

MINISTRY OF CORPORATE AFFAIRS
NOTIFICATION

New Delhi, the 13th June, 2018

G.S.R. 561(E).— In exercise of the powers conferred by Section 90 read with sub-section (1) of section 469 of the Companies Act, 2013 (18 of 2013), the Central Government hereby makes the following rules, namely :-

1. Short title and commencement.—

- (1) These rules may be called the Companies (Significant Beneficial Owners) Rules, 2018.
- (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 (18 of 2013);

(b) "form" means the form specified in Annexure to these rules;

(c) “registered owner” means a person whose name is entered in the register of members of a company as the holder of shares in that company but who does not hold beneficial interest in such shares;

(d) “section” means a section of the Act

(e) “significant beneficial owner” means an individual referred to in sub-section (1) of section 90 (holding ultimate beneficial interest of not less than ten per cent.) read with sub-section (10) of section 89, but whose name is not entered in the register of members of a company as the holder of such shares, and the term ‘significant beneficial ownership’ shall be construed accordingly;

Explanation I. - For the purpose of this clause, the significant beneficial ownership, in case of persons other than individuals or natural persons, shall be determined as under—

(i) where the member is a company, the significant beneficial owner is the natural person, who, whether acting alone or together with other natural persons, or through one or more other persons or trusts, holds not less than ten per cent. share capital of the company or who exercises significant influence or control in the company through other means;

(ii) where the member is a partnership firm, the significant beneficial owner is the natural person, who, whether acting alone or together with other natural persons, or through one or more other persons or trusts, holds not less than ten per cent. of capital or has entitlement of not less than ten per cent. of profits of the partnership;

(iii) where no natural person is identified under (i) or (ii), the significant beneficial owner is the relevant natural person who holds the position of senior managing official;

(iv) where the member is a trust (through trustee), the identification of beneficial owner(s) shall include identification of the author of the trust, the trustee, the beneficiaries with not less than ten per cent. interest in the trust and any other natural person exercising ultimate effective control over the trust through a chain of control or ownership;

Explanation II.—It is hereby clarified that instruments in the form of global depository receipts, compulsorily convertible preference shares or compulsorily convertible debentures shall be treated as ‘shares’ for the purpose of this clause;

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

3. Declaration of significant beneficial ownership in shares under section 90.-

- (1) Every significant beneficial owner shall file a declaration in **Form No. BEN-1** to the company in which he holds the significant beneficial ownership on the date of commencement of these rules within ninety days from such commencement and within thirty days in case of any change in his significant beneficial ownership.
- (2) Every individual, who, after the commencement of these rules, acquires significant beneficial ownership in a company, shall file a declaration in **Form No. BEN-1** to the company, within thirty days of acquiring such significant beneficial ownership or in case of any change in such ownership.

4. Return of significant beneficial owners in shares.-

Where any declaration under rule 3 is received by the company, it shall file a return in **Form No. BEN-2** with the Registrar in respect of such declaration, within a period of thirty days from the date of receipt of declaration by it, along with the fees as prescribed in Companies (Registration offices and fees) Rules, 2014.

5. Register of significant beneficial owners.-

- (1) The company shall maintain a register of significant beneficial owners in **Form No. BEN-3**.
- (2) The register shall be open for inspection during business hours, at such reasonable time of not less than two hours, on every working day as the board may decide, by any member of the company on payment of such fee as may be specified by the company but not exceeding fifty rupees for each inspection.

6. Notice seeking information about significant beneficial owners.-

A company shall give notice seeking information in accordance with under sub-section (5) of section 90, in **Form No. BEN-4**.

7. Application to the Tribunal.-

The company may apply to the Tribunal in accordance with sub-section (7) of section 90, for order directing that the shares in question be subject to restrictions, including –

- (a) restrictions on the transfer of interest attached to the shares in question;
- (b) suspension of the right to receive dividend in relation to the shares in question;
- (c) suspension of voting rights in relation to the shares in question;
- (d) any other restriction on all or any of the rights attached with the shares in question.

8. Non-Applicability.-

These rules are not made applicable to the holding of shares of companies/body corporates, in case of pooled investment vehicles/investment funds such as Mutual Funds, Alternative Investment Funds (AIFs), Real Estate Investment Trusts(REITs) and Infrastructure Investment Trusts (InvITs) regulated under SEBI Act.

Annexure

Form No. BEN-1

Declaration by the beneficial owner who holds or acquires significant beneficial ownership in shares

[Pursuant to section 90(1) of the Companies Act, 2013 and rule 3(1)/3(2)]

To-

Name of the company:

Registered office address:

1. Particulars of the shares in which significant beneficial interest is held by the person making declaration:

i) Class of shares:

ii) Number and percentage of shares:

iii) Shares/ securities in physical form

Distinctive numbers: From..... To.....

Certificate No.:

Folio No.

iv) Shares/ securities in Demat form

DP ID/ Client ID :

No. of shares:

Any other:

v) Nominal value of shares:

vi) Paid up value of shares:

2. Particulars of the holder of the significant beneficial interest

PAN *

Sl. No.	Name of the Beneficial Owner	Address and E-mail id	Date of Birth/ Age	Father's/ Mother's/ Spouse's name
(1)	(2)	(3)	(4)	(5)
Occupation	Nationality	CIN (in case of company)	Passport No. (in case of foreign national)	
(6)	(7)	(8)	(9)	

3. Declaration

In pursuance of sub-section (1) of section 90 of the Companies Act 2013, Ihereby declare that I hold / have acquired a significant beneficial interest in the above mentioned shares of the company which are registered in the name of the person whose particulars are furnished below:

4. Particulars of the registered owner

PAN *

Sl. No.	Name of the registered owner	Address and E-mail id	Date of Birth/ Age	Father's/ Spouse's name
(1)	(2)	(3)	(4)	(5)
Occupation	Nationality	PAN/UIN/CIN (in case of company)	Passport No. (in case of foreign national)	
(6)	(7)	(8)	(9)	

5. Details of the significant beneficial interest:

- i) Date of creation / acquisition of significant beneficial interest:
- ii) Mode of acquisition of significant beneficial interest: Allotment /Transfer / others, specify
- iii) Nature of the significant beneficial interest:
- iv) Reasons for not registering shares in my name:
- v) Particulars of the instrument/document, if any, showing the creation of such significant beneficial interest:
- vi) Direct/ Indirect percentage of voting rights:

6. Particulars of the person from whom the significant beneficial interest is acquired, if applicable:

- i) Name of the transferor of significant beneficial interest:
- ii) Whether shares were registered in his name:
(If not, whether any declaration under sub-section (2) of section 89 was filed by him to the company. If so, date of such declaration)
- iii) Particulars of the instrument/ document, if any, showing the transfer of such significant beneficial interest:

Date:

Place:

Signature of the holder of the significant beneficial interest

CERTIFICATE

I hereby certify that the significant beneficial interest in the shares mentioned above has been transferred by me on

Signature of the person who has transferred the significant beneficial interest in the shares

Date:

Place:

Enclosures: (a) Proof of identity of the registered owner and holder of the significant beneficial interest

(b) Instrument/document under which the significant beneficial interest is created/ transferred/changed.

Form No. BEN-2**Return to the Registrar in respect of declaration under section 90 received by the company***[Pursuant to section 90(4) of the Companies Act, 2013 and rule 4]*

O For Significant beneficial ownership O For Change in Significant beneficial ownership

Total percentage

O Date of Change .

O SRN of BEN-2 latest(last) filed for significant beneficial
Ownership

Total percentage

1. (a) CIN:

(b) GLN:

2. (a) Name of the company:

(b) Registered office address:

(c) E-mail id:

3. Particulars of significant beneficial interest:

PAN *

Prefill

S. No.	Date of declarations under sub-section (1) of section 90	Date of receipt of the said declarations by the company	Particulars of shares in respect of which beneficial interest is created				
			Class of shares	No. of shares	Distinctive Nos. of shares/ DP and Client ID of shares		
(1)	(2)	(3)	(4)	(5)	(6)		
Particulars of shares in respect of which beneficial interest is created			Particulars of registered owner				
Face value of shares		Paid up value of shares	Name of the registered owner	Address and e-mail id	Date of Birth/ Age	Father's/ Spouse's name	Occupation
(7)		(8)	(9)	(10)	(11)	(12)	(13)
Particulars of registered owner			Particulars of beneficial owner				
Nationality		PAN/UIN/CIN (in case of company)	Passport No. (in case of foreign national)	Name & Nationality		Address and e-mail id	
(14)		(15)	(16)	(17)		(18)	
Father's/ Spouse's Name			Date and Nature of beneficial interest		Remarks		
(19)			(20)		(21)		

Date:

Place:

Attachments: 1. Declaration under section 90 (1); 2. Optional attachments, if any.

Form no. BEN-3**Register of beneficial owners holding significant beneficial interest**

[Pursuant to section 90(2) of the Companies Act, 2013 and rule 5(1)]

Name of the company:

Registered office address:

1. Particulars of the beneficial owner holding significant beneficial interest

PAN *

Prefill

Sl. No.	Name of the Beneficial Owner	Address and E-mail id	Date of Birth/ Age	Father's/ Mother's/ Spouse's name
(1)	(2)	(3)	(4)	(5)
Occupation	Nationality	PAN/UIN/CIN (in case of company)	Passport No. (in case of foreign national)	Status
(6)	(7)	(8)	(9)	(10)
Date of declaration under section 90	Date of cessation	Date of entry in Register	Date of filing of BEN-2(SRN wise)	Amount of guarantee, if any
(11)	(12)			
Any other interest, if any	Instructions, if any, given by the member wt			

2. Particulars of the shares in which significant beneficial interest is held by the beneficial owner:

- i) Class of shares:
- ii) Number of shares:
- iii) Shares/ securities in physical form
 - Distinctive numbers: From..... To.....
 - Certificate No.:
 - Folio No.
- iv) Shares/ securities in Demat form
 - DP ID/ Client ID :
 - No. of shares:
 - Any other:
- v) Nominal value of shares:
- vi) Paid up value of shares:

Form no. BEN-4

[Pursuant to section 90(5) of the Companies Act, 2013 and rule 6]

[<<Insert Company Name>>] (the "Company")

<<Insert Date>>

[By post/email]

To:

Name and address of SBO/any other person

Date:

Subject: Notice under sub-section (5) of Section 90 of the Companies Act, 2013 and rules made there under

The Company has reasonable cause to believe that* :

you are a significant beneficial owner of the company;

have knowledge of the identity of significant beneficial owner oflikely to have such knowledge;

have been a significant beneficial owner of the company during the three years immediately preceding the date of this notice, and

in respect of the above significant beneficial ownership the return prescribed under Section 90 of the Act has not been filed in compliance with the Act.

You are accordingly advised to give the following information within 30 days of the date of this notice in accordance with the section 90 of the Companies Act, 2013 :

1. Name and Address of the Beneficial Owner (B.O) (i.e. yourself or the significant BO if you are not the significant BO)
2. PAN of the B.O
3. Name of the person/entity/trust/body etc in whose name the shares/rights are registered/held
4. Folio number/DP and Client ID of the shares/securities
5. Nominal value of the shares/securities
6. Date of acquiring beneficial interest
7. Documents, terms and conditions or any other particulars regarding the BO ownership
8. Reason for not filing declaration in Form No. BEN-4.
9. Any other information incidental to or relevant or in your possession or knowledge to enable the company to evaluate this matter

The abovementioned particulars should be submitted in writing to the registered address of the company not later than 30 days of the date of this notice failing which the company shall proceed in the matter without further notice as per the provisions of the Act.

Name & signature

(Person authorized to issue notice)

**Delete whichever is not applicable*

[F.No. 1/1/2018 CL-V]

K.V.R.MURTY, Jt. Secy.