

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS
FINANCIAL MARKETS DIVISION

LOK SABHA
UNSTARRED QUESTION NO. 139

TO BE ANSWERED ON FRIDAY, 15th DECEMBER, 2017/ AGRAHAYANA 24, 1939 (Saka)

INVESTORS COMPLAINTS TO SEBI

QUESTION

139. SHRI ASHOK MAHADEORAO NETE:

Will the Minister of FINANCE be pleased to state:

- (a) whether Securities and Exchange Board of India (SEBI) has received complaints from investors against various companies during the last three years for not protecting the interest of small investors;
- (b) if so, the details thereof during the said period, company-wise; and
- (c) the action taken by SEBI against such companies?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PON RADHAKRISHNAN)

(a): Securities and Exchange Board of India (SEBI), the securities markets regulator, has informed that it has received complaints from investors against listed companies through its online grievance redressal system known as SEBI Complaints Redress System (SCORES). The complaints received include complaints regarding refund / allotment / dividend / transfer / bonus / rights / redemption / interest; buyback; corporate governance / listing conditions; delisting of securities; minimum public shareholding; prelisting/offer document (shares, debentures & bonds); takeover/restructuring; non-demat / remat, etc.

(b): Since company-wise information for the last three years is voluminous, a summary data with regard to complaints received by SEBI against the listed companies in the last three financial years is given below:

Complaints against listed companies	2014-15	2015-16	2016-17
Total number of complaints received	12,536	14,978	12,701

(c): SEBI takes up the grievances lodged by investors with the respective company and monitors on a regular basis. The company is required to respond in a prescribed format in the form of an action taken report (ATR). If the response of the company is insufficient / inadequate, follow-up action is initiated. In cases where progress in redressal of investor grievances is not satisfactory, SEBI takes appropriate enforcement actions provided under the law which, *inter-alia*, includes adjudication, Section 11B Directions, prosecution, etc. Further, companies are required to file an ATR within 30 days of receipt of a complaint and in case of any failure, SEBI initiates action against the company depending on the merit of the case.

On non-redressal of investors' grievances, SEBI initiated regulatory actions against 620, 64 & 232 companies during the last three financial years i.e. 2014-15, 2015-16 & 2016-17 respectively.
