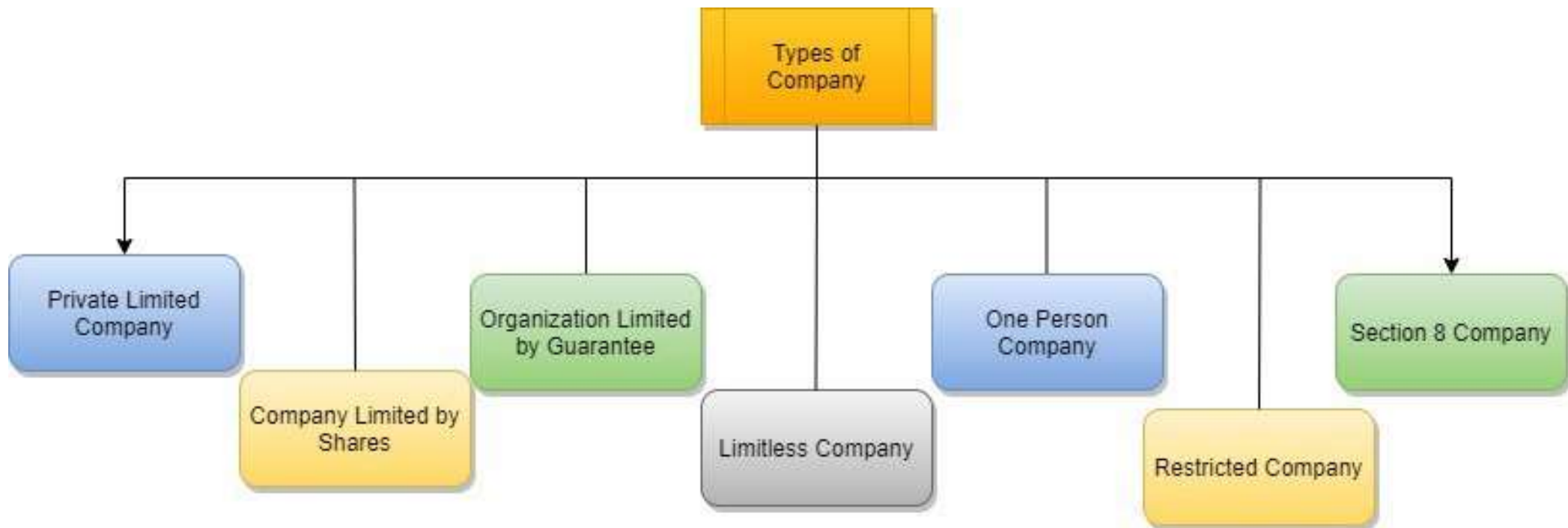


Mrs. E. Pappulakshmi, M.com., M.Phil., SET.
Assistant Professor,
PG & Research Department of Commerce,
Cardamom Planters' Association College,
Bodinayakanur.



1. Private Limited Company

- **Definition:** A company owned privately by a few individuals, with shares not available to the public.
- **Characteristics:**
 - Limited to a maximum of 200 shareholders.
 - Shareholders have limited liability.
 - Cannot freely transfer shares.
- **Examples:** Family businesses, small corporations.

2. Public Limited Company

- **Definition:** A company whose shares are publicly traded on a stock exchange.
- **Characteristics:**
 - Can raise capital by selling shares to the public.
 - Must have a minimum of 7 shareholders, no maximum limit.
 - High regulatory requirements for transparency.
- **Examples:** Large corporations, multinational companies.

3. One Person Company (OPC)



- **Definition:** A type of private company that can be owned by a single individual.
- **Characteristics:**
 - Ideal for small businesses with a single owner.
 - Offers limited liability protection.
 - Cannot have multiple shareholders or directors.
- **Examples:** Small consultancy firms, freelancers forming a company.

4. Partnership Firm

- **Definition:** A business owned and run by two or more individuals who share profits and liabilities.
- **Characteristics:**
 - Partners share profits, responsibilities, and liabilities.
 - Partnership terms are defined by a legal agreement.
 - Not a separate legal entity from its owners.
- **Examples:** Law firms, accountancy firms.

5. Limited Liability Partnership (LLP)

- **Definition:** A partnership where each partner has limited liability.
- **Characteristics:**
 - Combines benefits of a partnership and limited liability.
 - Partners are not personally liable for each other's actions.
 - Separate legal entity from its owners.
- **Examples:** Professional firms like architects, consultants.

Conclusion: Choosing the Right Type of Company



- **Summary of Types:**
 - **Private Limited:** Ideal for small-to-medium businesses with controlled ownership.
 - **Public Limited:** Suited for large businesses seeking public investment.
 - **OPC:** Perfect for individual entrepreneurs seeking limited liability.
 - **Partnership & LLP:** Ideal for firms needing shared ownership and liability protection.
- **Final Thought:** The choice of company depends on business goals, size, and legal needs.

