

Bill No. XX-F of 2021

THE INSURANCE (AMENDMENT) BILL, 2021

(AS PASSED BY THE HOUSES OF PARLIAMENT—

RAJYA SABHA ON 18 MARCH, 2021

LOK SABHA ON 22 MARCH, 2021)

ASSENTED TO ON 25 MARCH, 2021 ACT NO. 6 OF 2021

Bill No. XX-F of 2021

THE INSURANCE (AMENDMENT) BILL, 2021

(AS PASSED BY THE HOUSES OF PARLIAMENT)

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further to amend the Insurance Act, 1938.

BE it enacted by Parliament in the Seventy-second Year of the Republic of India as follows:—

1. (1) This Act may be called the Insurance (Amendment) Act, 2021.

Short title and commencement.

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

4 of 1938.

2. In the Insurance Act, 1938 (hereinafter referred to as the principal Act), in section 2, in clause (7A), for sub-clause (b), the following sub-clause shall be substituted, namely:—

Amendment of section 2.

"(b) in which the aggregate holdings of equity shares by foreign investors including portfolio investors, do not exceed seventy-four per cent. of the paid-up equity capital of such Indian insurance company, and the foreign investment in which shall be subject to such conditions and manner, as may be prescribed;"

Amendment of section 27. **3.** In section 27 of the principal Act, in sub-section (7), the *Explanation* shall be omitted.

Amendment of section 114. **4.** In section 114 of the principal Act, in sub-section (2), for clause (aaa), the following clause shall be substituted, namely:—

 "*(aaa)* the conditions and manner of foreign investment under sub-clause (*b*) of clause (7A) of section 2;"

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further to amend the Insurance Act, 1938.

(As passed by the Houses of Parliament)