "nominate", the words "appoint or nominate, as the case may be," shall be substituted.

9. In section 25 of the State Bank Act,—

Amend-  
ment of  
section 25

(i) in sub-section (2), for the word "of a member of a Local Board other than the secretary and treasurer", the words brackets, letters and figures "a director appointed under clause (ca) or clause (cb) of sub-section (1) of section 19 or of a member of a Local Board other than the chief general manager" shall be substituted;

(ii) in sub-section (3), for the words "under this section" the words, brackets and figure "under sub-section (2)" shall be substituted;

(iii) after sub-section (3), the following sub-section shall be inserted, namely :—

"(4) Where any vacancy occurs before the expiry of the term of office of a director appointed under clause (ca) or clause (cb) of sub-section (1) of section 19, such vacancy shall be filled in accordance with the said clause (ca) or, as the case may be, clause (cb), and the director so appointed shall hold office for the period specified under sub-section (3A) of section 20."

10. In section 31 of the State Bank Act,—

Amend-  
ment of  
section 31

(i) in the proviso to sub-section (3),—

(a) in clause (ii), the word "or" shall be added at the end;

(b) after clause (ii), the following clause shall be inserted, namely :—

"(iii) an officer or other employee of the State Bank, if he is a director appointed under clause (ca) or clause (cb) of sub-section (1) of section 19."

(ii) in sub-section (4),—

(a) the words, "other than a managing director" shall be omitted ;

(b) for the words "any such director", the words "any director" shall be substituted.

Amend-  
ment of  
section 31A

11. In section 31A of the State Bank Act, in sub-section (4), for the words "other than the secretary and treasurer," the words "other than the chief general manager", shall be substituted

Substitution  
of new sec-  
tion for  
section 33.

12. For section 33 of the State Bank Act, the following section shall be substituted, namely :—

Other  
business  
which the  
State Bank  
may transact

"33. Subject to the other provisions contained in this Act, the State Bank may carry on and transact the business of banking as defined in clause (c) of section 3 of the Banking Regulation Act, 1949, and may engage in one or more of the other forms of business specified in sub-section (1) of section 6 of that Act,"

10 of 1949

Amend-  
ment of  
section 34

13. In section 34 of the State Bank Act, sub-sections (1), (2), (3) and (5) shall be omitted.

Amend-  
ment of  
section 39.

14. In section 39 of the State Bank Act, after the words "and balanced", the word "as" shall be inserted.

Amend-  
ment of  
section 40.

15. In section 40 of the State Bank Act,—

(i) in sub-section (1), for the words "within two months from the date on which its accounts are closed and balanced", the words, figures and letters "within three months from the 31st day of December, as on which its books are closed and balanced" shall be substituted;

(ii) to sub-section (1), the following proviso shall be added, namely :—

“Provided that the Central Government may, after consultation with the Reserve Bank, extend the said period of three months by such further period, not exceeding three months, as it may think fit”.

Amend-  
ment of  
section 41

16. In section 41 of the State Bank Act,—

(i) in sub-section (1), for the words “audited by two auditors”, the words “audited by two or more auditors” shall be substituted;

(ii) in sub-section (7), after clause (c), the following *Explanations* shall be deemed to have been inserted on and from the 1st day of December, 1934, namely :—

*Explanation 1.*—For the purpose of this Act,—

(a) the balance-sheet shall not be treated as not disclosing a true and fair view of the affairs of the State Bank, and

(b) the profit and loss account shall not be treated as not showing a true balance of profit or loss for the period covered by such account,

merely by reason of the fact that the balance-sheet or, as the case may be, the profit and loss account, does not disclose any matter which are, by the provisions of the Banking Regulation Act, 1949, read with the relevant provisions of this Act, not required to be disclosed.

10 of 1949

*Explanation 2.*—For the purposes of this Act, the accounts of the State Bank shall not be deemed as having not been properly drawn up on the ground merely that they do not disclose certain matters if—

(i) those matters are such as the State Bank is, by virtue of any provision contained in the Banking Regulation Act, 1949 read with the relevant provisions of this Act, or any other Act, not required to disclose; and

(ii) the provisions referred to in clause (i) are specified in the balance-sheet and profit and loss account of the State Bank or in the auditors' report."

17. In the section 42 of the State Bank Act, in sub-section (1),— Amendment of section 42.

(i) after the words "shall be held", the words "in each year" shall be inserted;

(ii) the words "before the end of March in each year" shall be omitted;

(iii) for the proviso, the following proviso shall be substituted, namely:—

"Provided that such annual general meeting shall be held before the expiry of six weeks from the date on which the balance-sheet, together with the profit and loss account and auditors' report, is, under sub-section (1) of section 40, forwarded to the Central Government or to the Reserve Bank, whichever date is earlier."

18. In section 49 of the State Bank Act,—

(i) in sub-section (1), for the words "make rules to carry out the purposed of this Act", the words "make rules to provide for all matters for which provision is necessary or expedient for the purpose of giving effect to the provisions of this Act" shall be substituted; Amendment of section 49

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

"(c) the manner of appointment of a director under clause (ca) or clause (cb) of sub-section (1) of section 19, and all other matters connected therewith or incidental thereto."



Amend-  
ment of  
section 50.

19. In section 50 of the State Bank Act, —

(i) in sub-section (2), for clause (g), the following clause shall be substituted, namely :—

“(g) the terms, conditions, stipulations, restrictions and limitations, if any, in the transaction by the State Bank of its businesses in regard to the advancing or lending of money or the discounting or purchase of any instrument, negotiable or otherwise, with or without reference to any security, purpose, amount, period or otherwise,”;

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

“(2A) All regulations made under this section shall have effect from such earlier or later date as may be specified in the regulations.”.

### CHAPTER III

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

Amend-  
ment of  
section 2

20. In section 2 of the State Bank of India (Subsidiary Banks) Act, 1959, (hereinafter in this Chapter referred to as the Subsidiary Banks Act), after clause (i), the following clause shall be inserted, namely :—

“(m) “workman” has the meaning assigned to it in the Industrial Disputes Act, 1947.”.

Substitution  
of “manag-  
ing director”  
for “general  
manager”.

21. In the Subsidiary Banks Act, except in section 23 and sub-section (3) of section 49, for the words “general manager” wherever they occur, the words “managing director” shall be substituted.

Amend-  
ment of  
section 25.

22. In section 25 of the Subsidiary Banks Act, in sub-section (1),—

(i) after clause (a), the following clause shall be inserted, namely :—

"(xa) the managing director appointed under sub-section (1) of section 29, or under section 32";

(ii) after clause (c), the following clauses shall be inserted, namely :—

"(ca) one director, from among the employees of the subsidiary bank, who are workmen, to be appointed by the Central Government in the manner provided in the rules made under this Act;

(cb) one director, from among such of the employees of the subsidiary bank as are not workmen, to be appointed by the Central Government in the manner provided in the rules made under this Act".

Amend-  
ment of  
section 26.

23. In section 26 of the Subsidiary Banks Act, after sub-section (2), the following sub-section shall be inserted, namely :—

"(2A) A director appointed under clause (ca) or clause (cb) of sub-section (1) of section 25 shall hold office for such term, not exceeding three years, as the Central Government may specify and thereafter until his successor shall have been duly appointed, and shall be eligible for re-appointment".

Amend-  
ment of  
section 27.

24. In section 27 of the Subsidiary Banks Act, in sub-section (1),—

(i) in clause (d), after the words "the subsidiary bank", the words "other than the office of the managing director" shall be inserted;

(ii) after clause (d), the following clause shall be inserted, namely :—

"(da) in the case of a director appointed under clause (ca) or clause (cb) of sub-section (1) of section 25,—

(i) he is not serving in the subsidiary bank or has not been serving in it for a continuous period of at least five years; and

(ii) he is of such age that there is a likelihood of his attaining the age of superannuation during his term of office as a director; or";

(iii) in the second proviso, for the words "Provided further that", the following shall be substituted, namely:—

"Provided further that in the case of a director appointed under clause (ca) or clause (cb) of sub-section (1) of section 25, the disqualification mentioned in clause (d) shall not operate:

Provided also that".

25. In section 30 of the Subsidiary Banks Act, in the proviso, after the words "the chairman of the State Bank", the words "or the managing director of the subsidiary bank" shall be inserted. Amendment of section 30

26. In section 31 of the Subsidiary Banks Act, in sub-section (2), for the words, brackets and letter "nominated under clause (a)", the words, brackets and letters "appointed under clause (ca) or clause (cb) or nominated under clause (a)" shall be substituted. Amendment of section 31

27. In section 33 of the Subsidiary Banks Act,—

(i) in sub-section (1), after the words "director of a subsidiary bank", the words, brackets, letters and figures "other than the managing director or a director appointed under clause (ca) or clause (cb) of sub-section (1) of section 25" shall be inserted;

Amendment of section 33.

(ii) in sub-section (3), for the words "under this section", the words, brackets and figure "under sub-section (1)" shall be substituted;

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

"(3) Where any vacancy occurs before the expiry of the term of office of a director appointed under clause (ca) or clause (cb) of sub-section (1) of section 25, such vacancy shall be filled in accordance with the said clause (ca) or, as the case may be, clause (cb), and the director so appointed shall hold office for the period specified under sub-section (2A) of section 26".

28. In section 32 of the Subsidiary Banks Act, in the proviso to sub-section (5),—

Amendment of section 34.

(i) in clause (ii), the word "or" shall be added at the end;

(ii) after clause (ii), the following clauses shall be inserted, namely:—

"(iii) an officer or other employee of the State Bank, or any other institution, if he is the managing director appointed under sub-section (1) of section 29 or under section 32; or

(iv) an officer or other employee of the subsidiary bank, if he is a director appointed under clause (ca) or clause (cb) of sub-section (1) of section 25".

29. In section 37 of the Subsidiary Banks Act, for sub-section (1), the following sub-section shall be substituted, namely:—

Amendment of section 37.

"(1) Subject to the other provisions contained in this Act, a subsidiary bank may carry on and transact the business of banking as defined in clause (b) of section 5 of the Banking Regulation Act, 1949, and may engage in one or more of the other forms of business specified in sub-section of section 6 of that Act."

Amend-  
ment of  
section 39

30. In section 39 of the Subsidiary Banks Act, after the words "and balanced", the word "as" shall be inserted.

Amend-  
ment of  
section 41

31. In section 41 of the Subsidiary Banks Act, in sub-section (2),—

(a) in clause (a), for the words "exhibit a true and correct view", the words "exhibit a true and fair view" shall be substituted;

(ii) after clause (c), the following *Explanations* shall be inserted, namely:—

*Explanation 1.*—For the purposes of this Act,—

(a) the balance-sheet shall not be treated as not disclosing a true and fair view of the affairs of the subsidiary bank, and

(b) the profit and loss account shall not be treated as not showing a true balance of profit or loss for the period covered by such account,

merely by reason of the fact that the balance-sheet or, as the case may be, the profit and loss account, does not disclose any matters which are, by the provisions of the Banking Regulation Act, 1949, read with the relevant provisions of this Act, not required 10 of 1949 to be disclosed.

*Explanation 2.*—For the purposes of this Act, the accounts of the subsidiary bank shall not be deemed as having not been properly drawn up on the ground merely that they do not disclose certain matters if—

(i) those matters are such as the subsidiary bank is, by virtue of any provision contained in the Banking Regulation Act, 1949, read with the relevant provisions of this Act, or any other Act, not required to disclose, and

(ii) the provisions referred to in clause (i) are specified in the balance-sheet and profit and loss account of the subsidiary bank or in the auditor's report".

Amend-  
ment of  
section 43.

32. In section 43 of the Subsidiary Banks Act, in sub-section (1),—

(i) in clause (a), for the words "within three months from the date on which its accounts are closed and balanced" the words, figures and letters "within three months from the 31st day of December as on which its books are closed and balanced" shall be substituted;

(ii) after clause (b), the following proviso shall be inserted, namely:—

"Provided that the Reserve Bank may, after consultation with the State Bank, extend the said period of three months by such further period, not exceeding three months, as it may think fit".

Amend-  
ment of  
section 44.

33. In section 44 of the Subsidiary Banks Act,—

(i) in sub-section (1), for the words "annually before the end of March", the words "in each year" shall be substituted;

to sub-section (1), the following proviso shall be added, namely:—

"Provided that such annual general meeting shall be held before the expiry of six weeks from the date on which the balance-sheet, together with the profit and loss account and auditor's report, is, under sub-section (1) of section 43, forwarded to the State Bank, or to the Reserve Bank, whichever date is earlier".

Amend-  
ment of  
section 62.

34. In section 62 of the Subsidiary Banks Act,—

(i) in sub-section (1), for the words "make rules to give effect to the provisions of this Act", the words "make rules to provide for all matters for which provision is necessary or expedient for the purpose of giving effect to the provisions of this Act" shall be substituted;

(ii) in sub-section (2), after clause (j), the following clause shall be inserted, namely:—

“(g) the manner of appointment of a director under clause (ca) or clause (cb) of sub-section (1) of section 25 and all other matters connected therewith or incidental thereto”.

Amend-  
ment of  
section 63.

35. In section 63 of the Subsidiary Banks Act, after sub-section (2), the following sub-section shall be inserted, namely:—

“(2A) All regulations made under this section shall have effect from such earlier or later date as may be specified in the regulations”.

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No. LJD 22/73/146, the 28th February, 1974. The following Acts passed by the Parliament and assented to by the President and Published in the Gazette of India is republished for General information.

## THE FOREIGN AWARDS (RECOGNITION AND ENFORCEMENT) AMENDMENT ACT, 1973

AN  
ACT

to amend the Foreign Awards (Recognition and Enforcement) Act, 1961.

Be it enacted by Parliament in the Twenty-fourth Year of the Republic of India as follows:—

1. This Act may be called the Foreign Awards (Recognition and Enforcement) Amendment Act, 1973. Short title.

2. For section 3 of the Foreign Awards (Recognition and Enforcement) Act, 1961, the following section shall be substituted, namely:— Amendment of Act 43 of 1961.



Stay of  
proceed-  
ings in  
respect of  
matters to  
be referred  
to arbitra-  
tion.

"3. Notwithstanding anything contained in the Arbitration Act, 1940, or in the Code of Civil Procedure, 1908, if any party to an agreement to which Article II of the Convention set forth in the Schedule applies, or any person claiming through or under him commences any legal proceedings in any court against any other party to the agreement or any person claiming through or under him in respect of any matter agreed to be referred to arbitration in such agreement, any party to such legal proceedings may, at any time after appearance and before filing a written statement or taking any other step in the proceedings, apply to the Court to stay the proceedings and the Court, unless satisfied that agreement is null and void, inoperative or incapable of being performed or that there is not, in fact, any dispute between the parties with regard to the matter agreed to be referred, shall make an order staying the proceedings".

10 of 1940  
3 of 1908.

No. LJD 22/73/146, the 28th February, 1974. The following Acts passed by the Parliament and assented to by the President and Published in the Gazette of India is republished for General information.

## THE AUTHORISED TRANSLATIONS (CENTRAL LAWS) 1973.

Act

*to provide for authorised translations of Central laws in certain languages.*

Be it enacted by Parliament in the Twenty-fourth Year of the Republic of India as follows:—

1. (1) This Act may be called the Authorised Translations (Central Laws) Act, 1973.

Short  
title and  
commence-  
ment.

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

Authorised  
translations  
of Central  
laws in  
certain  
languages.

2. A translation in any language (other than Hindi) specified in the Eighth Schedule to the Constitution, published under the authority of the President in the Official Gazette,—

(a) of any Central Act or of any Ordinance promulgated by the President, or

(b) of any order, rule, regulation or bye-law issued under the Constitution or under any Central Act,

shall be deemed to be the authorised translation thereof in such language.

Power to  
make rules.

3. (1) The Central Government may, by notification in the Official Gazette, make rules for carrying out the purposes of this Act.

(2) Every rule made under this section shall be laid, as soon as may be after it is made, before each House of Parliament, 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, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

**THE CODE OF CIVIL PROCEDURE (AMENDMENT)  
ACT, 1973.**

**An**

**Act**

*further to amend the Code of Civil Procedure, 1908.*

Be it enacted by Parliament in the Twenty-fourth Year of the Republic of India as follows:—

Short  
title.

1. This Act may be called the Code of Civil Procedure, (Amendment) Act, 1973.

Substitution  
of new sec-  
tion for  
section 109.

2. For section 109 of the Code of Civil Procedure 1908 (hereinafter referred to as the said Code), the following section shall be substituted, namely:—

When  
appeals lie  
to the  
Supreme  
Court.

“109. Subject to the provisions in Chapter IV of Part V of the Constitution and such rules as may, from time to time, be made by the Supreme Court regarding appeals from the Courts of India, and to the provisions hereinafter contained an appeal shall lie to the Supreme Court from any judgment, decree or final order in a civil proceeding of a High Court, if the High Court certifies—

(i) that the case involves a substantial question of law of general importance; and

(ii) that in the opinion of the High Court the said question needs to be decided by the Supreme Court.”

Omission  
of section  
110.

3. Section 110 of the said Code shall be omitted.

Amend-  
ment of  
the first  
Schedule.

4. In the First Schedule to the said Code,—

(1) in Order XLV,—

(a) in rule 3, for sub-rule (1), the following sub-rule shall be substituted, namely—

“(1) Every petition shall state the grounds of appeal and pray for a certificate—

(i) that the case involves a substantial question of law of general importance, and

(ii) that in the opinion of the Court the said question needs to be decided by the Supreme Court”.

(b) rules 4 and 5 shall be omitted;

(2) in Appendix G, in Form No. 12, for the portion beginning with the words “TAKE notice” and ending with the words “the Supreme Court”, the following shall be substituted, namely—

“TAKE notice that.....has applied to this Court for a certificate—

(i) that the case involves a substantial question of law of general importance, and

(ii) that in the opinion of this Court the said question needs to be decided by the Supreme Court”.

K.N. Srivastava  
Under Secy.,  
Law & Judicial Deptt.,  
Mizoram, Aizawl.