

**GOVERNMENT OF INDIA  
LAW , JUSTICE AND COMPANY AFFAIRS  
LOK SABHA**

UNSTARRED QUESTION NO:830  
ANSWERED ON:23.11.2000  
UNPAID UNCLAIMED DIVIDENDS  
ANANT GANGARAM GEETE

**Will the Minister of LAW , JUSTICE AND COMPANY AFFAIRS be pleased to state:**

- (a) the quantum of non-claimed/unpaid dividends lying with the companies transferred to the Government during the last three years, year-wise;
- (b) whether the Government have laid down any mechanism to ensure that the companies do not hold up payment of dividends by adopting unfair means; and (
- (c) if so, the details thereof?

**Answer**

THE MINISTER OF LAW, JUSTICE & COMPANY AFFAIRS AND SHIPPING (SHRI ARUN JAITLEY)

Part (a) : The quantum of non-claimed/unpaid dividends lying with the companies transferred to the Government during the last three years, year-wise, is as under :

Year    Amount

1997-98    Rs. 35,89,59,885/-  
1998-99    Rs. 38,20,66,019/-  
1999-2000    Rs. 11,62,52,769/-

Parts ( b ) & ( c ) : In terms of section 205A(1) of the Companies Act, 1956 a dividend declared by a company to a shareholder is to be paid within 42 days of such declaration. In case of it not been paid or remaining unclaimed within 42 days, the company has to transfer it within a week thereof to a special account in a scheduled bank, opened for this specific purpose. W.e.f. 31.10.98 the amount thus transferred but which still remains unpaid/unclaimed for a period of 7 years is to be transferred by the company to a Fund established by Central Government and called 'Investor Education and Protection Fund'.The non-compliance in this regard is punishable by fine which may extend to five hundred rupees for every day during which the failure continues.