

1. Private Limited Company: Evaluate your proposed entity

Sr. No.	Particular	Private Limited Company (Pvt. Ltd.)	Limited Liability partnership (LLP)	One Person Company (OPC)	Partnership	Proprietorship
1.	Suggested for	Early-stage entrepreneurs with broad business vision	Professional service firms	Small business and owned by a single promoter	Family business	Small traders in un-organized sector
2.	Capital Funding	Easy	Not Possible	Not Possible	Not Possible	Not Possible
3.	Limited liability Protection	Yes	Yes	Yes	No	No
4.	Dividend tax	Yes	No	No	No	No
5.	Perpetual Existence	Yes	Yes	Yes	No	No
6.	Statutory Compliances	High	Low	High	Low	Low
7.	Credibility	High	Medium	Low	Low	Low
8.	Alliances & Joint venture	Yes	No	No	No	No
9.	Business Growth	High	Medium	Low	Low	Low

2. Public Limited Company: Evaluate your proposed entity

Sr. No.	Particular	Public limited Company (Ltd.)	Private Limited Company (Pvt. Ltd)	Limited Liability partnership (LLP)	One Person Company (OPC)
1.	Suggested for	Growth Stage and also for early stage with broad business vision	Early-stage entrepreneurs with broad business vision	Professional service firms	Small business and owned by a single promotor
2.	Capital Funding	Easy	Easy	Not Possible	Not Possible
3.	Limited Liability Protection	Yes	Yes	Yes	Yes
4.	Dividend tax	Yes	Yes	No	No
5.	Deposits from Public	Yes	No	No	No
6.	Share listing in stock exchange	Yes	No	No	No
7.	Alliances and Joint venture	Yes	Yes	No	No
8.	Credibility ratio	10:10	7:10	3:10	2:10

3. Limited Liability Partnership:Evaluate your proposed entity

Sr. No.	Particular	Limited Liability partnership (LLP)	Private Limited Company (Pvt. Ltd.)	One Person Company (OPC)	Partnership	Proprietorship
1.	Suggested for	Professional service firms	Early-stage entrepreneurs with broad business vision	Small business and owned by a single promoter	Family business	Small traders in un-organized sector
2.	Capital Funding	Not Possible	Easy	Not Possible	Not Possible	Not Possible
3.	Limited liability Protection	Yes	Yes	Yes	No	No
4.	Dividend tax	No	Yes	No	No	No
5.	Perpetual Existence	Yes	Yes	Yes	No	No
6.	Statutory Compliance's	Low	High	High	Low	Low
7.	Credibility	Medium	High	Low	Low	Low
8.	Alliances and Joint venture	No	Yes	No	No	No
9.	Business Growth	Medium	High	Low	Low	Low

4. One Person Company: Evaluate your proposed entity

Sr. No.	Particular	One Person Company	Limited Liability partnership	Private Limited Company	Partnership	Proprietorship
1.	Suggested for	Small business and owned by a single promoter	Professional service firms	Early-stage entrepreneurs with broad business vision	Family business	Small traders in un-organized sector
2.	Capital Funding	Not Possible	Not Possible	Easy	Not Possible	Not Possible
3.	Limited Liability Protection	Yes	Yes	Yes	No	No
4.	Dividend tax	No	No	Yes	No	No
5.	Perpetual Existence	Yes	Yes	Yes	No	No
6.	Statutory Compliance's	High	Low	High	Low	Low
7.	Credibility	Low	Medium	High	Low	Low
8.	Alliances & Joint venture	No	No	Yes	No	No
9.	Business Growth	Medium	Medium	High	Low	Low

5. Partnership Registration: Evaluate your proposed entity

Sr. No.	Particular	Partnership	One Person Company	Limited Liability partnership	Private Limited Company	Proprietorship
1.	Suggested for	Family business	Small business and owned by a single promoter	Professional service firms	Early-stage entrepreneurs with broad business vision	Small traders in un-organized sector
2.	Capital Funding	Not Possible	Not Possible	Not Possible	Easy	Not Possible
3.	Limited Liability Protection	No	Yes	Yes	Yes	No
4.	Dividend tax	No	No	No	Yes	No
5.	Perpetual Existence	No	Yes	Yes	Yes	No
6.	Statutory Compliance's	Low	High	Low	High	Low
7.	Credibility	Low	Low	Medium	High	Low
8.	Alliances and Joint venture	No	No	No	Yes	No
9.	Business Growth	Low	Low	Medium	High	Low

6. Proprietorship Firm:Evaluate your proposed entity

Sr. No.	Particular	Proprietorship	Partnership	One Person Company	Limited Liability partnership	Private Limited Company
1.	Suggested for	Small traders in un-organized sector	Family business	Small business and owned by a single promoter	Professional service firms	Early-stage entrepreneurs with broad business vision
2.	Capital Funding	Not Possible	Not Possible	Not Possible	Not Possible	Easy
3.	Limited Liability Protection	No	No	Yes	Yes	Yes
4.	Dividend tax	No	No	No	No	Yes
5.	Perpetual Existence	No	No	Yes	Yes	Yes
6.	Statutory Compliance's	Low	Low	High	Low	High
7.	Credibility	Low	Low	Low	Medium	High
8.	Alliances & Joint venture	No	No	No	No	Yes
9.	Business Growth	Low	Low	Low	Medium	High

7. NBFC (Non-Banking Finance Company): Evaluate your proposed entity

Sr. No.	Particulars	NBFC-ND (Non-Depository)	Nidhi Company (Mutual benefits Society)	Multi - state Credit Co-operative society	NBFC-MFI (Micro Finance)	Chit Fund Company
1.	Governing Laws	RBI Act. 1934	Companies Act. 2013	MSCS Act. 2002	RBI Act. 1934	Chit Fund Act 1982
2.	Suggested for	Commercial Banking Business	Member based Mutual benefit society	Non-Commercial Banking and NPO	Poor and lower income group.	Member based Mutual benefit Society
3.	Initial Capital	Minimum Rs. 2 Crore	Rs. 10 Lakh	For General credit Rs. 2 Lakh and for Urban bank Rs. 4 Crore	Minimum Rs. 5 Crore.	Minimum Rs.1 Lacs
4.	Loan Limit	No.	No.	No.	Maximum Rs. 50,000	No
5.	Members	7 / 2	7 at the time of registration and after registration min 200.	Min 50 from at least 2 states. In total 100	7 / 2	7/2
6.	Directors	3/2	3	7	3/2	2
7.	Operations	PAN India	PAN India	In a District or state	PAN India	
8.	Credibility	10/10	8/10	6/10	10/10	6/10
9.	Registration time	Maximum 90	Maximum 20	Maximum 120	Maximum 180	Maximum 20

		Working days	working days	working days	Working days	working days
10.	Registering Authority	ROC & RBI	Registrar of Companies	State Government and Central Govt.	ROC & RBI	ROC & State Government
11.	Popular	High	Medium	Low	High	High
12.	Deposits	No.	Yes. From only its members	Yes. freely from public with certain limitation	No.	From its members only
13.	Loan	To every one	To Members only	To every one	For lower income group	Foreman/ Director
14.	Funding	From Members and FDI	From Members only	From Members and Public	From Members and Governments	From Members Only
15.	Government assistance	No.	No	Low	High	No
16.	RBI License	Yes.	No.	No.	Yes.	No
17.	RBI Act	Yes.	Yes.	Yes.	Yes.	No

8. Nidhi Company: Evaluate your business entity

Sr. No.	Particulars	Nidhi Company (Mutual benefit Society)	Multi-state Credit society	NBFC-MFI (Micro Finance)	NBFC-ND (Non-Depository)
1.	Governing Laws	Companies Act. 2013	MSCS Act. 2002	RBI Act. 1934	RBI Act. 1934
2.	Suggested for	Member based Mutual benefit society	Non-Commercial Banking and NPO	Poor and lower income group.	Commercial Banking Business
3.	Initial Capital	Rs.10 Lakh	For General credit Rs.2 Lakh and for Urban bank Rs.4 Crore	Minimum Rs.5 Crore.	Minimum Rs.2 Crore
4.	Loan Limit	No.	No.	Maximum Rs.50,000	No.
5.	Members	7 at the time of registration and after registration min 200.	Min 50 from at least 2 states in total 100	7	7
6.	Directors	3	7	3	3
7.	Operations	All over India	In a District or state	All over India	All over India
8.	Credibility ratio	8:10	6:10	10:10	10:10
9.	Registration time	Maximum 40 working days	Maximum 120 working days	Maximum 180 Working days	Maximum 120 Working days
10.	Registering Authority	Registrar of Companies	State Government and Central Govt.	ROC & RBI	ROC & RBI
11.	Popularity	Medium	Low	High	High
12.	Deposits	Yes. From only its members	Yes. freely from public with certain limitation	No.	No.

13.	Loan	To Members only	To every one	For lower income group	To every one
14.	Funding	From Members only	From Members and Public	From Members and Govt.	From Members and FDI
15.	Government assistance	No	Low	High	No.
16.	RBI License	No.	No.	Yes.	Yes.
17.	RBI Act	Yes.	Yes.	Yes.	Yes.

9. Micro Finance Company Registration: Evaluate your proposed entity

Sr. No.	Particulars	NBFC-MFI (Micro Finance)	NBFC-ND	Multi-state Credit society	Nidhi Company (Mutual benefit Society)
1.	Governing Laws	RBI Act. 1934	RBI Act. 1934	MSCS Act. 2002	Companies Act. 2013
2.	Suggested for	Poor and lower income group.	Commercial Banking Business	Non-Commercial Banking and NPO	Member based Mutual benefit society
3.	Initial Capital	Minimum Rs.5 Crore.	Minimum Rs.2 Crore	For General credit Rs.2 Lakh and for Urban bank Rs.4 Crore	Rs.10 Lakh
4.	Loan Limit	Maximum Rs. 50,000	No.	No.	No.
5.	Members	7 / 2	7 / 2	Min 50 from at least 2 states in total 100	7 at the time of registration and after registration min 200.
6.	Directors	3 / 2	3 / 2	7	3
7.	Operations	PAN India	PAN India	In a District or state	PAN India
8.	Credibility	10:10	10:10	6:10	8:10
9.	Registration time	Maximum 180 Working days	Maximum 120 Working days	Maximum 120 working days	Maximum 40 working days
10.	Registering Authority	ROC & RBI	ROC & RBI	State Government and Central Govt.	Registrar of Companies
11.	Popularity	High	High	Low	Medium
12.	Deposits	No.	No.	Yes. freely from public with certain limitation	Yes. From only its members

13.	Loan	For lower income group	To every one	To every one	To Members only
14.	Funding	From Members and Governments	From Members and FDI	From Members and Public	From Members only
15.	Government aid	High	No.	Low	No
16.	RBI License	Yes.	Yes.	No.	No.
17.	RBI Act.	Yes.	Yes.	Yes.	Yes.

10. Multi state co-operative society registration: Evaluate you proposed entity

Sr. No.	Particulars	Multi-state Credit society	Nidhi Company (Mutual benefit Society)	NBFC-ND	NBFC-MFI
1.	Governing Laws	MSCS Act. 2002	Companies Act. 2013	RBI Act. 1934	RBI Act. 1934
2.	Suggested for	Non-Commercial Banking and NPO	Member based Mutual benefitsociety	Commercial Banking Business	Poor and lower income group.
3.	Initial Capital	For General credit Rs.2 Lakh and for Urban bank Rs.4 Crore	Rs.10 Lakh	Minimum Rs.2 Crore	Minimum Rs.5 Crore.
4.	Loan Limit	No.	No.	No.	Maximum Rs. 50,000
5.	Members	Min 50 from at least 2 states. In total 100	7 at the time of registration and after registration Min 200.	7	7
6.	Directors	7	3	3	3
7.	Operations	In a District or state	PAN India	PAN India	PAN India
8.	Credibility	6/10	8/10	10/10	10/10
9.	Registration time	Maximum 120 working days	Maximum 40 working days	Maximum 120 Working days	Maximum 180 Working days
10.	Registering Authority	State Government and Central Govt.	Registrar of Companies	ROC & RBI	ROC & RBI
11.	Popularity	Low	Medium	High	High
12.	Deposits	Yes. freely from public with certain limitation	Yes. From only its members	No.	No.

13.	Loan	To every one	To Members only	To every one	For lower income group
14.	Funding	From Members and Public	From Members only	From Members and FDI	From Members and Governments
15.	Government assistance	Low	No	No.	High
16.	RBI License	No.	No.	Yes.	Yes.
17.	RBI Act	Yes. In case of urban Bank	RBI Can Pass order as when required.	Yes.	Yes.