

Rep. No. 58 of 1960, S. 2 & Sch. I (wg. 26.12.60)

## THE STATE BANK OF INDIA (AMENDMENT)

ACT, 1957

No. 21 of 1957

[8th June, 1957]

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

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

**Short title.** 1. This Act may be called the State Bank of India (Amendment) Act, 1957.

Amendment  
of section  
21.

2. In section 21 of the State Bank of India Act, 1955 (hereinafter referred to as the principal Act), after sub-section (2), the following sub-section shall be inserted, namely:—

“(2A) The chairman *ex officio* shall be a member of every Local Board and Local Committee constituted under this section.”

Amendment  
of section  
23.

3. To section 23 of the principal Act, the following proviso shall be added, namely:—

“Provided that nothing in clause (c) shall apply to the chairman in relation to his membership of a Local Board or of a Local Committee.”

Amendment  
of section  
33

4. In section 33 of the principal Act,—

(1) in clause (i),—

(a) after sub-clause (f), the following sub-clause shall be inserted, namely:—

“(ff) subject to such directions as may be issued by the Central Board, book-debts or other assets of any undertaking engaged in the financing of hire-purchase transactions which are hypothecated to the State Bank as security for such advances, loans or credits;”

(b) in sub-clause (h), for the words, brackets and letters "sub-clauses (f) and (g)", the words, brackets and letters "sub-clauses (f), (ff) and (g)" shall be substituted;

(2) after clause (x), the following clause shall be inserted, namely:—

"(xa) the acting as agent for the Central Government or any State Government or any corporation in implementing any scheme for financing the construction of dwelling houses, and in advancing or lending of money from out of the funds placed at its disposal as such agent by the Government or corporation to any person upon such security (including the security of any immovable property) and on such terms and conditions and for such periods as may, notwithstanding anything contained in this Act, be approved by the Government or corporation by which such funds have been placed;"

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

"(xixa) in consultation with the Reserve Bank and subject to the directions of the Central Board, the subscribing to, buying, acquiring, holding or selling of any shares or debentures of any such financial institution as may be notified by the Central Government in this behalf;

"(xixb) the advancing or lending of money to persons engaged in such industries or classes of industries as may be specified by the Central Board by directions issued in this behalf for any period in excess of six months but not exceeding seven years, and subject thereto and to such directions as may be issued by the Central Board, such advance or loan may be made on such terms and conditions and upon such security (including the security of any immovable property) as the State Bank may deem fit;

"(xixc) the advancing or lending of money to any co-operative housing society, all the members of which are officers or employees of the State Bank, and subject to such directions as may be issued by the Central Board, such advance or loan may be made for such periods in excess of six months, on such terms and conditions and upon such security (including the security of any immovable property) as the State Bank may deem fit;"

5. In sub-section (1) of section 42 of the principal Act, for the word "February", the word "March" shall be substituted.

Amendment of section 42,