

Requirements for Private Limited Company Registration



What is Private Limited Company

A private limited company (PLC) is a type of business entity in India that is limited by shares. This means that the liability of the shareholders is limited to the amount of money they have invested in the company. PLCs are also required to have a minimum of two directors and two shareholders.





Why Private Limited Company

- 1. Limited Liability:** In a Private Limited Company the liability of the shareholders is limited. The liability of the members of a company is limited only to the extent of the face value of shares taken up by them.
- 2. Separate Legal Entity:** The Private Company has Separate Legal Entity i.e. the Private Company and the Members are distinct from each other.
- 3. Minimum Capital Requirement:** There is no minimum capital requirement for formation of Private Limited Company.
- 4. Foreign Direct Investment:** Private Company is eligible to receive Foreign Direct Investment in terms of RBI Guidelines and FEMA Provisions.
- 5. Scope of expansion:** Scope of expansion is higher because easy to raise capital from financial institutions and the advantage of limited liability

Requirements



1. **Minimum of two directors and two shareholders:** The company must have a minimum of two directors and two shareholders. The directors can be either Indian nationals or foreign nationals. The shareholders can be either Indian nationals or foreign nationals, but at least one of the shareholders must be an Indian resident.
2. **Director Identification number:** To become a director of a private ltd company, you need a Director Identification Number (DIN). We'll walk you through the process of obtaining a DIN and the responsibilities associated with it.
3. **Name of the company:** The name of the company must be unique and must not be the same as the name of any other existing company. The name of the company must end with the words "Private Limited" or "Pvt. Ltd."
4. **Memorandum of Association (MoA) and Articles of Association (AoA):** The company must have a MoA and AoA, which are the governing documents of the company. The MoA sets out the basic structure and purpose of the company, while the AoA sets out the rules and regulations governing the management of the company.

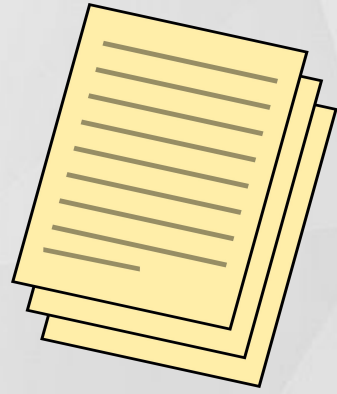
Other Requirements



1. **Digital Signature Certificate (DSC):** All the directors of the company must have a DSC. A DSC is a secure electronic signature that is used to sign digital documents.
2. **Proof of identity and address:** All the directors and shareholders of the company must provide proof of their identity and address. The proof of identity can be a PAN card, Aadhaar card, passport, or driving license. The proof of address can be a utility bill, bank statement, or rental agreement.
3. **Registered office:** The company must have a registered office in India. The registered office is the official address of the company and is where all the company's legal documents are kept.
4. **Annual filing:** The company must file annual returns with the Ministry of Corporate Affairs (MCA). The annual returns must include information about the company's directors, shareholders, and financial performance.

Required Documents

1. PAN card of directors
2. Aadhar Card of directors
3. Electricity Bill of the office space
4. Rental Agreement (If office space is rented)

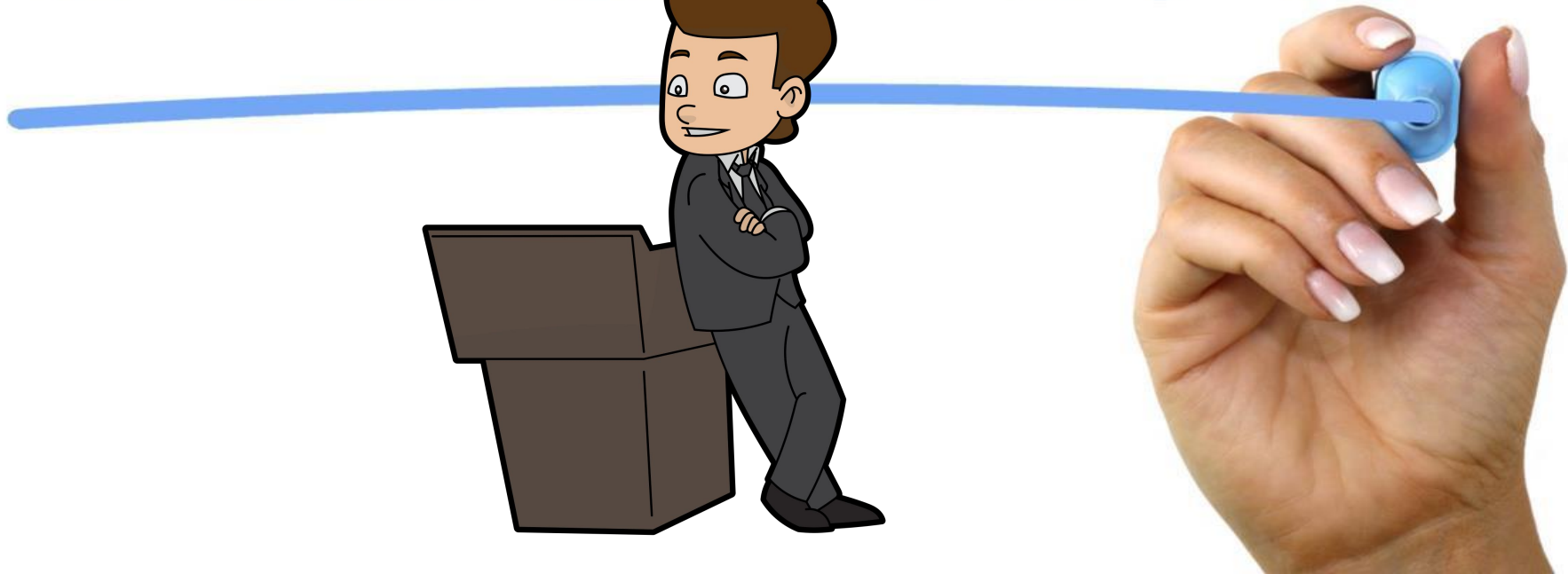


Financials



Expense Head	Amount
Company Registration	₹ 3,500
Digital Signature Certificate	₹ 1,500 (One DSC)
Rental Agreement stamp papers	₹ 500 to ₹ 1,000
Director Identification number (Consultation charges)	₹ 5,000
Authorized Capital	₹ 5,000 (Each partner)
Total	₹ 30,000 (Approx.)

QUESTIONS



Work in Progress



- Rental space is ready. Need to get the rental agreement.
- Consultant for company registration.



Points to discuss

- Name of the Company
- Domain status
- Collect the documents from the directors.
- Brief intro about investors
- Investors role, expectations and opportunities

thanks!

