

PLEASE SEE OUR PRESENTATION TILED “PRESENTATION ON INDIAN LEGAL & COMPANY LAW SYSTEM” BEFORE PROCEEDING TO READ THIS DOCUMENT

STEPS IN FORMING A COMPANY IN INDIA

STEP 1:

Obtain Director’s Identification Number (DIN). It is only after the DIN is approved, the incorporation documents can be filed with the Registrar. However, the name approval can be obtained prior to approval of DIN. It takes about 7 days for getting the DIN approved, provided all proper documents are furnished.

STEP 2:

Obtain a Digital Signature Certificate (DSC) from any of the approved Certifying Authorities / Registration Authority in India. The Digital Signature is a digital ID of the person who would be signing the Forms & Returns that are required to be filed with the Registrar of Companies (ROC).

DSC is necessary for the purpose of forming a Company in India as all the documents that are required to be filed with the Registrar is required to be signed using a DSC.

STEP 3:

Apply to the Registrar for obtaining the proposed name of the Company. The following are the details that are required for this purpose.

Details of the Applicant	
Name	
Occupation	
Address	
City	
State	
Country	
Pincode / ZipCode	

Details of Promoters	
Name of the Promoter	
Name of the Promoter	

Atleast 2 persons (in case of a Private Limited Company) or 7 (in case of a Public Limited Company) should be the Promoters of the Company in India. Please note that the names of the Promoters cannot be changed at the time of Incorporation. The Promoter of the Company can be a Foreign Company.

State in India where the Registered Office will be situated	
Address of the Proposed Registered Office (This detail can be given at the time of Incorporation)	

Name of the Proposed Company	Significance of the Proposed Name
Please give atleast 3 or 4 options	

In case the name of the Proposed Indian Company is similar to that of your off-shore Company, then enclose a copy of the Certificate of Incorporation issued in the Country of its formation.

Details of the business that is proposed to be carried on. Please be descriptive.	

In case the formation documents of your Off-shore Company provides the details of the proposed business and the Indian Company is likely to be engaged in a similar business, and then please provide a copy of the formation document of your Off-shore Company.

Details of the Proposed Directors	
Name	
Father's / Husband's Name	
Nationality	
Occupation	
If the proposed Director is already a Director / Promoter in any existing Indian Company, please furnish the full name of such Company, and also indicate his status viz. Whether Director / Promoter.	
Date of Birth	
Passport No.	
Permanent Residential Address with City, State, Country, Pin Code / Zip Code	
Present Residential Address, with City, State, Country, Pin Code / Zip Code	
Directors Identification No.	

There should be at-least 2 Directors for Private Limited Company and 3 Directors if the proposed Company is to be a Public Limited Company.

Proposed Authorised Share Capital of the Proposed Company	
---	--

The minimum Authorised Share Capital of a Private Limited Company should be INR 1,00,000/- and for a Public Limited Company should be INR 500,000/-.

Whether there is any Trademark subsisting with regard to the name of the Company inside or outside India?

Registrar will communicate the approval with regard to the name. It should take about 2 – 3 working days to get the name approved, from the date the same is filed with the Registrar.

STEP 4:

Get the papers for Incorporation ready:

- (a) Memorandum of Association;
- (b) Articles of Association;
- (c) Form 32 – Details of Directors
- (d) Form 18 – Situation of Registered Office
- (e) Form 1 – Declaration of compliance with the requirements of the Act with respect to incorporation.

It should take about 10 – 12 working from the date on which the papers are filed with the Registrar, to get the Certificate of Incorporation.

POST INCORPORATION FORMALITIES

- (a) Company Registration with the Income-tax;
- (b) If the proposed business of Software Development is only for Exports, then the Company should get itself registered with Software Technology Parks India.
- (c) If the proposed business is a manufacturing business, then there are other enactments that would be applicable.
- (d) If the proposed business is a Service oriented business, the applicable laws would be different.
- (e) Company if will employ more than 20 persons – Registration with Provident Fund Authorities - Social Security for employees.
- (f) Company Registration with Local Authority – Shops & Establishments

ACTION ITEMS ON DECIDING TO INCORPORATE A COMPANY IN INDIA.

- (a) Decide the proposed activity of the Company.
- (b) Decide the name of the Company. The name should reflect the purpose for which the company is incorporated (i.e.) the proposed activity / business of the Company should get reflected in the name.
- (c) Decide who would be the initial subscribers to the memorandum.
- (d) Decide on who would be the first directors.

