GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS

LOK SABHA
UNSTARRED QUESTION NO. 365
ANSWERED ON MONDAY, THE 24TH JUNE, 2019
[ASHADA 3, 1941 (SAKA)]

REDRESSAL OF INVESTORS' GRIEVANCES

QUESTION

365: SHRIMATI RATHVA GITABEN VAJESINGBHAI

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

(a) whether the companies independent mechanism to redress investors' grievances has yielded the desired results;
(b) if so, the details thereof and if not, the reaction of the Government thereto;
(c) the details of action initiated against the companies on the ground of non-redressal of investors, grievances during the last three years, year-wise; and
(d) whether a number of companies are in default of payment of dues to the small investors are still actively trading in the stock exchanges and if so, the details thereof?

ANSWER

THE MINISTER FOR FINANCE AND
CORPORATE AFFAIRS   (Ms. NIRMALA SITHARAMAN)
वित्त एवं कारपोरेट कार्य मंत्री   (श्रीमती निर्मला सीतारमण)

(a) to (c): Section 178(5) & 178(6) of the Companies Act, 2013 mandate that every company having more than 1000 shareholders, debenture holders, deposit holders and any other security holders shall constitute a Stakeholders Relationship Committee to consider and resolve the grievances of the security holders of the company. Action has been initiatedagainst 95 companies in 2016-17, 101 companies in 2017-18 and 75 companies in 2018-19 under various provisions of the Companies Act.

(d): As per information received from Securities and Exchange Board of India (SEBI), during the last three years they have initiated action against 22 companies under section 15-I (Adjudication Proceedings) of the SEBI Act, 1992 and against 211 companies under section 11B (Issue of Directions to Companies) of the SEBI Act, 1992. During the year FY 2018-19 SEBI has received 2453 complaints for non-payment of dues and resolved 2746 complaints which include complaints pertaining to previous years also.

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