

## SOLE PROPRIETORSHIP v/s ONE PERSON COMPANY

Sr. No.	Particulars	Sole Proprietorship	One Person Company (OPC)
1.	Statute	None	Companies Act, 2013
2.	Legal Identity	Not a separate legal entity from the proprietor	A separate legal entity
3.	Perpetual Succession	Exists as long as the proprietor exists and may only be inherited through the execution of a will	Exists irrespective of the death of director or incapacity of member
4.	Members Liability	Unlimited liability of the proprietor	Limited Liability to the extent of paid-up share capital, except under certain circumstances
5.	Conversion	Irrespective of the turnover earned there is no need to convert into any other business structure.	OPC has to mandatorily convert itself in case paid-up share capital exceeds Rs. 50 lakh and average annual turnover of preceding three years exceeds Rs. 2 crores.
6.	Annual Filings	Does not have to file returns as it is not a separate entity.	Filing of Financial Statements and Annual return with the Registrar of Companies.
7.	FDI	FDI is possible only on non-repatriation basis. GOI and RBI permission is required for FDI with repatriation permission.	OPC's are not allowed to receive FDI
8.	Taxation	Taxed at the same rate as the owner at the standard tax rates applicable to individuals	Tax rate applicable to private companies