

**MINISTRY OF CORPORATE AFFAIRS**

**NOTIFICATION**

New Delhi, the 18th June, 2014

**G.S.R. 413.(E).—** In exercise of the powers conferred under sub-clause (ii) of clause (a) of section 43, sub-clause (d) of sub-section (1) of section 54, sub-section (2) of section 55, sub-section (1) of section 56, sub-section (3) of section 56, sub-section (1) of section 62, sub-section (2) of section 42, clause (f) of sub-section (2)

of section 63, sub-section (1) of section 64, clause (b) of sub-section 3 of section 67, sub-section (2) of section 68, sub-section (6) of section 68, sub-section (9) of section 68, sub-section (10) of section 68, sub-section (3) of section 71, sub-section (6) of section 71, sub-section (13) of section 71 and sub-sections (1) and (2) of section 72, read with sub-sections (1) and (2) of section 469 of the Companies Act, 2013 (18 of 2013), the Central Government hereby makes the following rules to amend the Companies (Share Capital and Debentures) Rules, 2014, namely:-

1. (1) These rules may be called the Companies (Share Capital and Debentures) Amendment Rules, 2014.

(2) They shall come into force from the date of their publication in the Official Gazette.

2. In the Companies (Share Capital and Debenture) Rules 2014,-

(i) in rule 4, after sub-rule (6), for the Explanation, the following Explanation shall be substituted, namely:-

“Explanation.- For the purposes of this rule it is hereby clarified that equity shares with differential rights issued by any company under the provisions of the Companies Act, 1956 (1 of 1956) and the rules made thereunder, shall continue to be regulated under such provisions and rules.”.

(ii) in rule 13,

(a) in sub-rule (2), after clause (j), the following Explanation shall be inserted, namely:-

“Explanation.- For the purposes of these rules, it is hereby clarified that, till a registered valuer is appointed in accordance with the provisions of the Act, the valuation report shall be made by an independent merchant banker who is registered with the Securities and Exchange Board of India or an independent Chartered Accountant in practice having a minimum experience of ten years”.;

(b) after sub-rule (2), the following sub-rule shall be inserted, namely:-

“(3) The price of shares or other securities to be issued on preferential basis shall not be less than the price determined on the basis of valuation report of a registered valuer.”.

(iii) in rule 18,

(a) in sub-rule (1), in clause (a), for the proviso, the following proviso shall be substituted, namely:-

“Provided that the following classes of companies may issue secured debentures for a period exceeding ten years but not exceeding thirty years,

- (i) Companies engaged in setting up of infrastructure projects;
- (ii) ‘Infrastructure Finance Companies’ as defined in clause (viiia) of sub-direction (1) of direction 2 of Non-Banking Financial (Non-deposit accepting or holding) Companies Prudential Norms (Reserve Bank) Directions, 2007;
- (iii) ‘Infrastructure Debt Fund Non-Banking Financial companies’ as defined in clause of
- (b) direction 3 of Infrastructure Debt Fund Non-Banking Financial Companies (Reserve Bank) Directions, 2011”.

(b) in sub-rule (7), in clause (b), in sub-clause (ii), after the letters, brackets, words and figures “RBI (Amendment) Act, 1997”, the words “and for Housing Finance Companies registered with the National Housing Bank” shall be inserted.

[F.No. 01/04/2013(Part-I) CL-V]

AMARDEEP SINGH BHATIA, Jt. Secy.

**Note:-** The principal rules were published in the Gazette of India, Part II, Section 3, sub-section (i) *vide* no. G.S.R. 265(E), dated the 31st March, 2014.