

AS PASSED BY THE RAJYA SABHA  
ON THE 18TH MARCH, 2021

**Bill No. XX-C of 2021**

THE INSURANCE (AMENDMENT) BILL, 2021

(AS PASSED BY THE RAJYA SABHA)

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BILL

*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.

5 (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.

10 "(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;"

RAJYA SABHA

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*(As passed by the Rajya Sabha)*