Private Company -Meaning

Private company is the most popular business structure in India .It is a privately held entity with a limited liability It allows 100% foreign direct investment without govt approval. It takes only 10-15 days subject to receipt of documents and govt approvals This is one of the most preferred form of business organization .It allows significant degree of separation between ownership and management It should have minimum 2 members and maximum 50 members. Hence private company is most appropriate for small and medium sized business.

 **Min requirements for company registration**

1. 1.Minimum 2 shareholder
2. Minimum 2 Directors
3. The directors and shareholders can be the same person
4. One of the directors must be Indian resident
5. Min authorized share capital of 1 lakh
6. DIN(Director identification no) for all directors
7. DSC (Digital signature certificate for 2 promoters and 1 witness)

**Documents Required for Private Limited Registration**

1. Id Proof -Scanned copy of Pan Card of all directors and Aadhar card/ Voter ID/ Passport / Driving license
2. Address Proof - Latest Bank statement/ Utility bill in the name of director which should not be older than two months
3. Photo -Latest passport size photograph
4. Registered Office Proof - No Objection Certificate (NOC) from the owner, Utility bill (should not be older than two months) and Notarized Rent agreement (in case of rented property)/ Registry Proof or House Tax Receipt (in case of owned property

## WHY PRIVATE LIMITED COMPANY?

EASE OF FORMATION

A Private Limited Company can be incorporated with minimum 2 directors by filing Spice E Form INC-32 along with link form Spice MOA (INC-33) and Spice AOA (INC-34).. Once the documents get verified, certificate of incorporation has been issued by MCA within 2 to 3 days.

separate legal entity

The biggest advantage of a Private Limited Company is that its identity is distinct from that of its members. A company is a separate person having its own rights & Obligations.

PERPETUAL SUCCESSION

In case of death of the owner or transfer of shares, your business won’t get affected. There will be no effect on firm’s continuance.

LIMITED LIABILITY

The greatest benefit of Private Limited Company is limited liability. If any liability arise then its member is not personally affected; members are only liable for unpaid shares held by them and not more than that. Stakeholders are not liable for corporate debts and liabilities

GREATER FLEXIBILITY

A Private Limited Company is required to perform lesser legal formalities as compared to a Public Limited Company. It enjoys special exemptions and privileges under the company law. Therefore, in Private Limited Company, less number of compliance is required.

SECRECY

A Private Limited Company is not required to publish its accounts or file several documents. Therefore, it is in a better position than a public company to maintain business secrets.

INVESTMENT

Flexibility to raise investments or loans from NRIs and Foreigners. Easy to raise investments and corporate loans

TRANSPARENCEY

Private Limited Company enjoys enhanced transparency thus able to win the trust of general public.

MINIMUN COMPLIANCES

Private Limited Company enjoys enhanced transparency thus able to win the trust of general public.

***Private Limited Registration Cost***

|  |  |
| --- | --- |
| Consultancy | Free |
| Company Name Availability Search | Free |
| 2 DSCs | Rs 2,100 |
| Government Fee | Rs 5,100 |
| Stamp Duty | Rs 1,500\* |
| Notarization Cost | Rs 500 |
| PAN & TAN Fee | Rs 170 |
| Professional Fees | Rs 4,855 |
| Goods & Service Tax | Rs 874 |
| **Total Cost (Individuals)** | **Rs 14,999** |

***Private Limited Registration Process***

* **1 Working Day**

**DIGITAL SIGNATURE CERTIFICATE (DSC)**

DSC is an electronic online signature issued by licensed certifying authorities. All the proposed directors of the company required to apply for the digital signature (DSC) which is necessary for digitally signing the electronic incorporation documents. DSC can be obtained either using supporting documents or Aadhar eKYC based authentication (supporting documents are not required in this case).

* **1 Working Days**

**DIRECTOR IDENTIFICATION NUMBER (DIN)**

ODIN or DPIN, i.e. directors PIN is a unique eight-digit identification number which is a mandatory requirement for existing as well as proposed directors of the company to maintain the director's information in a database. MCA allots a DIN to every director of the company with a lifetime validity without which one cannot be a director.

* **3-5 Working Days\***

**NAME APPROVAL**

Once we obtain the DIN and DSC of the directors, a list of minimum one or maximum six proposed names of the company in preferential order will be submitted to MCA for approval. Our representative will conduct a prior search for your name availability. Ideally, the name should be unique, suggestive of the business and end with the words 'Private Limited' in order to avoid the rejection. We get your company name approved subject to availability and 0naming guidelines.

* **6-8 Working Days\***

**INCORPORATION DOCUMENTS**

After taking name approval, we draft a Memorandum of association and Articles of association for your company. All the incorporation documents need to be submitted with the prescribed e-form SPICe 32 along with the AOA, MOA and subscription statement. Once all the documents are duly verified and approved by the government, the certificate of incorporation is emailed to your id. Simultaneously, we will apply for PAN and TAN of your company.

## WHAT ALL YOU GET

## with Company Registration

### 1. DIN for 2 Directors

### 2. Digital Signature Token for 2 Promoters & 1 witness

### 3. Company Name Approval

### 4. MOA + AOA

### 5. Incorporation Certificate

### 6. New Incorporation Kit

### 7. Customized Incorporation Master File

### 8. Company PAN Card

### 9. Company TAN/TDS Number

### 10. Bank Account Opening Document Suppor

### 11. Domain Name for 1 year + Web Hosting

### 12. 50 Email Ids for 1 year

**FREQUENTLY ASKED QUESTIONS**

**For faqs please refer to registration wala .com**