Banking Regulation Act, 1949

Section 13 - Restriction on Commission, Brokerage, Discount, Etc. on Sale of Shares

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Notwithstanding anything to thecontrary contained in 1 [sections 76 and 79 of the Companies Act, 1956 (1 of1956)], no banking company shall pay outdirectly or indirectly by way of commission, brokerage, discount orremuneration in any form in respect of any shares issued by it, any amountexceeding in the aggregate two and one-half per cent of the paid-up value ofthe said shares.

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1. Subsituted by Act 95 of 1956, Section 14 and Schedule I, for"section 105 and 105A of the Indian Companies Act, 1913 (7 of 1913)" w.e.f.14-1-1957.
