

In India, company can be incorporated either as a **Private Limited** or **Public Limited**. The incorporation procedure all over India is same. First one has to get the name approval of the proposed company from Registrar of Companies (ROC) under Ministry of Corporate affairs (MCA). After name approval, along with the application for incorporation, the Memorandum and Articles of Association in addition to other necessary prescribed documents has to be submitted with the ROC.

The Memorandum of Association stipulates the constitution and objects of the company. The Articles of Association contains the rules and regulations of the company for the management of its affairs. After examining the documents the ROC issues a Certificate of Incorporation. Then a company becomes entitled to commence its business or exercise borrowing powers after obtaining the certificate of commencement of business from ROC.

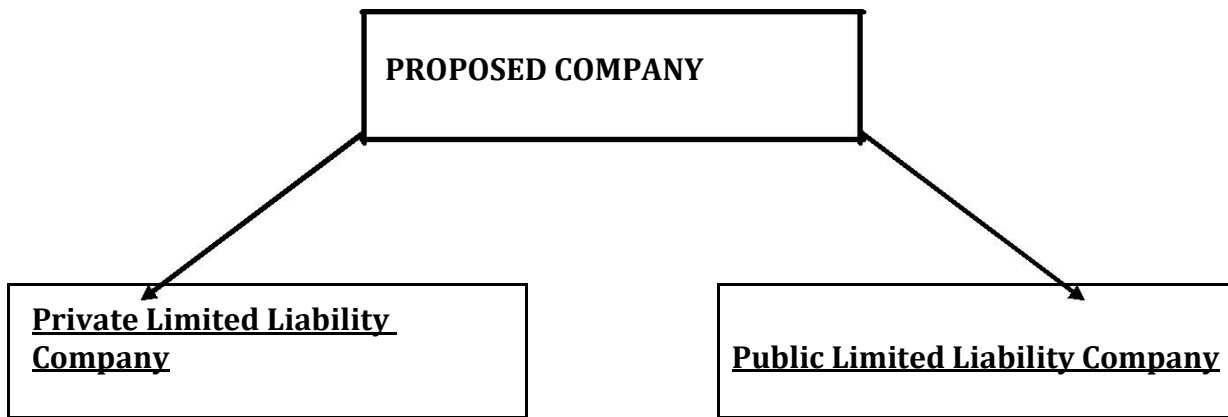
### **The procedure for incorporating a company in India is as under;**

1. Obtain Director Identification Number (DIN) and Digital Signature Certificates (DSC) for each Director / Promoter before making any application to ROC.
2. Apply for the name availability of the proposed company to ROC. For this one has to fill Form INC-1 and submit online along with requisite fee with ROC.
3. Once Name is approved and made available by the ROC it remains valid for 60 days. If you do not incorporate the proposed company within 60 days you can renew the name by paying prescribed fee.
4. After getting the name following documents are prepared
  1. Memorandum of Association
  2. Articles of Association
  3. Declaration by the Promoters/ Directors
  4. Form DIR-12 for the Directors
  5. Form INC-22 for registered office address
5. Stamp duty has to be paid on Memorandum and Articles of Association while filing with ROC.
6. After the e-filing of all the documents ROC will scrutinize and if any modification is required it will direct to make such changes accordingly.
7. Once ROC is satisfied and scrutiny is completed he will issue certificate of

Incorporation. The company would come into existence from the date of certificate of incorporation.

8. After incorporation certificate of commencement of business is required to be obtained from MCA.

**Following Chart would make it clearer**



Minimum Shareholders required = 2  
Minimum Directors required = 2  
Minimum Paid up Capital - INR 100,000

Minimum Shareholders required = 7  
Minimum Directors required = 3  
Minimum Paid up Capital INR 500,000

### **Some Important things to know about companies in India**

1. Any person whether Indian or Foreigner can be the Director in Indian Company. However, atleast one Director must be resident in India.
2. Any Individual/Company whether Indian or Foreigner can be the Shareholder in Indian Company, however foreigner would be required to comply with foreign exchange laws in India.
3. Minimum 4 meetings of Board of Directors are required to be held in one year. Board meeting can be held any where in the world. It is not necessary to hold such meetings only in India.
4. Board meeting via video conferencing is possible.
5. The registration fee and Stamp Duty depends upon the authorized capital of the proposed Company.

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