

COMPARATIVE ANALYSIS

S.No	Particulars	Private Company	Limited Company (OPC)	Person Sole	Limited Liability Partnership(LLP)
1.	Minimum Number of Directors and Shareholders	Members/Shareholders – 2 Directors – 2 Note: Directors and members may or may not be same. Only a natural person can be a director, also one person should be an Indian director i.e. resident in India (a person who has stayed in India for a period of not less than one hundred and eighty two days during the immediately preceding one calendar year)	Member – 1 Director – 1 Nominee of Member – 1 Note: Only a natural person who is an Indian Citizen and resident in India		Designated Partners – 2
2.	Minimum Share Capital	No minimum capital requirement	No minimum capital requirement		No minimum capital requirement
3.	Governing Statute	Companies Act 2013 and rules framed thereunder	Companies Act 2013 and rules framed thereunder		Limited Liability Partnership Act 2008
4.	Quantum of Compliance	Substantial compliances	Substantial compliances, however, less in numbers as compared to a private limited company		Less compliances

5.	Taxability	Income Taxed at 30%	Income Taxed at 30%	Income Taxed at 30%
6.	Credibility	High	Medium	Moderate
7.	Investor Preference	High	Low	Medium
8.	Statutory Audit	Compulsory	Compulsory	If Contribution > Rs 25lacs or, Turnover > Rs. 40lacs
9.	Conversion	Can be converted into LLP, Public company	Cannot be converted into private or public limited company before 2 years, except inc case paid up share capital is increased beyond 50 lacks or its average annual turnover during the relevant period exceeds two crore rupees.	Cannot be converted into a company
10.	Time Taken for Registration	Upto 1 week	Upto 3 to 4 weeks since it's a new concept introduced vide Companies Act, 2013	Upto 2 weeks
11.	Maintenance of books of accounts	Mandatory	Mandatory	Mandatory
12.	Maintenance of basic statutory records	Resolutions and Minutes of the board meetings and general meetings. Share register and share certificate	Resolutions and Minutes of the board meetings and general meetings. Share register and share certificate.	Minutes book to be maintained to record minutes of meetings of partners.
13.	Board meetings	First meeting within 30 days from the date of	No meeting required if the company has only	No compulsory meeting of the prescribed in

		incorporation.	one director.	the LLP act or rules.
		Minimum four board meeting in a calendar year and the gap between two consecutive meetings should not be more than 120 days	In case of more than one director, first board meeting to be conducted within 30 days from incorporation. The OPC shall be deemed to have complied with the provisions of holding board meetings if at least one meeting of board of directors has conducted in each half year of the calendar year and gap between the two meetings is not less than 90 days. If OPC has only one director on its board of directors, the provisions shall not apply.	Meeting of partner may be called for events prescribed in the LLP agreement.
14.	Annual general meeting	Mandatory	No AGM Required	No AGM Required
15.	Annual Filling	Balance sheet, Profit & loss accounts, Cash flow statement, Statement of change in equity, Annual return in MGT-7	Balance sheet, Profit & loss accounts, cash flow statement, Statement of change in equity, Annual return in MGT-7	Statement of accounts and solvency in e-form-8 Annual return in e-form-11
16.	Personal Liability	Shareholders and directors are not personally liable for the acts of the company but can be fined and/or	Shareholder not personally liable for the acts of the company but can be fined and/or imprisoned in his	Partners are not personally liable for the acts of the LLP but can be fined and/or imprisoned in

	imprisoned	official capacity	their official capacity
17. Miscellaneous	Private Limited Company is a separate legal entity A Private Limited Company can only have a maximum of 200 shareholders or members Foreigners are allowed to invest in a Private Limited Company under the Automatic Approval route in most sectors.	OPC is a separate legal entity A One Person Company can have only two people, viz. Director and Nominee Director Director and Nominee Director cannot be Foreigners.	LLP is a separate legal entity A LLP can have unlimited number of Partners.

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