TAX

One Person Company ('OPC')

Section 2(62) of the Companies Act, 2013

OPC is a hybrid of Sole-Proprietor and Co, with relaxed requirements

Basics

<u>One Shareholder</u>
(Natural Person + Resident of India + Citizen of India)

<u>Director</u>
(<u>Minimum One</u> and Maximum 15)

<u>Nominee</u>
(<u>Mandatory</u>)

Relief in compliances

- ✓ No Requirement of Annual or Extra general meeting
- ✓ No requirement of Cash Flow Statement
- ✓ Annual Return can be signed by Director instead of CS

Taxation

- ✓ Needs to obtain PAN and TAN
- ✓ Same tax rate as applicable to Pvt Ltd Co. i.e. 30% + Cess
- ✓ Other registration requirements as applicable

Conversion from OPC to Pvt Ltd or Public Ltd

Voluntary

<u>No Conversion till expiry of 2 years</u> from date of Incorporation

Mandatory To Pvt Ltd Co

- ✓ Paid-up share capital reaches Rs.50 Lacs or more

  <u>OR</u>

- ✓ Average Annual Turnover of preceding 3 years reaches to 2 Crores or more