

-COPY OF-
CO LAW No 17/143/2011-CL.V
Dated: 06.06.2011

Subject: Companies (Dematerialization of Certificates) Rules, 2011

The Ministry of Corporate Affairs is considering to issue Companies (Dematerialization of Certificates) Rules, 2011 so that all public Companies and their subsidiaries which have raised money by issue of shares, debentures, by accepting public deposits, stock, bond or any other financial instruments from public, other than from directors of the company, shall be required to issue and keep such share certificates, debenture certificates and certificates issued for receipt of deposits, stock, bond or any other financial instruments in dematerialized form only, in the manner prescribed in the Depositories Act, 1996 and regulation made there under.

You are requested to examine the draft rules and furnish your comments / recommendations to the Ministry latest by 30th June, 2011 by e-mail on the following e-mail addresses.

monika.gupta@mca.gov.in

kamna.sharma@mca.gov.in

Yours faithfully,

(Monika Gupta)
Assistant Director

‘DRAFT’
[TO BE PUBLISHED IN THE GAZETTE OF INDIA EXTRAORDINARY PART
II, SECTION 3,
SUB SECTION (i)]
GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS

NOTIFICATION

New Delhi, the June, 2011

GSR_ (E). – In exercise of the powers conferred by clause (b) of sub-section (1) of section 642 read with section 84, 58(A), 610B & 610C of the Companies Act, 1956, the Central Government hereby makes the following rules, namely:

1. Short title and commencement:

(1) These rules may be called the Companies (Dematerialization of Certificates) Rules, 2011

2) They shall come into force from 1st October, 2011.

2. In these rules, unless the context otherwise requires.

(a) “Act” means the Companies Act, 1956 (1 of 1956);

(b) “certificate” means share certificate, debenture certificate, deposit certificate, stock, bond or any other certificate or financial instrument through which money has been raised from the public;

(c) The words & expressions used in these rules but not defined in these rules shall have the same meanings respectively assigned to them in the Act or Depositories Act, 1996.

3. All public Companies and their subsidiaries which have raised money by issue of shares, debentures, by accepting public deposits, stock, bond or any other financial instruments from public, other than from directors of the company, shall issue and keep such share certificates, debenture certificates and certificates issued for receipt of deposits, stock, bond or any other financial instruments in dematerialized form only, in the manner prescribed in the Depositories Act, 1996 and regulation made there under.

4. The companies falling in above categories shall convert their existing such certificates mentioned in para (3) above into dematerialized form by 30th September, 2011.