

## (iv) Register of Significant Beneficial Owners in a Company: Sec. 90

Meaning of SBO:

An Individual

Who holds

$\geq 10\%$  of shares

who holds.

$\geq 10\%$  of Voting rights  
in shares

Who has right of

$\geq 10\%$  of distributable  
dividend in a FY

who has right to

exercise significant  
influence or control

Requirements of Sec. 90:

① SBO → submit a declaration (BEN-1) → specifying  
to the company  
↓  
within 30 days of acquiring such  
SBO or any changes therein

- nature of interest
- Other particulars as prescribed.

✓ ② Company - maintain a register of interest declared - specifying  
by individuals, of SBO  
↓  
in form BEN-3

- name of Individual
- date of birth
- address
- details of ownership
- Other.

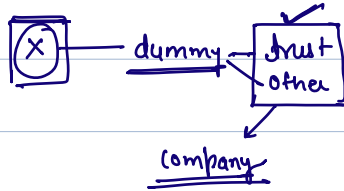
③ Members - may inspect register of SBO on payment of prescribed fees.  
( $\leq ₹ 50$ ).

✓ Company shall allow inspection during business hours at such reasonable  
time of not less than 2 hrs. on every working day as decided by Board.

✓ ④ Company - file a return of SBO with Registrar - in prescribed form and manner.

✓ ⑤ Company - take necessary steps to identify an Individual who is a SBO and require him to comply with provisions of this section.

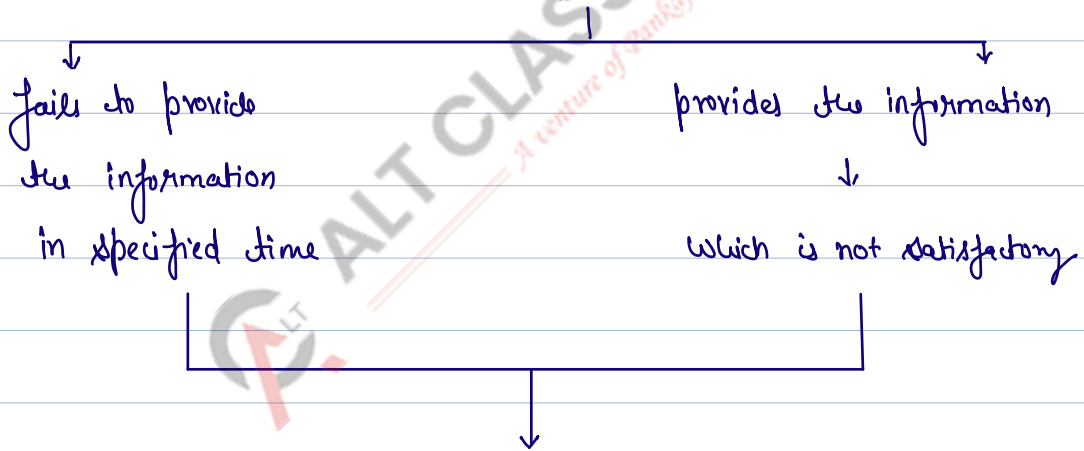
⑥ Company - give notice (BEN-4) to any person whom the company knows - to be a SBO



- to be having knowledge of identity of SBO.

- to have been a SBO at any time during the preceding three years.

⑦ If the person to whom notice was given



Company shall apply to Tribunal within period of 15 days of expiry of period specified in notice

requesting it to pass an order directing that the related shares be put to restrictions

(transfer of shares, dividend rights, voting rights etc.)

Tribunal after giving an opportunity of being heard, make such order within 60 days of receipt of application.



Application for lifting of restrictions may be filed within one year from the date of order, to the Tribunal.

### ⑧ Penalty for Contraventions!

SBO → ₹ 50,000 + ₹ 1,000 per day of default after the first → Max. of ₹ 2 lakh

Company → ₹ 1,00,000 + ₹ 500 per day of default after the first → Max. of 5 lakh.

Officer in default → ₹ 25,000 + ₹ 200 per day of default after the first → Max. of 1 lakh.

## (v) Annual Return : (Sec. 92)

Company other than  
OPC and Small Company → MGT-7 → signed by director  
of the company and  
CS [if CS is not  
appointed, then by  
CS in practice]

OPC and Small Company → MGT-7A → signed by CS [if CS is  
not appointed, then by  
director of company]

Annual return must contain the specified particulars.

Listed Co. and Unlisted Co. having PUSC $\geq 100$ cr. " " having T/O $\geq 500$ cr.	} Annual return shall be certified by CS in practice [ <u>MGT-8</u> ]
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Annual return shall be filed with ROC

↓  
within 60 days from  
the date on which  
AGM is held

↓  
or where no AGM is held in any  
year, within 60 days from  
the date on which AGM  
should have been held.

Penalty: Company and officer in default:

→ ₹ 10000 + ₹ 100 per day of default. } subject to a maximum of  
2,00,000 (in case of company)  
50,000 (in case of officer  
in default)

→ Company Secretary in Practice: ₹ 2 lakh for wrong certification

H.W.: Written practice of Questions over Sec. 92 asked in May 18 Exam

(vi) Place of Keeping and Inspection of Registers, Returns, etc. (Sec. 94)

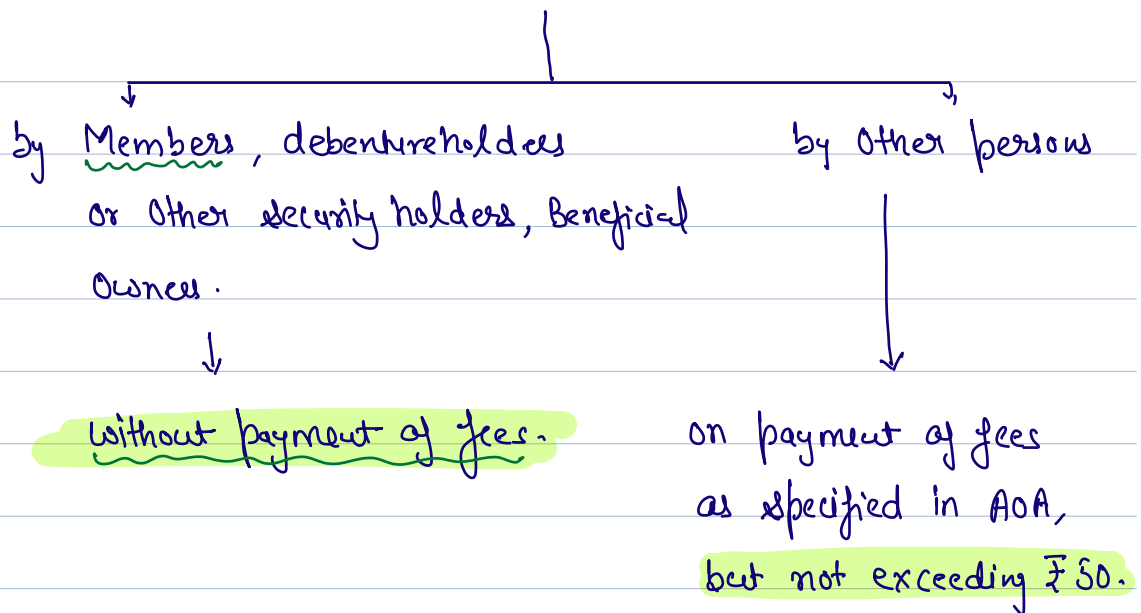
Sec. 94(1): Registers maintained u/s 88 and Annual Returns filed u/s 92, shall be kept at the registered office of the Company.

However, such registers and returns may also be kept at any other place in India, where > 10% of total number of members resides, if approved by Special Resolution.

✓ Sec. 94(2): Inspection:

+ Rule 14

Registers and Returns shall be open for inspection during business hrs, for not less than 2 hrs. on every working day as decided by Board →



✓ Sec. 94(3) : Extracts of and copies of Registers and Returns:

+ Rule 14

- Extracts from any register, index or return may be taken by any person, without payment of fees.
- Copy of such registers or entries therein or returns may be required from the company on payment of fees as specified in AOA but not exceeding ₹ 10 per page.
- Copy shall be supplied within 7 days of deposit of fees.

✓ Sec. 94(4): On refusal of any inspection or denial of company to allow a person to take extracts or providing copy of registers and returns, under this section

↓

Company and every officer in default are liable for a penalty of ₹ 1000 per day of default subject to a maximum of ₹ 1 lakh.

Sec. 94(5): C.G. may order for an immediate inspection of documents or direct the company to allow any person to take any extracts required.

### Rule 15

	Time Period	Custody
1. Register of Members and Index	<u>Permanently</u>	CS of company or other person authorised by Board.
2. Register of <u>debenture holders</u> or other <u>security holders and Index</u>	8 years from date of redemption	"
3. Annual Return.	8 years from the date of filing with Registrar	—
4. Foreign Register (a) <u>Members</u> .	Permanently unless discontinued	CS of company or other

(b) Debenture holders  
and other  
security holders

8 years from the date  
of Redemption

person authorized  
by Board



H.W. Revision of Sec. 94 from book.