

[To be Published in the Gazette of India, Extra ordinary, Part II, Section 3, Sub-section (i)]

Ministry of Corporate Affairs

Notification

New Delhi, Dated _____ 2014

G.S.R.(E).- In exercise of the powers conferred under sub-section (1) of section 123 read with section 469 of the Companies Act, 2013 (18 of 2013) and in supersession of the Companies (Central Government's) General Rules and Forms, 1959 and other Rules prescribed under Companies Act, 1956 on matters covered under these rules, except as respects things done or omitted to be done before such suppression, the Central Government hereby makes the following rules, namely:-

1. Short title and commencement.- (1) These rules may be called the Companies (Declaration and Payment of Dividend) Rules, 2014.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. Definitions.- (1) In these rules, unless the context otherwise requires, -

(a) "Act" means the Companies Act, 2013;

(b) "section" means section of the Act.

(2) Words and expressions used in these rules but not defined and defined in the Act or in the Companies (Specification of Definitions Details) Rules, 2014, shall have the same meanings respectively assigned to them in the Act or in the said Rules.

3. Declaration of dividend out of reserves.- In the event of adequacy or absence of profits in any year, a company may declare dividend out of surplus subject to the fulfillment of the following conditions, namely:-

(1) The rate of dividend declared shall not exceed the average of the rates at which dividend was declared by it in the three years immediately preceding that year:

Provided that this sub-rule shall not apply to a company, which has not declared any dividend in each of the three preceding financial year.

(2) The total amount to be drawn from such accumulated profits shall not exceed one-tenth of the sum of its paid-up share capital and free reserves as appearing in the latest audited financial statement.

(3) The amount so drawn shall first be utilised to set off the losses incurred in the financial year in which dividend is declared before any dividend in respect of equity shares is declared.

(4) The balance of reserves after such withdrawal shall not fall below fifteen per cent of its paid up share capital as appearing in the latest audited financial statement.

(5) No company shall declare dividend unless carried over previous losses and depreciation not provided in previous year are set off against profit of the company of the current year the loss or depreciation, whichever is less, in previous years is set off against the profit of the company for the year for which dividend is declared or paid.

4. Statement of amounts to be credited to investor education and protection fund shall be filed in Form DIV 5.

(File No. 1/31/2013-CL.V)

(Renuka Kumar)
Joint Secretary to the Government of India

FORM DIV 5

Statement of amounts credited to investor education and protection fund

Form Language _____ English _____ Hindi

Note – All field marked in * are to be mandatorily filled.

1(a). *Corporate identity number (CIN) of company _____ Pre-fill

(b). Global location number (GLN) of company _____

2(a). Name of the company _____

(b). Address of the
registered office
of the company _____

(c) *e-mail ID of the company _____

3.*Service request number (SRN) in respect of payment made to the fund _____ pre-fill

4.*Date of payment of amount to the fund _____ (DD/MM/YYYY)

5.*Amount credited to the fund (in Rs.) _____

6.*Mode of payment

_____ Challan payment (Cash, Cheque, Demand draft) online Payment

7. Details of the amount credited to the fund

S.No.	Particulars	Amount (in Rs.)	Date by which amount should have been credited to the fund
(a)	Amount in the unpaid dividend accounts of companies		
(b)	The application money received by companies for allotment of any securities and due for refund		
(c)	Matured deposits with companies		
(d)	Matured debentures with companies		
(e)	Interest accrued on the amounts referred to in clause (a) to (d) above		
	(i) Unpaid dividend		
	(ii) Application money due for refund		
	(iii) Matured deposit with companies		
	(iv) Matured debentures with companies		

(f)	Grants and donation		
(g)	Total		

8. Financial year(s) to which the amount(s) relates

Attachments

1 Optional attachment(s) – if any Attach _____ List of attachments
Remove attachment

Verification

To the best of my knowledge and belief, the information given in this form and its attachments is correct and complete.

I have been authorised by the Board of directors’ resolution number* _____ dated* _____ (DD/MM/YYYY) to sign and submit this form.

To be digitally signed by

Managing director or director or manger or secretary of the company _____

*Designation _____

*Director identification number of the director or managing Director; or _____
 Income-tax permanent account number (income-tax PAN) of the manager; or
 Membership number, if applicable or income-tax PAN of the secretary
 (secretary of a company who is not a member of ICSI, may quote his/her
 Income-tax PAN)