

BEN



Companies (Significant Beneficial Owners) Rules, 2018

Vide MCA Notification dated 13th June 2018

Provisions:

Section 90 read with sub-section (1) of section 469 of the Companies Act, 2013.



Total Rules: 8 Rules



Rule 2(c) Registered Owner



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



Rule 2(d) Significant Beneficial Owner



An Individual under Section 90(1)



holding ultimate beneficial interest of not less than ten per cent but whose name is not entered in the register of members of a company as the holder of such shares.



Explanation- Significant Beneficial Ownership other than Individual and Natural Person-

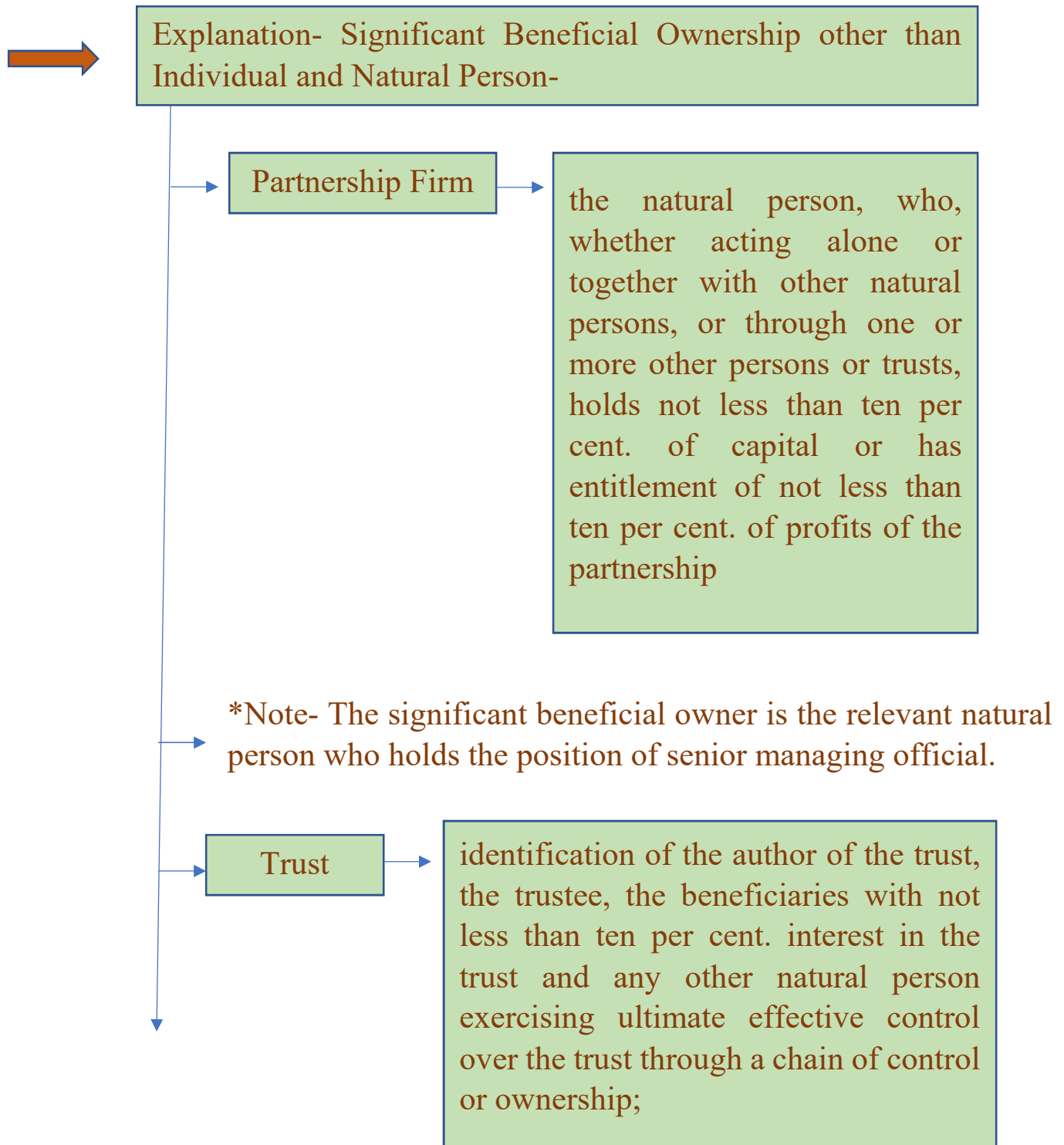


Company



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





Form No. BEN-1

Purpose:

Declaration of significant beneficial ownership in shares.

Provision:

section 90 of the Companies Act, 2013 & Rule 3 of Companies (Significant Beneficial Owners) Rules, 2018.



Declaration in Form BEN-1 by Significant Beneficial Owner

To the company in which he holds the significant beneficial ownership on the date of commencement of these rules within 90 days from such commencement and within 30 days in case of any change in his significant beneficial ownership.

Every individual, who, after the commencement of these rules, acquires significant beneficial ownership in a company, shall file a declaration to the company, within 30 days of acquiring such significant beneficial ownership or in case of any change in such ownership.

Form No. BEN-2

Purpose:

Return of significant beneficial owners in shares.

Provision:

Rule 4 of Companies (Significant Beneficial Owners) Rules, 2018.



Return by Company in Form BEN-2



Where any declaration under rule 3 is received by the company, it shall file a return with the Registrar in respect of such declaration, within a period of 30 days from the date of receipt of declaration by it



RETURN

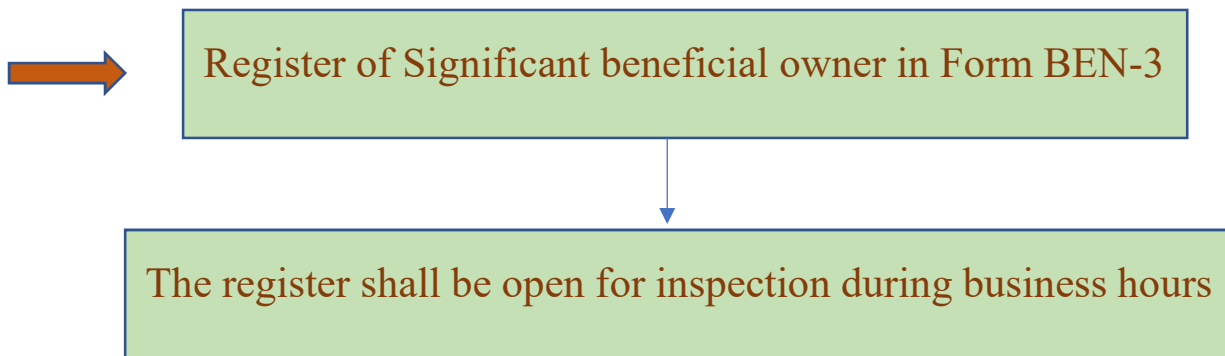
Form No. BEN-3

Purpose:

Register of significant beneficial owners.

Provision:

Rule 5 of Companies (Significant Beneficial Owners) Rules, 2018.



Form No. BEN-4

Purpose:

Notice seeking information about significant beneficial owners.

Provision:

Rule 6 of Companies (Significant Beneficial Owners) Rules, 2018.



Every reporting Company shall in all cases where it's member (other than an individual) hold at least 10% of its Shares, voting rights or right to receive or participate in the dividend or any other distribution payable in financial year, give notice to such member, seeking in Form No. BEN-4.



Rule-7 Application to Tribunal on following-



restrictions on the transfer of interest attached to the shares in question;



suspension of the right to receive dividend in relation to the shares in question;



suspension of voting rights in relation to the shares in question;



any other restriction on all or any of the rights attached with the shares in question.



Rule-8 Non-Applicability in case of holding of shares of Company

