

# PREFACE

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The concept of One Person Companies ('OPC') has been introduced in India by the Companies Act, 2013 and it is glorified as one of the major highlights of the new law. Keeping pace with the already-well established practice in the US and UK, the Companies Act, 2013 also provides for one innovative mode of doing business through formation of 'One Person Company'. The introduction of OPC in Indian corporate law was a step towards synchronisation of the Indian Companies Act with the rest of the globe. Having been put into effect as of April 01, 2014, there has been a substantial pick up in the incorporation of OPCs in India.

OPCs are imperative because they would give commercial capabilities of people for participation in economic activity and such economic activity may take place through the creation of an economic person in the form of a company. Further, this new form of business vehicle gives an opportunity to first generation Indian entrepreneur to form an OPC instead of carrying on the business as a Sole-Proprietor.

The objective of this referencer is to discuss on the nitty-gritty of the concept of a 'One Person Company' which is the development of the Companies Act, 2013. Various facets have been discussed with regard to the incorporation, operation, management, privileges and exemptions etc.

Many times the companies and the professionals face doubts pertaining to compliance requirements to be adhered by one person companies. This booklet titled "One Person Company-A Referencer" is prepared to discuss about the nuances with respect to the compliance aspects of One Person Companies.

I commend the dedicated efforts put in by CS Bharati Yadav, Executive Academics in bringing out this referencer under the guidance of by CS Lakshmi Arun, Director, Directorate of Academics, ICSI under the stewardship of CS Asish Mohan, Secretary, ICSI.

I appreciate the Professional Research & Publication Committee (PRPC) and CS Pawan Chandak, Central Council Member and Chairman PRPC and CS P C Agrawal, Practicing Company Secretary, Aurangabad for the inputs and guidance in bringing out the publication.

I am confident that the publication will prove to be of immense benefit to companies and professionals. In any publication, there is always scope for further improvement. Given the fact that improvement is a continuous process, suggestions of the readers to improve this publication are most welcome.

Place: New Delhi

**(CS Manish Gupta)**

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*President*

The Institute of Company Secretaries of India