रजिस्ट्री सं० डी०एल० 33004 / 97 REGISTERED NO. DL-33004/97

भारत का राजपत्र
The Gazette of India

असाधारण
EXTRAORDINARY
भाग II—खण्ड 1
PART II—Section 1
प्राधिकार से प्रकाशित
PUBLISHED BY AUTHORITY

सं० 22] नई दिल्ली, बुधवार, मार्च 19, 1997 / फाल्गुन 28, 1918
No. 22] NEW DELHI, WEDNESDAY, MARCH 19, 1997 / PHALGUNA 28, 1918

इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।
Separate paging is given to this Part in order that it may be filed as a separate compilation.

MINISTRY OF LAW AND JUSTICE
(Legislative Department)

New Delhi, the 19th March, 1997/Phalguna 28, 1918 (Saka)

The following Act of Parliament received the assent of the President on the 19th March, 1997, and is hereby published for general information:—

THE DEPOSITORIES RELATED LAWS (AMENDMENT) ACT, 1997

ACT NO. 8 OF 1997

[*19th March,* 1997.]

An Act further to amend the Indian Stamp Act, 1899, the State Bank of India Act, 1955, the Companies Act, 1956, the State Bank of India (Subsidiary Banks) Act, 1959, the Industrial Development Bank of India Act, 1964, the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980 and the Depositories Act, 1996.

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

CHAPTER I
PRELIMINARY

1. (*1*) This Act may be called the Depositories Related Laws (Amendment) Act, 1997. Short title and commencement.

(*2*) It shall be deemed to have come into force on the 15th day of January, 1997.

CHAPTER II
AMENDMENT TO THE INDIAN STAMP ACT, 1899

2. In section 8A of the Indian Stamp Act, 1899, for clause (*d*), the following clauses shall be substituted, namely:— Amendment of section 8A of Act 2 of 1899.

"(*d*) transfer of beneficial ownership of shares, such shares being shares of a company formed and registered under the Companies Act, 1956 or a body corporate established by a Central Act dealt with by a depository, shall not be liable to duty under article 62 of Schedule I of this Act; 1 of 1956.

(*e*) transfer of beneficial ownership of units, such units being units of a mutual fund including units of the Unit Trust of India established under sub-section (*1*) of section 3 of the Unit Trust of India Act, 1963 dealt with by a depository, shall not be liable to duty under article 62 of Schedule I of this Act.". 52 of 1963.

CHAPTER III

AMENDMENTS TO THE STATE BANK OF INDIA ACT, 1955

Amendment of section 13.

3. In section 13 of the State Bank of India Act, 1955 (hereafter in this Chapter referred to as the State Bank Act), in sub-section (*1*), the following proviso shall be inserted at the end, namely:— 23 of 1955.

"Provided that nothing in this sub-section shall apply to the shares held with a depository.".

Insertion of new section 13A.

4. After section 13 of the State Bank Act, the following section shall be inserted, namely:—

Register of beneficial owners.

"13A. The register of beneficial owners maintained by a depository under section 11 of the Depositories Act, 1996 shall be deemed to be a register of shareholders for the purposes of this Act.". 22 of 1996.

Amendment of section 15.

5. In section 15 of the State Bank Act, the following proviso and the *Explanation* shall be inserted at the end, namely:—

'Provided that nothing in this section shall apply to a depository in respect of shares held by it as a registered owner on behalf of the beneficial owners.

Explanation.—For the purposes of section 13, section 13A and this section, the expressions "beneficial owner", "depository" and "registered owner" shall have the meanings respectively assigned to them in clauses (*a*), (*e*) and (*j*) of sub-section (*1*) of section 2 of the Depositories Act, 1996.'. 22 of 1996.

CHAPTER IV

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

Amendment of section 21.

6. In section 21 of the State Bank of India (Subsidiary Banks) Act, 1959 (hereafter in this Chapter referred to as the Subsidiary Banks Act), the following proviso shall be inserted at the end, namely:— 38 of 1959.

"Provided that nothing in this section shall apply to the shares held with a depository.".

Insertion of new section 21A.

7. After section 21 of the Subsidiary Banks Act, the following section shall be inserted, namely:—

Register of beneficial owners.

"21A. The register of beneficial owners maintained by a depository under section 11 of the Depositories Act, 1996 shall be deemed to be a register of shareholders for the purposes of this Act.". 22 of 1996.

Amendment of section 22.

8. In section 22 of the Subsidiary Banks Act, the following proviso and the *Explanation* shall be inserted at the end, namely:—

'Provided that nothing in this section shall apply to a depository in respect of shares held by it as a registered owner on behalf of the beneficial owners.

IndiaCode

Explanation.—For the purposes of section 21, section 21A and this section, the expressions "beneficial owner", "depository" and "registered owner" shall have the meanings respectively assigned to them in clauses (*a*), (*e*) and (*j*) of sub-section (*1*) of section 2 of the Depositories Act, 1996.'.

22 of 1996.

CHAPTER V

AMENDMENTS TO THE COMPANIES ACT, 1956

1 of 1956.

9. After section 82 of the Companies Act, 1956 (hereafter in this Chapter referred to as the Companies Act), the following section shall be inserted, namely:— Insertion of new section 83.

"83. Each share in a company having a share capital shall be distinguished by its appropriate number: Numbering of shares.

Provided that nothing in this section shall apply to the shares held with a depository.".

10. In section 111A of the Companies Act,— Amendment of section 111A.

(*a*) in sub-section (*2*), the following proviso shall be inserted, namely:—

"Provided that if a company without sufficient cause refuses to register transfer of shares within two months from the date on which the instrument of transfer or the intimation of transfer, as the case may be, is delivered to the company, the transferee may appeal to the Company Law Board and it shall direct such company to register the transfer of shares.";

(*b*) for sub-section (*3*), the following sub-section shall be substituted, namely:—

"(*3*) The Company Law Board may, on an application made by a depository, company, participant or investor or the Securities Exchange Board of India, if the transfer of shares or debentures is in contravention of any of the provisions of the Securities and Exchange Board of India Act, 1992, or regulations made thereunder or the Sick Industrial Companies (Special Provisions) Act, 1985, or any other law for the time being in force, within two months from the date of transfer of any shares or debentures held by a depository or from the date on which the instrument of transfer or the intimation of the transmission was delivered to the company, as the case may be, after such inquiry as it thinks fit, direct any depository or company to rectify its register or records.".

15 of 1992.

1 of 1986.

11. In section 150 of the Companies Act, in sub-section (*1*), in clause (*b*), after the words "the shares held by each member", the words "distinguishing each share by its number except where such shares are held with a depository" shall be inserted. Amendment of section 150.

12. In section 152 of the Companies Act, in sub-section (*1*), in clause (*b*), after the words "the debentures held by each member", the words "distinguishing each debenture by its number except where such debentures are held with a depository" shall be inserted. Amendment of section 152.

CHAPTER VI

AMENDMENTS TO THE INDUSTRIAL DEVELOPMENT BANK OF INDIA ACT, 1964

18 of 1964.

13. In section 13B of the Industrial Development Bank of India Act, 1964 (hereafter in this Chapter referred to as the Development Bank Act), in sub-section (*1*), the following proviso shall be inserted at the end, namely:— Amendment of section 13B.

"Provided that nothing in this sub-section shall apply to the shares held with a depository.".

14. After section 13B of the Development Bank Act, the following section shall be inserted, namely:— Insertion of new section 13BA.

Register of beneficial owners

"13BA. The register of beneficial owners maintained by a depository under section 11 of the Depositories Act, 1996 shall be deemed to be a register of the shareholders for the purposes of this Act.". 22 of 1996

Amendment of section 13C.

15. In section 13C of the Development Bank Act, the following proviso and the *Explanation* shall be inserted at the end, namely:—

'Provided that nothing in this section shall apply to a depository in respect of shares held by it as a registered owner on behalf of a beneficial owner.

Explanation.— For the purposes of section 13B, section 13BA and this section, the expressions "beneficial owner", "depository" and "registered owner" shall have the meanings respectively assigned to them in clauses (*a*), (*e*) and (*j*) of sub-section (*1*) of section 2 of the Depositories Act, 1996.'. 22 of 1996

CHAPTER VII

AMENDMENTS TO THE BANKING COMPANIES (ACQUISITION AND TRANSFER OF UNDERTAKINGS) ACT, 1970

Amendment of section 3.

16. In section 3 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 (hereafter in this Chapter referred to as the Bank Nationalisation Act), in sub-section (*2F*), the following proviso shall be inserted at the end, namely:— 5 of 1970.

"Provided that nothing in this sub-section shall apply to the shares held with a depository.".

Amendment of section 3A

17. In section 3A of the Bank Nationalisation Act, the following proviso shall be inserted at the end, namely:—

"Provided that nothing in this section shall apply to a depository in respect of shares held by it as a registered owner on behalf of the beneficial owners.".

Insertion of new section 3B.

18. After section 3A of the Bank Nationalisation Act, the following section shall be inserted, namely:—

Register of beneficial owners.

'3B. The register of beneficial owners maintained by a depository under section 11 of the Depositories Act, 1996, shall be deemed to be a register of shareholders for the purposes of this Act. 22 of 1996.

Explanation.—For the purposes of section 3, section 3A and this section, the expressions "beneficial owner", "depository" and "registered owner" shall have the meanings respectively assigned to them in clauses (*a*), (*e*) and (*j*) of sub-section (*1*) of section 2 of the Depositories Act, 1996.'. 22 of 1996

CHAPTER VIII

AMENDMENTS TO THE BANKING COMPANIES (ACQUISITION AND TRANSFER OF UNDERTAKINGS) ACT, 1980

Amendment of section 3.

19. In section 3 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980 [hereafter in this Chapter referred to as the Bank (Second) 40 of 1980

Nationalisation Act], after sub-section (*2F*), the following proviso shall end, namely:—

"Provided that nothing in this sub-section shall apply to shares held with a depository.".

Amendment of section 3A.

20. In section 3A of the Bank (Second) Nationalisation Act, the following proviso shall be inserted at the end, namely:—

"Provided that nothing in this section shall apply to a depository in respect of shares held by it as a registered owner on behalf of the beneficial owners.".

Insertion of new section 3B.

21. After section 3A of the Bank (Second) Nationalisation Act, the following section shall be inserted, namely:—

Register of beneficial owners.

'3B. The register of beneficial owners maintained by a depository under section 11 of the Depositories Act, 1996, shall be deemed to be a register of shareholders for the purposes of this Act.

22 of 1996.

Explanation.—For the purposes of section 3, section 3A and this section, the expressions "beneficial owner", "depository" and "registered owner" shall have the meanings respectively assigned to them in clauses (*a*), (*e*) and (*j*) of sub-section (*1*) of section 2 of the Depositories Act, 1996.'.

22 of 1996.

IndiaCode

CHAPTER IX

AMENDMENT TO THE DEPOSITORIES ACT, 1996

Amendment of section 9 of Act 22 of 1996.

22. In section 9 of the Depositories Act, 1996, for sub-section (2), the following sub-section shall be substituted, namely:—

"(2) Nothing contained in sections 153, 153A, 153B, 187B, 187C and 372 of the Companies Act, 1956 shall apply to a depository in respect of securities held by it on behalf of the beneficial owners.".

1 of 1956.

CHAPTER X

MISCELLANEOUS

Repeal and saving.

23. (*1*) The Depositories Related Laws (Amendment) Ordinance, 1997 is hereby repealed.

Ord. 5 of 1997.

any action taken under the Indian
, the Companies Act, 1956, the State
, Industrial Development Bank of India
n and Transfer of Undertakings) Act, 1970,
ransfer of Undertakings) Act, 1980 and the
e said Ordinance shall be deemed to have been
provisions of those Acts, as amended by this Act.

K. L. MOHANPURIA,
Secy. to the Govt. of India.

IndiaCode

PRINTED BY THE MANAGER GOVERNMENT OF INDIA PRESS, (PLU) MINTO ROAD, NEW DELHI AND PUBLISHED BY THE CONTROLLER OF PUBLICATIONS, DELHI — 1997.