

TYPES OF COMPANIES

What is an Entity

Types of Business Entities

Stats and figures

What is an Entity?

- An entity is an organization created by one or more individuals to carry out the functions of a business and maintains a separate legal existence for tax purposes. It can be created at the local or state level.



- The company is the basic organizational link of the economy, in which the fusion between the factors of production (human and material resources) has the purpose of producing and selling economic goods (products, services, information, etc.), according to the market demands of obtaining an incentive profit.
- Commercial companies are the main form of existence of companies in a modern economy
- In order to carry out economic activities, natural and legal persons have the right to associate and set up commercial companies

Characteristics of a company

To have a name

- distinguished from other companies that give it their own identity

To have their own capital (heritage)

- assets that are differentiated from the wealth of the shareholders or associates that unite in order to constitute it

Have an activity profile

- Profile that freely chooses and keeps it until any official changes

To have legal personality

- which gives them the quality of a subject with rights and obligations in civil society

Company diversity

By field of activity

Agricultural

Industrial

Construction

Commercial

Service providers

Financial and credit

Insurance

By belonging to some of the industrial branches

Extractives and processors

Producer of capital goods

With continuous technological process

With a continuous technological process

After working time

With operation throughout the year

Seasonal

By the degree of production specialization

Specialized

Universal

Mixed

After the production time

With mass production

With series production

With individual products

By size

Microfirme

small

Medium sized

Big

By the form of ownership

Individuals and individuals

Personal or family

Individuals in associations

State of the local or central administration

Mixed (public-private partnership)

Types of Romanian Companies



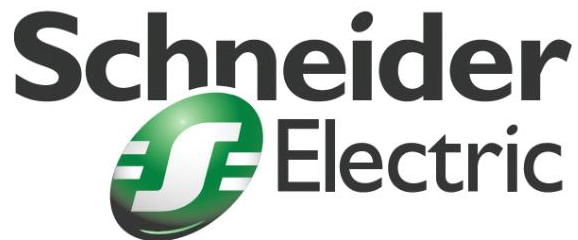
- As a general rule, foreign investors do not have to respect any specific investment criteria in order to **register a Romanian company**, even though in certain economic sectors a special permit will be required by the local authorities. [Our team of Romanian lawyers](#) can provide an extensive presentation on the **types of companies** that can be registered in this country, and may also assist investors in registering any of the business forms presented below, but also registering them for tax purposes, including for [VAT](#).
- The registration procedure itself requires the fulfillment of certain legal formalities such as registration with the **Trade Registry of Romania** and **Fiscal Administration** (which is actually done automatically by the [Trade Register](#)). The incorporation of a company is done by filing the company's articles of association with the **Trade Register**.
- From the date of registration in the **Trade Register**, the company will acquire legal personality as a merchant and can therefore commence its economic activity. The **Law nr.31/1990**, the **Romanian law** regulating the commercial companies that can be set up here, their formation and the way they ought to conduct their activity, establishes five types of legal entities investors can select if they want to [register a Romanian company](#).

The Romanian Limited Liability Company – “Societate cu Raspundere Limitata” (SRL)

- It represents the most common way to **start a business in Romania** and it is also the preferred legal entity of foreign investors **registering a Romanian company**. It is incorporated with a capital of RON 200. It can be founded by a single shareholder.
- The main feature of a limited company is obviously that the liabilities of social debts is limited to contributions to subscribed and paid shares. As we presented above, the minimum share capital for a **Romanian limited liability company** is of RON 200, which has to be divided into shares that have a value of minimum RON 10.
- The maximum number of partners that can associate in a limited liability company is 50.
- These shareholders or associates can be legal entities or natural persons. A **Romanian LLC** can have one or more directors, who may have full or limited powers; they can be **Romanian** or foreign citizens. The term of a **Romanian director** may be limited or unlimited. In case the LLC has a sole shareholder, then this shareholder can also be an employee of the respective company (in this case a Labor Agreement must be drafted and filed with the **Labor Chamber in Romania**).

The Romanian Joint-Stock Company – “Societate pe Actiuni”

S.C. ENERGOTEROM SRL
Timisoara



COCA-COLA ROMANIA S.R.L.



The Romanian Limited Liability Company – “Societate cu Raspundere Limitata” (SRL)

- **What are the advantages of a Romanian SRL?**
- Besides the low value concerning the company's capital, the **Romanian SRL** provides further advantages to its founders. **Our Romanian law firm** can provide an extensive presentation on the characteristics of a local SRL, which can be formed with 100% foreign ownership. Other **characteristics of the Romanian SRL** are the following:
 - it can benefit from a fast registration procedure (the company can be formed in a period of three days);
 - it can be incorporated by a single shareholder, who can be a foreigner;
 - the company's shares can't be divided, nor can be sold to the general public;
 - it can't be registered by another company, if the **Romanian SRL** is incorporated by a single shareholder;
 - the company must establish an official business address, where it can receive its official correspondence.

The Romanian Joint-Stock Company – “Societate pe Actiuni”

- It represents a **type of company** that can be incorporated by those interested in listing the company on the local stock exchange. The [joint stock company in Romania](#) represents the legal entity with the most complex structure. It is generally set up with the purpose of entering important investment projects.
-
- It is especially designed for the needs of large companies. It must be registered by at least two founders, who have the quality of stockholders and it needs a minimum share capital of RON 90,000. The General Assembly of Stockholders is the most important decision and deliberation body of the company. The decisions regarding the company status refer to matters such as:
 - legal change of the company's status or the change of the company's social headquarters;
 - its object of activity and the creation or the dissolution of eventual secondary registered offices;
 - the prolongation of the society duration and the increase of the registered capital;
 - its decrease or its replenishment by issuance of new social shares;
 - any other modification of the articles of association are taken by The General Assembly of Stockholders.
-
- The company can be administrated by a sole administrator or a board of administrators if the administration system is unitary or by a directorship and a board of supervisors if the company is administrated in a dual system of administration; **our team of Romanian lawyers** can offer more information on the types of administration systems this **type of company** can have

Joint-Stock Company – “Societate pe Actiuni”

The 10 Most Valuable Brands of 2020



The Romanian “Collective-Name Company” (Societatea în Nume Colectiv)

- It does not represent a very common type of **Romanian entity**. This **type of company** is based on the full trust of the associates. The **Collective Name Company** must be registered by minimum two founders (known as shareholders). The company's share capital is comprised of interests and they are not transmissible. The company guarantees its obligations through the assets owned.
- When it comes to the share capital of the **Collective Name Company**, the law does not impose a minimum amount for the share capital, which means that the shareholders are free to determine the amount of the capital according to the needs of the company. One of the most important obligations of the shareholders of the **Collective Name Company** is not to compete with the activity of the company.
- Thus, the company's shareholder is not allowed to be the member of another unlimited liability company registered in the same field of activity. The most important feature of this company is the fact that the shareholders are personally liable for the obligations of the company.
- This liability is subsidiary and this means that the creditors of the company will first try and obtain the debt from the company and only if the company does not pay its debt, then the creditors can recover the debt from the shareholders. The shareholders have the following rights:
 - they have the right to participate at the company's meetings;
 - they have the right to take management decisions concerning the company;
 - the shareholders are also entitled to receive dividends and use the company's financial funds;
 - however, the right to use the company's funds is clearly stated in the company's statutory documents;
 - provided that the company will be liquidated, the shareholders have the right of receiving the assets with which they have contributed in the company.

The Romanian “Collective-Name Company” (Societatea in Nume Colectiv)

Scoala de Soferi
CUSTOM
Tel: 0740972900 - 0257254196
www.custom.go.ro
facebook YouTube metacafe Google VPLAY RO

MEDcontab
EXPERT
Reabilitare in 3 pasi: Consult Diagnostic financiar
Tratament



Engineering and Ship Design services

- > Purpose driven designs
- > Powerful 3D model of the complete vessel
- > Dedication and quick response

SNC
SHIP DESIGN

SC DAVIDOIA SNC
TEL.0720510413
p.davidoia@yahoo.ro



RENOVARI INTERIOARE
garsoniere, apartamente, spatii comerciale, birouri, instalatii electrice si sanitare etc.

The Romanian “Sleeping Partnership Company” – “Societate in Comandita Simpla”

- It represents a **type of company** that is not registered on a common basis in **Romania**. The characteristic element of this type of company is the fact that it has two types of shareholders - the shareholders that are personally liable for the obligations of the company and who are called “comanditati” and the shareholders that are only liable based on the amount of the shared capital that they subscribe, which are called “comanditari”.
- The law does not establish a minimum number of shareholders, but it’s mandatory for the company to have at least a shareholder that is personally liable for the company’s debts and another shareholder who is liable only to the amount of his or her participation at the company’s capital.
- The decisions regarding the company are taken by the vote of the majority of shareholders. The administrators of the company can be appointed only from the shareholders that are personally liable for the obligations of the company. The company’s interests may be transmitted to other entities, but this can happen only as long as the company’s statutory document mentions the right to do so.

The Romanian “Sleeping Partnership Company” – “Societate in Comandita Simpla”

ROMANIAN TRADE GARMENT

Prodicator confectii textile in
sistem lohn, pantaloni de dama si



SCS SOFTWARE

The Romanian “Partnership Limited by Shares” Company – Societatea in Comandita pe Actiuni

- is not a very **common type of Romanian entity**. This business form is similar with the “**Sleeping Partnership Company**” because it needs to be incorporated by at least two shareholders, and just like in the case of the “**Sleeping Partnership Company**”, the company’s shareholders have different types of liability, and this can be presented by [our team of lawyers in Romania](#).
- The main difference between the **two types of companies** is that the **Partnership Limited by Shares Company** has a shared capital formed of stocks. The liability for the company’s obligations is different for the shareholders, thus, there are shareholders that are personally liable for the obligations of the company and they are called “comanditati”. **Our law firm in Romania** can provide further details regarding the rights and the obligations of the company’s founders.
- The other types of shareholders, “comanditari”, are liable for the company’s debts only to the amount with which they have participated at the company’s share capital. This business form must be incorporated with a minimum share capital of RON 90,000 (or its equivalent in EUR, which is EUR 19,042). The company can be administrated only by the shareholders that are personally liable for the company’s obligations.

The Romanian “Partnership Limited by Shares” Company – Societatea in Comandita pe Actiuni



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PROJECT MANAGER

SC S.C.A. PROJECT EXPERT SRL

1 post



Entrepreneur profile in Romania

PROFILUL OMULUI DE AFACERI DIN ROMÂNIA

1.358.729

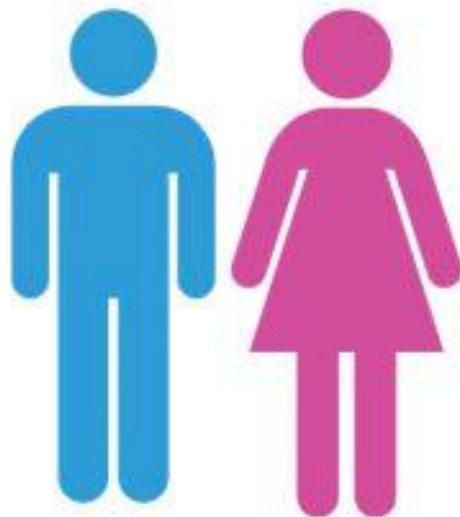
numărul business-urilor active în 2019

1.836.592

acționari, PFA sau II/IF

292.658 

creșterea numărului acționarilor față de 2013



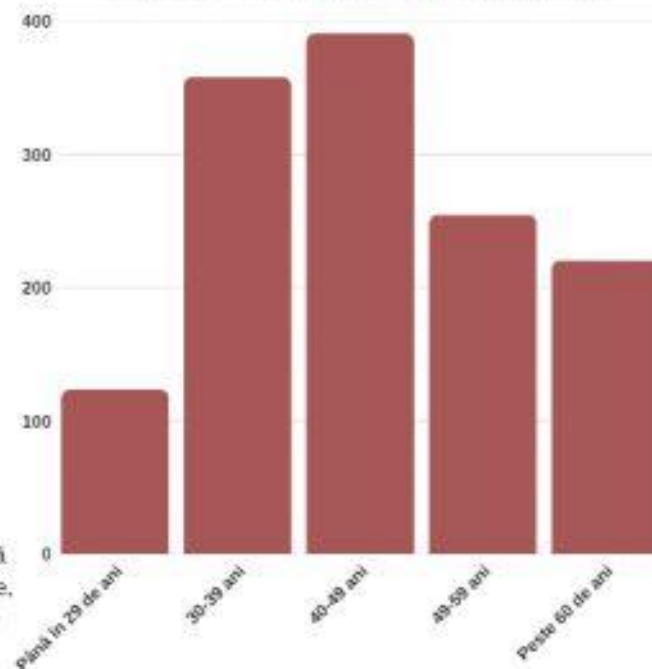
BĂRBAT 45 ANI

Studii superioare, căsătorit
implicat în comerț, construcții,
transport, producție

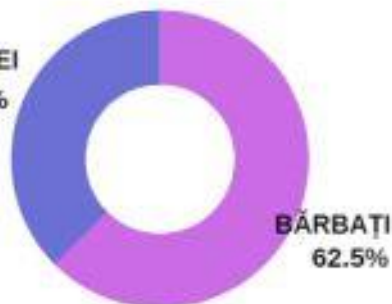
FEMEIE 40 ANI

Studii superioare, căsătorită
implicată în servicii, sănătate,
asistență socială, educație

VÂRSTA OAMENILOR DE AFACERI



FEMEI
37.5%



Analiza Frames a fost realizată în luna noiembrie 2019, pe baza datelor oficiale comunicate de companii la Oficiul Național al Registrului Comerțului și datelor proprii, la nivelul primelor 10 luni din 2019. Statistica exclude datele privind dinamica firmelor aflate în insolvență, faliment, radiate, dizolvate, aflate în proces de lichidare sau reorganizare judiciară.



The number of
SMEs in
production per
thousand
inhabitants

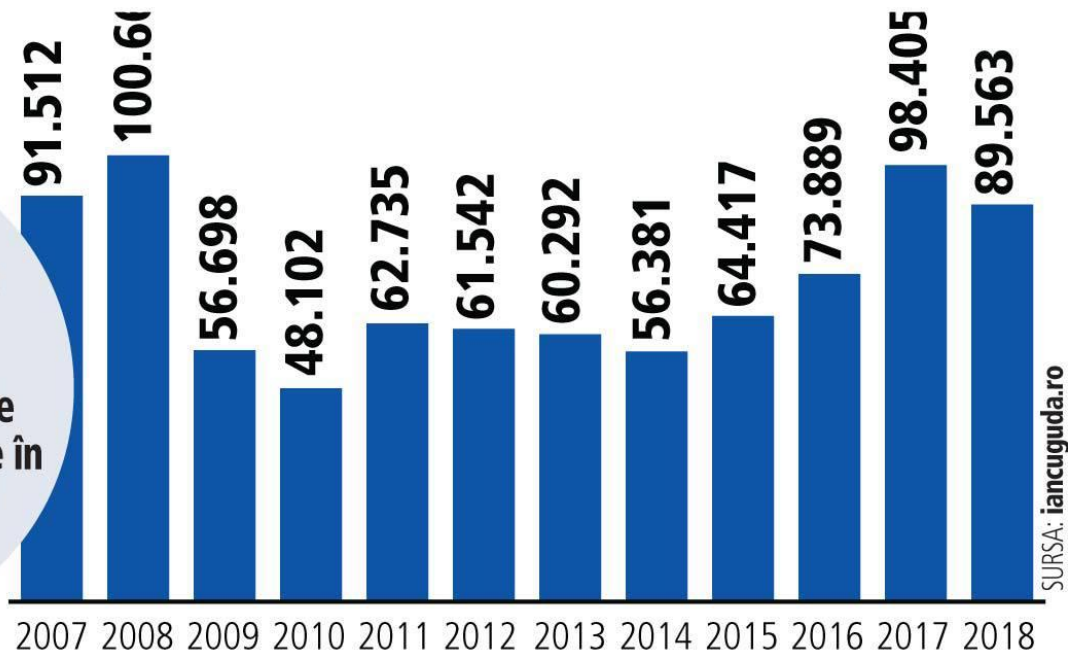
TOPUL STATELOR DIN UE ÎN FUNCȚIE DE NUMĂRUL DE IMM-URI DIN PRODUCȚIE LA MIA DE LOCUITORI (în 2013)

Țara	Nr. IMM-uri în producție (la mia de locuitori)	Nr. IMM-uri în comerț (la mia de locuitori)	Nr. total IMM-uri (la mia de locuitori)	Țara	Nr. IMM-uri în producție (la mia de locuitori)	Nr. IMM-uri în comerț (la mia de locuitori)	Nr. total IMM-uri (la mia de locuitori)
ESTONIA	63	53	235	LETONIA	5	10	37
PORTUGALIA	53	60	225	FINLANDA	4	9	42
AUSTRIA	40	48	211	BULGARIA	4	19	40
CROAȚIA	38	39	159	SPANIA	4	15	48
OLANDA	29	60	212	FRANȚA	3	9	38
CIPRU	21	47	208	BELGIA	3	13	162
SLOVACIA	13	23	72	DANEMARCA	3	8	38
CEHIA	15	20	88	ROMÂNIA	3	10	24
SLOVENIA	8	11	52	GERMANIA	3	7	27
ITALIA	6	19	62	MAREA BRITANIE	2	5	25
SUEDIA	6	14	70	LUXEMBURG	1	14	57
GRECIA	6	N/A	13	IRLANDA	1	8	31
UNGARIA	5	14	56	MEDIA UE*	36	45	54
LITUANIA	5	14	39				
POLONIA	5	15	40				
MALTA	5	23	65				

Notă: * media UE este raportată la 27 de țări, nu 28
câte sunt incluse pe harta realizată de ZF

Recordul din 2008 stă în picioare

Evoluția numărului de companii înmatriculate în perioada 2007-2018 (companii de tip SRL)



Romanian SMEs Stats

Class size	Number of enterprises			Number of persons employed			Value added		
	Romania		EU-28	Romania		EU-28	Romania		EU-28
	Number	Share	Share	Number	Share	Share	Billion €	Share	Share
Micro	430,925	88.4%	93.0%	930,720	22.8%	29.7%	13.6	17.6%	20.8%
Small	46,299	9.5%	5.9%	903,635	22.1%	20.1%	13.5	17.5%	17.6%
Medium-sized	8,533	1.8%	0.9%	857,129	21.0%	16.8%	13.6	17.6%	18.0%
SMEs	485,757	99.7%	99.8%	2,691,484	65.8%	66.6%	40.8	52.7%	56.4%
Large	1,667	0.3%	0.2%	1,397,566	34.2%	33.4%	36.6	47.3%	43.6%
Total	487,424	100.0%	100.0%	4,089,050	100.0%	100.0%	77.3	100.0%	100.0%