



Instruction Kit for eForm INC-5
(One Person Company – Intimation of exceeding threshold)

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About this Document

The Instruction Kit has been prepared to help you file eForms with ease. This document provides references to law(s) governing the eForms, instructions to fill the eForm at field level and common instructions to fill all eForms. The document also includes important points to be noted for successful submission.

User is advised to refer instruction kit specifically prepared for each eForm.

This document is divided into following sections:

[Part I – Laws Governing the eForm](#)

[Part II – Instructions to fill the eForm](#)

[Part III – Important Points for Successful Submission](#)

Click on any section link to refer to the section.

Part I – Law(s) Governing the eForm

Section and Rule Number(s)

eForm INC-5 is required to be filed pursuant to Rule 6(4) of the Companies (Incorporation) Rules, 2014 which is reproduced for your reference:

Rule 6:

In view sub-section (1) of section 469,

(1) Where the paid up share capital of an One Person Company exceeds fifty lakh rupees or its average annual turnover during the relevant period exceeds two crore rupees, it shall cease to be entitled to continue as a One Person Company.

(2) Such One Person Company shall be required to convert itself, within six months of the date on which its paid up share capital is increased beyond fifty lakh rupees or the last day of the relevant period during which its average annual turnover exceeds two crore rupees as the case may be, into either a private company with minimum of two members and two directors or a public company with at least of seven members and three directors in accordance with the provisions of section 18 of the Act.

(3) It shall alter its memorandum and articles by passing a resolution in accordance with sub-section (3) of section 122 of the Act to give effect to the conversion and to make necessary changes incidental thereto.

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(4) Within sixty days of the sub-rule (1) becoming applicable, the One Person Company shall give a notice to the Registrar in **Form No.INC-5** informing that it has ceased to be a One Person Company and that it is now required to convert itself into a private company or a public company by virtue of its paid up share capital or average annual turnover, having exceeded the threshold limit laid down in sub-rule (1) above.

Explanation.-For the purposes of this rule,-

(a) "relevant period" means the period of immediately preceding three consecutive financial years; and

(5) If One Person Company or any officer of the OPC contravenes the provisions of these rules, OPC or any officer of the OPC shall be punishable with fine which may extend to ten thousand rupees and with a further fine which may extend to one thousand rupees for every day after the first during which such contravention continues.

(6) A One Person company can get itself converted into a Private or Public company after increasing the minimum number of members and directors to two or minimum of seven members and two or three directors as the case may be, and by maintaining the minimum paid-up capital as per requirements of the Act for such class of company and by making due compliance of section 18 of the Act for conversion.

Purpose of the eForm

One Person Company is required to give an intimation to the Registrar in Form No INC-5 informing that it has ceased to be a One Person Company by exceeding the threshold limit by virtue of either increase in its paid up share capital beyond fifty lakh rupees or increase in its average annual turnover during the relevant period beyond two crore rupees. OPC shall file this intimation within sixty days from the date of exceeding threshold and it will take necessary steps to convert itself into a private company or a public company as the case may be.

eForm Number as per Companies Act, 1956

This eForm has been introduced in Companies Act, 2013.

Part II – Instructions to fill the eForm

Specific Instructions to fill the eForm INC-5 at Field Level

Instructions to fill the eForm are tabulated below at field level. Only important fields that require detailed instructions to be filled in eForm are explained. Self-explanatory fields are not discussed.

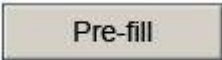

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S. No/ Section Name	Field Name	Instructions
1	(a)	<p>Corporate identity Number (CIN) of the company</p> <p>Enter a valid CIN of One Person Company (OPC).</p> <p>You can find CIN by entering existing registration number or name of the company by using the 'Find CIN' service under the menu MCA services on the MCA website.</p>
		<p>Pre fill Button</p> <p>Click the Pre-fill button.</p> <p>On clicking the button, system will automatically display the name, registered office address, email ID and date of incorporation of the company.</p> <p>In case there is any change in the email ID, you can enter the new valid email ID.</p>
4	(b)	<p>Amount exceeding beyond the threshold limit</p> <p>Enter the amount of paid up share capital in case 'Paid up share capital' is selected in field 4(a). OR Enter the amount of average annual turnover in case 'Average annual turnover ' is selected in field 4(a). Amount entered should be more than 50 lakh rupees in case of paid up share capital and 2 crore rupees in case of average annual turnover.</p>
5		<p>I</p> <p>Enter the person's full name and select one of the option from the drop-down list –Director / Manager / Company Secretary / CEO / CFO.</p>
Declaration	I	<p>This field will be auto-filled based on the option selected in the field above (S. No 5 of the eForm).</p>
To be digitally signed by	Designation	<p>This field will be auto-filled based on the option selected in S. No 5 of the eForm.</p>
	DSC	<p>•Ensure the eForm is digitally signed by the same person whose designation is reflected in S. No 5 of the eForm and is authorized by board resolution to sign the form.</p>





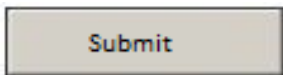
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S. No/ Section Name	Field Name	Instructions
	Director identification number of the director; or DIN or PAN of the manager or CEO or CFO; or Membership number of the Company Secretary	<ul style="list-style-type: none"> • In case the person digitally signing the eForm is a Director - Enter the approved DIN. • In case the person digitally signing the eForm is Manager, Chief Executive Officer (CEO) or Chief Financial Officer (CFO) - Enter approved DIN or valid income-tax PAN. • In case the person digitally signing the eForm is Company Secretary - Enter valid membership number.
Attachments		<ul style="list-style-type: none"> • Certified true copy of board resolution where person giving notice has been authorized • Copy of the duly attested latest financial statements • Certificate from a Chartered Accountant in practice for calculation of average annual turnover during the relevant period – This certificate is mandatory to attach if the threshold limit is exceeded on account of average annual turnover <p>Any other information can be provided as an optional attachment(s).</p>

Common Instructions to fill eForm

Buttons	Particulars
Pre-Fill 	<p>The Pre-fill button can appear more than once in an eForm. The button appears next to a field that can be automatically filled using the MCA database.</p> <p>Click this button to populate the field.</p> <p>Note: You are required to be connected to the Internet to use the Pre-fill functionality.</p>
Attach 	<p>Click this document to browse and select a document that needs to be attached to the eForm. All the attachments should be scanned in pdf format. You have to click the attach button corresponding to the document you are making an attachment.</p> <p>In case you wish to attach any other document, please click the optional attach button.</p>

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Buttons	Particulars
Remove Attachment 	<p>You can view the attachments added to the eForm in the List of attachment field.</p> <p>To remove any attachment from the eForm, select the attachment in the List of attachment field and click the Remove attachment button.</p>
Check Form 	<ol style="list-style-type: none"> 1. Click the Check Form button after, filling the eForm. System performs form level validation like checking if all mandatory fields are filled. System displays the errors and provides you an opportunity to correct errors. 2. Correct the highlighted errors. 3. Click the Check Form button again and. system will perform form level validation once again. On successful validations, a message is displayed “Form level pre scrutiny is successful”. <p>Note: The Check Form functionality does not require Internet connectivity.</p>
Modify 	<p>The Modify button is enabled, after you have checked the eForm using the Check Form button.</p> <p>To make changes to the filled and checked form:</p> <ol style="list-style-type: none"> 1. Click the Modify button. 2. Make the changes to the filled eForm. 3. Click the Check Form button to check the eForm again.
Pre scrutiny 	<ol style="list-style-type: none"> 1. After checking the eForm, click the Prescrutiny button. System performs some checks and displays errors, if any. 2. Correct the errors. 3. Click the Prescrutiny button again. If there are no errors, a message is displayed “No errors found”. <p>The Prescrutiny functionality requires Internet Connectivity.</p>
Submit 	<p>This button is disabled at present.</p>

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Part III - Important Points for Successful Submission

Fee Rules

S. No	Purpose of the form	Normal Fee	Additional Fee (Delay Fee)	Logic for Additional Fees		Remarks
				Event Date	Time limit(days) for filing	
1.	Intimation of threshold	The Companies (Fee for filings with Registrar of Companies) Rules, 2014		Date exceeding threshold	of the 60 days	

Fees payable is subject to changes in pursuance of the Act or any rule or regulation made or notification issued thereunder.

Processing Type

The eForm will be auto-approved.

SRN Generation

On successful submission of the eForm INC-5, SRN will be generated and shown to the user which will be used for future correspondence with MCA.

Challan Generation

On successful submission of the eForm INC-5, Challan will be generated depicting the details of the fees paid by the user to the Ministry. It is the acknowledgement to the user that the eForm has been filed.

Email

When an eForm is approved by the authority concerned, an acknowledgement of approval with related documents, if any is sent to the user in the form of an email at the end of the day to the email id of the company.

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Annexure A

The Companies (Fee for filings with Registrar of Companies) Rules, 2014

Fee (in case of company having share capital)

Nominal Share Capital	Fee applicable
Less than 1,00,000	Rupees 200
1,00,000 to 4,99,999	Rupees 300
5,00,000 to 24,99,999	Rupees 400
25,00,000 to 99,99,999	Rupees 500
1,00,00,000 or more	Rupees 600

Additional fees:

Period of delays	Fee applicable
Up to 30 days	2 times of normal fees
More than 30 days and up to 60 days	4 times of normal fees
More than 60 days and up to 90 days	6 times of normal fees
More than 90 days and up to 180 days	10 times of normal fees
More than 180 days	12 times of normal fees

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