



SEBI issues process and SOP for handling investor complaints | Stock exchanges to levy fine of INR 1000 per day

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SEBI has laid down the procedure for handling complaints by the stock exchanges, as well as standard operating procedure for actions to be taken against listed companies for failure to redress investor grievances through SEBI Complaints Redress System (**SCORES**) platform. The procedure primarily requires the listed company to first redress the grievances and if not redressed properly in a time bound manner, then the stock exchanges will take necessary actions. Stock exchanges have been empowered to levy a fine of INR 1000 per day per complaint on the listed entity. We have listed below (i) nature of complaints which can be routed through the procedure prescribed by SEBI, and (ii) nature of complaints which should be handled by stock exchanges and forwarded to other regulators/authorities.

■ Nature of complaints for which the procedure is applicable

| | | |
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| Non updation of address/Signature or Corrections etc. | Non receipt of Dividend | Non receipt duplicate debt securities certificate |
| Non-receipt of Bonus | Non-receipt of duplicate share certificate | Non receipt of fractional entitlement |
| Non receipt of interest for delay in dividend | Non receipt of interest for delay in payment of interest on debt security | Non receipt of interest for delay in redemption proceeds of debt security |
| Non receipt of interest for delay in refunds | Non receipt of interest on securities | Non receipt of redemption amount of debt securities |
| Non receipt of refund in Public/ Rights issue | Non receipt of Rights Issue form | Non receipt of securities after conversion/endorsement/consolidation/splitting |
| Non receipt of securities after transfer | Non receipt of securities in public/ rights issue | Non receipt of shares after conversion/endorsement/ consolidation/splitting |
| Non receipt of shares after transfer | Non receipt of shares after transmission | Non receipt of shares in public/rights issue (including allotment letter) |
| Non-receipt of interest for delay in dispatch/credit of securities | Receipt of refund/dividend in physical mode instead of electronic mode | Receipt of shares in physical mode instead of electronic mode |
| Demat/Remat | Any other nature as may be informed from time to time | |

▪ **Nature of complaints that should not be handled by stock exchanges and should be forwarded as below**

| Grievance Pertaining to | Process for handling complaints |
|--|--|
| <ul style="list-style-type: none"> ▪ Deposits u/s 73 & 74 of Companies Act, 2013 ▪ Complaint against Nidhi Companies. ▪ All matters as delegated under overriding powers under Companies Act 2013 ▪ Complaints pertaining to dividend and securities transferred to IEPF | Forward the complaint to Ministry of Corporate Affairs (MCA) under intimation to Complainant. |
| Pension funds | Forward the complaint to Pension Fund Regulatory and Development Authority (PFRDA) under intimation to Complainant. |
| Monopoly and anti-competitive practices | Forward the complaint to Competition Commission of India (CCI) under intimation to Complainant. |
| Chit Funds | Request complainant to approach Registrars of Chit Funds of the concerned state |
| Insurance Companies/Brokers/ Agents/products and Service | Forward the complaint to Insurance Regulatory and Development Authority of India (IRDAI) under intimation to Complainant |
| Housing Finance Companies | Request complainant to approach National Housing Bank (NHB) |
| <ul style="list-style-type: none"> ▪ Companies where moratorium order is passed against the company in winding up/ insolvency proceedings. ▪ Companies under liquidation and official liquidator has been appointed. | Request complainant to approach NCLT or the official liquidator |

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