

[Published in the Bangladesh Gazette, Extraordinary, dated the 11th August, 1984.]

GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH

MINISTRY OF LAW AND JUSTICE

NOTIFICATION

Dhaka, the 11th August, 1984

No. 726-Pub.—The following Ordinance made by the President of the People's Republic of Bangladesh, on the 7th August, 1984, is hereby published for general information:—

THE INSURANCE CORPORATIONS (AMENDMENT) ORDINANCE, 1984

Ordinance No. LI of 1984

AN

ORDINANCE

to amend the Insurance Corporations Act, 1973

WHEREAS it is expedient to amend the Insurance Corporations Act, 1973 (VI of 1973), for the purposes hereinafter appearing;

NOW, THEREFORE, in pursuance of the Proclamation of the 24th March, 1982, and in exercise of all powers enabling him in that behalf, the President is pleased to make and promulgate the following Ordinance:—

1. Short title.—This Ordinance may be called the Insurance Corporations (Amendment) Ordinance, 1984.

Price: 15 Paise

2. **Inscription of new section 14A, Act VI of 1973.**—In the Insurance Corporations Act, 1973 (VI of 1973), hereinafter referred to as the said Act, after section 14, the following new section shall be inserted, namely:—

"14A. **Transfer of certain immovable property by a Corporation.**—Notwithstanding anything contained in this Act, a Corporation shall, if the Government so directs, transfer any immovable property transferred to and vested in it under this Act to any insurer on a price fixed by the Government."

3. **Substitution of section 23, Act VI of 1973.**—In the said Act, for section 23 the following shall be substituted, namely:—

W "23. **Public property to be insured with the Sadharan Bima Corporation only.**—(1) All insurance business relating to any public property or to any risk or liability appertaining to any public property shall be placed with the Sadharan Bima Corporation and with no other insurer.

(2) Any policy of insurance taken or issued in contravention of subsection (1) shall be void:

Provided that any claim for loss, damage, compensation or refund of premium arising out of, or relating to, such policy shall be binding on the insurer.

(3) In this section, "public property" means—

(a) any property movable or immovable which belongs to, or the protection of which is, the legal responsibility of,—

- (i) the Government or a local authority; or
- (ii) any company, firm, undertaking, institution, organisation or other establishment which is managed or controlled by the Government or a local authority or in which the Government, by itself or jointly with a local authority or company managed or controlled by it, holds controlling financial share or interest or which is specified by the Government for the purpose of this section; and

(b) a project financed out of an external loan or with external aid until it reaches—

- (i) in the case of an industrial project, the stage at which it is capable of commencing normal production; and
- (ii) in the case of any other project, the stage at which it is capable of being put to the use for which it is intended.

23A. **Re-insurance.**—Every insurer registered and carrying on insurance business in Bangladesh shall re-insure with the Jiban Bima Corporation or the Sadharan Bima Corporation, as the case may be, on generally acceptable terms and conditions, such portion of his insurance business as he cannot retain on his own account; and the Jiban Bima Corporation and the Sadharan Bima Corporation shall also re-insure with

other insurers in Bangladesh, on generally acceptable terms and conditions, such portion of their insurance and re-insurance business as they cannot retain on their own account:

Provided that where, in any case, after reinsurance with other insurers in Bangladesh, the Jiban Bima Corporation or the Sadharan Bima Corporation finds that the insurance business required to be reinsured could not be fully reinsured, it may re-insure the remaining portion of the insurance business with any insurer outside Bangladesh:

Provided further that nothing in this section shall apply to any insurance business underwritten by any insurer at any time before the thirty first day of December, 1984."

4. Omission of section 26, Act VI of 1973.—In the said Act, section 26 shall be omitted.

DHAKA:

The 7th August, 1984.

H M ERSHAD, ndc, psc

LIEUTENANT GENERAL

President.

MD. ABUL BASHAR BHUIYAN
Deputy Secretary (Drafting).