

**GOVERNMENT OF INDIA
CORPORATE AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:3353
ANSWERED ON:01.08.2014
UNCLAIMED INVESTMENT FUND WITH COMPANIES
Roy Prof. Saugata

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) the details of assessment made by the Government regarding quantum of unclaimed investment funds at the end of the financial year 2014;
- (b) whether the Government has identified such companies, which have unclaimed funds, but not disclosed it to the Registrar of Companies;
- (c) if so, the details thereof;
- (d) whether the unclaimed investment funds are transferred to Investment Education and Protection Fund, but in the absence of penalty clauses, many companies transferred such funds to their balance sheet; and
- (e) if so, the details thereof and the measures taken by the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS (SMT. NIRMALA SITHARAMAN)

- (a): The Ministry of Corporate Affairs does not collect any information regarding "unclaimed investment funds". However, under section 205C of the Companies Act, 1956, Companies are required to upload data on the Ministry's website about unclaimed and unpaid amounts on account of dividends, matured deposits, debentures etc. lying with them. Based on data uploaded by Companies, 3454.29 crore representing such amounts was with the Companies as on 31.03.2014. These amounts would be transferred to Investor Education and Protection Fund (IEPF) after expiry of seven years, if these remain unpaid and unclaimed on expiry of that period.
- (b) & (c): Based on statutory filings Companies reporting unclaimed/unpaid dividends in their Balance Sheets but not reporting the details in the relevant forms have been identified. Records of such Companies are required to be scrutinized and a Show Cause Notice issued before a final list can be prepared.
- (d) and (e): No instance of a Company transferring unclaimed dividends to its balance sheet has so far come to the notice of the Government.