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**INCORPORATION OF A COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL LICENSED UNDER SECTION 8 OF THE COMPANIES ACT, 2013**

Under Section 8 of the Companies Act, 2013, any person or an association of persons may be registered as a Company with limited liability, without the word “limited” or “private limited”, if the Central Government (powers delegated to the Registrar of Companies) grants a license to such company.

**Following points must be fulfilled before incorporating a Section 8 Company.**

1. A license may be granted by the Registrar of Companies to a company if it satisfies the following conditions:
2. The objects of such company is to promote commerce, arts, science, sports, education, research, social welfare, religion, charity, protection of environment etc.;
3. Apply its profits, if any, or other income in promoting its objects; and
4. Intends to prohibit the payment of dividend to its members.
5. The Registrar may grant a license to such company on such conditions and subject to the relevant regulations as it may think fit, and those conditions and regulations shall be binding on the company.
6. On obtaining license from the Registrar, it will be subject to all the provisions as applicable to limited companies. A company licensed under Section 8 may be either a private company or a public company depending upon the number of members such company intends to induct.
7. A company registered under this section shall not amend its Memorandum or Articles of Association without the previous approval of the Registrar of Companies.

**Procedure to obtain License under Section 8:**

1. File an application in Form INC-12 with the Registrar of Companies alongwith respective fee as prescribed in the Companies (Registration Offices and fees) Rules, 2014.

Documents required to be attached:

1. Draft Memorandum and Articles of Association in Form No. INC-13 / Table B and Tale H respectively.
2. A declaration in Form No. INC-14 by an Advocate or a practicing professional.

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1. An estimate of the future annual income and expenditure of the company for next three years, specifying the source of income and the objects of expenditure.
2. A declaration by each of the persons making the application in Form No. INC-15.
3. On physical scrutiny of the application and its supporting and the Registrar being satisfied and all the documents, if found in order, will issue a License under section 8 of the Companies Act, 2013

**Incorporation process is similar to the private limited companies**