

How to setup a company in India

Steps to be taken to get incorporated a private limited company:-

- Ensure that the name does not resemble the name of any other company already registered.
- Apply to the concerned ROC to ascertain the availability of name in Form-1 A along with a fee of Rs.500/-. If proposed name is not available apply for a fresh name on the same application.
- Drafting of the Memorandum and Articles of Association, vetting of the same by ROC and printing of the same.
- Stamping of the Memorandum and Articles with the appropriate stamp duty.
- Get the Memorandum and Articles signed by atleast two subscribers in his own hand, his father's name, occupation, address and the number of shares subscribed for and witnessed by atleast one person.
- Get the following forms duly filled up and signed:-
 1. Declaration of compliance - Form-1
 2. Notice of situation of registered office of the company - Form-18.
 3. Particulars of Director, Manager or Secretary - Form-32.
- Present the following documents with ROC with filing fee and registration fee:-
 1. Declaration of compliance - Form-1
 2. Form-1, 18 & 32 in duplicate.
 3. Name availability letter issued by ROC.
 3. Power of Attorney from the subscribers in favour of any person for making corrections on their behalf in the documents and papers filed for registration.
- Obtain Certificate of Incorporation from ROC.

Additional Steps to be taken for formation of a Public Limited Company

Consent of Directors to act as such in Form No.29.

- Arrange for payment of application and allotment money by Directors on shares taken or agreed to be taken.
- File the statement in lieu of prospectus with ROC in schedule-iv of the Companies Act.
- File a declaration in Form-20 duly signed by one of the Director.
- Obtain the Certificate of Commencement of Business.

Other Requirements of the private limited company:

- There should be at least to directors of the company.
- The two directors will be the subscriber of the memorandum and they subscribe the minimum capital.
- Minimum capital for a private company is INR 1,00,000/-
- Registration fee is depending upon the authorized capital of the company. It should be equal or more than the subscribed capital of the company.
- Regarding non-resident interest in the company Foreign Exchange management Act is controlled all the issue. You can invest up to 100% depending upon the type of industry.