

The State Bank of Saurashtra (Repeal) and The State Bank of India (Subsidiary Banks) Amendment Act, 2009

February 18, 2013

The State Bank of Saurashtra (Repeal) and the State Bank of India (Subsidiary Banks) Amendment Act, 2009¹

[No. 48 of 2009]

[December 31, 2009]

An Act to repeal the State Bank of Saurashtra Act, 1950 and further to amend the State Bank of India (Subsidiary Banks) Act, 1959

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

Prefatory Note—Statement of Objects and Reasons.—The State Bank of Saurashtra was constituted under the State Bank of Saurashtra Act, 1950 (10 of 1950) as amended by the State Bank of India (Subsidiary Banks) Act, 1959 (38 of 1959). All shares of the State Bank of Saurashtra vest in the State Bank of India. In view of the recent developments in international banking scenario and for better functioning, the State Bank of India has, with the sanction of the Central Government and in consultation with the Reserve Bank of India, entered into negotiations for acquiring the business, including the assets and liabilities of the State Bank of Saurashtra. The terms and conditions relating to such acquisitions were agreed upon by the Central Board of the State Bank of India and the Board of State Bank of Saurashtra in the form of a Scheme.

2. Thereafter, the Reserve Bank of India has approved the acquisition of the business of the State Bank of Saurashtra and in exercise of the powers conferred by sub-section (2) of Section 35 of the State Bank of India Act, 1955 (23 of 1955), the Central Government has accorded its sanction thereto. Accordingly, the Acquisition of the State Bank of Saurashtra Order, 2008 was published in the Gazette of India, vide, Notification No. G.S.R. 589(E), dated the 13th August, 2008. As per the said order, the business of the State Bank of Saurashtra has to be carried out by the State Bank of India in accordance with the State Bank of India Act, 1955. After the acquisition of the State Bank of Saurashtra by the Bank of India, the State Bank of Saurashtra ceased to exist and, therefore, it is necessary to repeal the State Bank of Saurashtra Act, 1950.

3. There are certain provisions in the State Bank of India (Subsidiary Banks) Act, 1959 (38 of 1959), which apply to the State Bank of Saurashtra. After the acquisition of the State Bank of Saurashtra by the State Bank of India, it is not necessary to retain such provisions in the State Bank of India (Subsidiary Banks) Act, 1959. Therefore, the amendment is necessary in the provisions of the said Act, in so far as they relate to the State Bank of Saurashtra. The amendments are consequential in nature, to make provisions empowering the State Bank of India to amend regulations as are applicable to the former employees of the State Bank of Saurashtra, their dependents and in respect of the employees of the State Bank of Saurashtra who opt to be governed by such regulations in accordance with the Scheme of acquisition.

4. The Bill seeks to achieve the above objectives.

1. Received the assent of the President on December 31, 2009 and published in the Gazette of India, Extra., Part II, Section 1, dated 31st December, 2009, pp. 1-3, No. 55

Chapter I – PRELIMINARY

1. Short title and commencement.

(1) This Act may be called the State Bank of Saurashtra (Repeal) and the State Bank of India (Subsidiary Banks) Amendment Act, 2009.

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

Chapter II – REPEAL OF THE STATE BANK OF SAURASHTRA ACT, 1950

2. Repeal and savings.

(1) The State Bank of Saurashtra Act, 1950 is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken including any agreement entered into, under the provisions of the State Bank of Saurashtra Act, 1950, by the State Bank of Saurashtra shall continue to be in force and have effect as if this Act has not been enacted.

(3) The mention of particulars in sub-section (2) shall not be held to prejudice or affect the general application of Section 6 of the General Clauses Act, 1897 (10 of 1897), with regard to the effect of repeal.



Chapter III – AMENDMENTS TO THE STATE BANK OF INDIA (SUBSIDIARY BANKS) ACT, 1959

3. Amendment of Section 2.

In Section 2 of the State Bank of India (Subsidiary Banks) Act, 1959 (38 of 1959) (hereinafter in this chapter referred to as the Subsidiary Banks Act),—

(i) in clause (a), sub-clause (iv) shall be omitted;

(ii) clause (i) shall be omitted;

(iii) in clause (k), the words “and the Saurashtra Bank” shall be omitted.

4. Amendment of Section 14.

In the Subsidiary Banks Act, in Section 14,—

(i) in the marginal heading, the words “, the Saurashtra Bank” shall be omitted;

(ii) in sub-section (1), the words “, the State Government of Gujarat in respect of the Saurashtra Bank” shall be omitted;

(iii) in sub-section (2) and in the proviso, the words “, the State Government of Gujarat”, and “or the State Government of Gujarat” shall, respectively, be omitted;

(iv) in sub-section (3), the words “, the State Government of Gujarat” shall be omitted; `

(v) in sub-section (4), the words “, the State Government of Gujarat” shall be omitted.

5. Amendment of Section 23.

In the Subsidiary Banks Act, in Section 23,—

(i) for the words “, the Hyderabad Bank and the Saurashtra Bank”, the words “and the Hyderabad Bank” shall be substituted;

(ii) for the words “, the Hyderabad Bank or the Saurashtra Bank,”, the words “or the Hyderabad Bank” shall be substituted.

6. Amendment of Section 42.

In the Subsidiary Banks Act, in Section 42, for the words “, the Hyderabad Bank or the Saurashtra Bank”, the words “or the Hyderabad Bank” shall be substituted.

7. Amendment of Section 46.

In the Subsidiary Banks Act, in Section 46,—

(i) in the marginal heading, the words “and the Saurashtra Bank” shall be omitted;

(ii) in sub-section (1), the words “or the Saurashtra Bank” shall be omitted;

(iii) the Explanation shall be omitted.

8. Amendment of Section 47.

In the Subsidiary Banks Act, in Section 47, in sub-section (1), for the words “, the Hyderabad Bank or the Saurashtra Bank”, the words “or the Hyderabad Bank” shall be substituted.

9. Amendment of Section 49.

In the Subsidiary Banks Act, in Section 49,—

(i) in sub-section (1), the words “or the Saurashtra Bank” shall be omitted;

(ii) in sub-section (2), the words “or of the Saurashtra Bank” shall be omitted;

(iii) in sub-section (3), the words “or the Saurashtra Bank” shall be omitted:

10. Amendment of Section 56.

In the Subsidiary Banks Act, in Section 56,—



(i) in the marginal heading, the words "and the State Bank of Saurashtra" shall be omitted;

(ii) the words "and the Saurashtra Bank" shall be omitted;

(iii) the words "or the Saurashtra Bank, as the case may be," at both the places where they occur, shall be omitted.

11. Amendment of First Schedule.

In the First Schedule to the Subsidiary Banks Act, in Paragraph 1, in sub-paragraph (A), for the words ", the Bank of Patiala or the Saurashtra Bank," the words "or the Bank of Patiala" shall be substituted.

