

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA
UNSTARRED QUESTION NO. 1088
ANSWERED ON THURSDAY, THE 29TH NOVEMBER, 2012
[AGRAHAYANA 8, 1934 (SAKA)]**

PAYMENT OF DIVIDEND

QUESTION

1088. DR. NILESH N. RANE:

Will the Minister of CORPORATE AFFAIRS कारपोरेट कार्य मंत्री
be pleased to state:

- (a) the quantum of un-claimed/unpaid dividends lying with the companies transferred to the Government during the last three years, year-wise;
- (b) whether the Government has laid down any norms/mechanism to ensure that the companies do not hold up payment of dividends by adopting unfair means; and
- (c) if so, the details thereof?

ANSWER

**THE MINISTER OF STATE (INDEPENDENT CHARGE)
IN THE MINISTRY OF CORPORATE AFFAIRS**

कारपोरेट कार्य मंत्रालय में राज्य मंत्री (स्वतंत्र प्रभार)

(SHRI SACHIN PILOT)

(श्री सचिन पायलट)

(a): The quantum of un-claimed and unpaid dividend, deposits and debentures lying with the companies transferred to the Government during the last three years, year-wise is given below:

| Financial year | Amount (in Lakh Rs.) |
|----------------|----------------------|
| 2009-10 | 1079.88 |
| 2010-11 | 1218.16 |
| 2011-12 | 2090.27 |

(b) & (c): The provisions of sections 205, 205A, 205C and 207 of the Companies Act, 1956 (Act), read with relevant rules, require the companies to pay/distribute the dividend declared by them within 30 days of declaration and keep the unpaid/unclaimed dividend, if any, in a Special Bank Accounts for a period up to seven years (for subsequent payment to relevant shareholders claimants). After the expiry of the said period of seven years, the amount is required to be transferred to the Investor Education and Protection Fund (IEPF) set up under section 205C of the Act. The procedural requirements/mechanism with regard to manner of such transfer has been provided under relevant rules. Non-compliance with these provisions is a punishable offence and necessary action is taken against the companies in appropriate cases. Further, in order to protect the interests of the investors and create awareness among them about the amounts of un-claimed and unpaid dividend, deposits and debentures lying in Special Bank Accounts of the companies, a web-site based disclosure framework has been notified by the Government. The Companies Bill, 2011 retains these provisions. Further, the said Bill allows refund of these amounts to the claimants even after such amounts have been transferred to IEPF.
