

MINISTRY OF CORPORATE AFFAIRS

ORDER

New Delhi, the 23rd October, 2017

S.O. 3400.(E).—Whereas, sub-section (1) of section 247 of the Companies Act, 2013 (18 of 2013) (hereafter referred to as the said Act) provides that where a valuation is required to be made in respect of any property, stocks, shares, debentures, securities or goodwill or any other assets or net worth of a company or its liabilities, it shall be valued by a person having such qualifications and experience and registered as a valuer in such manner, on such terms and conditions as may be prescribed and appointed by the audit committee or in its absence by the Board of Directors of that company. Sub-section (2) of section 247 provides for the functions and duties of registered valuers. Sub-sections (3) and (4) of said section provide for the punishment and the liability of the valuers;

And, whereas, a difficulty has arisen in view of the fact that there are a number of different organisations dealing with various, distinct group of assets, such as land and building, machinery and equipment, having separate set of valuers for valuation;

And, whereas, unless these different organisations are recognised, it would be difficult to ensure the required level of regulation for the valuers by registering them directly with the Central Government and further, it is necessary to recognise the varying standards of internal procedures and conduct practiced in these organisations to improve the standards in valuations in order to register the valuers under the said section;

And, whereas, although the said section provides for valuation to be made by a person having such qualifications and experience and registered as a valuer in such manner, on such terms and conditions as may be prescribed, there is a need to provide clarity and remove the difficulty of having no reference to an organisation to which the valuer may belong;

Now, therefore, in exercise of the powers conferred by sub-section (1) of section 470 of the Companies Act, 2013 (18 of 2013), the Central Government hereby makes the following Order to remove the above said difficulties, namely:-

1. **Short title and commencement.**- (1) This Order may be called the Companies (Removal of Difficulties) Second Order, 2017.

(2) It shall come into force from the 23rd day of October, 2017.

2. In the Companies Act, 2013, in section 247, in sub-section (1), for the words “a person having such qualifications and experience and registered as a valuer in such manner, on such terms and conditions as may

be prescribed”, the words “a person having such qualifications and experience, registered as a valuer and being a member of an organisation recognised, in such manner, on such terms and conditions as may be prescribed” shall be substituted.

[F.No. 1/27/2013-CL-V]

AMARDEEP SINGH BHATIA, Jt. Secy.