

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS
LOK SABHA
UNSTARRED QUESTION NO. 1316
ANSWERED ON MONDAY, JULY 28, 2025
SRAVANA 6, 1947 (SAKA)**

TIME LIMIT IN SECTION 123(4) OF COMPANIES ACT, 2013

QUESTION

1316. SHRI ASHOK KUMAR RAWAT:
Will the Minister of CORPORATE AFFAIRS

be pleased to state:

- a) whether the time limit provided in Section 123(4) of the Companies Act, 2013 of five days is five working days or five days in continuation;**
- b) whether any time limit exemption or extension of time is given to the companies in case of all the five days of a week and banks holiday; and**
- c) if not, whether the Government has any proposal/is considering for providing such exemption?**

ANSWER

**THE MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS AND
MINISTER OF STATE IN THE MINISTRY OF ROAD, TRANSPORT AND HIGHWAYS**

[SHRI HARSH MALHOTRA]

(a) to (c):- (i) Section 123(4) of the Companies Act, 2013 reads as under:

“The amount of the dividend, including interim dividend, shall be deposited in a scheduled bank in a separate account within five days from the date of declaration of such dividend.”

The provision refers to “five days” and not “five working days”.

(ii) Vide notification no. G.S.R. 463(E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, a Government Company in which the entire paid up share capital is held by the Central Government, or by any State Government or Governments or by the Central Government and one or more State Governments or by one or more Government Company is exempted from the application of section 123(4) of the Companies Act, 2013.

(iii) At present no proposal for granting any further exemption under sub-section (4) of section 123 of the Companies Act, 2013 is under consideration.
