

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS
LOK SABHA
UNSTARRED QUESTION NO. 3928
ANSWERED ON FRIDAY, THE 4TH JANUARY, 2019
[PAUSHA 14, 1940 (SAKA)]**

REDRESSAL OF INVESTOR GRIEVANCES

QUESTION

3928. SHRI RAMSINH RATHWA:

Will the Minister of Corporate Affairs be pleased to state:

- (a) whether the companies independent mechanism to redress investors' D 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?

ANSWER

**MINISTER OF STATE FOR LAW AND
JUSTICE AND CORPORATE AFFAIRS**

(SHRI P.P.CHAUDHARY)

विधि और न्याय एवं कॉर्पोरेट कार्य मंत्रालय में राज्यमंत्री

(श्री पी.पी.चौधरी)

(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. As per the investor's grievances data maintained by the Ministry of Corporate Affairs, action has been initiated against 89 companies in 2015-16, 145 companies in 2016-17 and 89 companies in 2017-18.

(d): As per information received from Securities and Exchange Board of India (SEBI), during the last three years they have initiated action against 81 companies under section 15-I (Adjudication Proceedings) of the SEBI Act, 1992 (the 'Act') and against 216 companies under section 11B (Issue of Directions to Companies) of the Act.
