

Starting A Business In Mumbai

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Mumbai is one of the fastest-growing cities in India. There are many big opportunities for you in Mumbai. Here is a complete guide by king stubb & Kassiva for starting a business in Mumbai : -

Maharashtra is a state that provides us with a wide range of business options. Maharashtra's government has made several steps to support startups, including the introduction of the Maharashtra State Innovative Startup Policy 2018, the Fintech Policy, and the creation of the Maharashtra State Innovation Society. Numerous other cities, including Aurangabad, Nagpur, Sholapur, Nashik, and Pune, have emerged as new regional startup centres as a result of the state's progressive policy and regulatory framework.

While setting up the business, business entities need corporate law firms to advise on the corporate transactions in which they are involved, including company acquisitions, significant intercompany agreements, investments by foreign clients in India, financing of significant projects undertaken by clients, and so forth.

Registration Requirements Summary :

Sr.No.	Procedure	Time to Complete	Cost to Complete
1	Obtain director identification number (DIN) on-line	1 day	INR 100
2	Obtain digital signature certificate on-line	1 to 6 day	INR 400 to INR 2650
3	Reserve the company name with the Registrar of Companies (ROC) on-line	2-3 days	INR 500
4	Stamp the company documents either at the Superintendent or an authorized bank	1 day	Rs. 200 (for MOA) +Rs. 1000 (for AOA) for every Rs.500,000/- or part thereof +Rs. 100 (stamp paper for declaration Form 1)
5	Present the required documents along with the registration fee to the Registrar of Companies to get the certificate of incorporation	3-7 days	INR 15,823
6	Make a seal	1 day	INR 350

7	Visit an authorized franchise or agent appointed by National Securities Depository Services Limited (NSDL) or Unit Trust of India (UTI) Investors Services Ltd to obtain a Permanent Account Number (PAN)	7 days	INR 66 for Fee and INR 5 for Application Form, (if not downloaded)
*8	Obtain a tax account number for income taxes deducted at source from the Assessing Office in the Mumbai Income Tax Department	7 days, simultaneously with Procedure 7	INR 55
*9	Register with Office of Inspector, Mumbai Shops and Establishment Act	2 days, simultaneous with procedure 8	INR 1,500 + 3 times registration fee for Trade Refuse Charges
*10	Register for VAT before the Sales Tax Officer of the ward in which the company is located	12 days, simultaneous with procedure 9	INR 5000 (Registration Fee) + INR 100 (Stamp Duty)
*11	Register for profession tax	2 days, simultaneous with procedure 10	No charge
*12	Register with Employees' Provident Fund Organization	12 days, simultaneous with procedure 10	No charge
*13	Register for medical insurance (ESIC)	9 day, simultaneous with procedure 10	No charge

* Takes place simultaneously with another procedure.

The Detailed Process: Registering A Business In Mumbai

Here are some legal steps to bear in mind for starting a business in mumbai if you are ready to get into business for yourself. Some of the procedures include:

i. Registration: Make sure to register your firm first before starting a business in mumbai. Depending on the sort of business you plan to launch – for example, employment, limited, or partnership–the registration procedure will change. The four steps include:

- Obtaining your certificate of digital signature (DSC)
- Purchasing a Director Identification Number (DIN)
- Creating an account at mca.gov.in (New User Registration) on the MCA site.
- Making sure to submit a registration application for the business.

ii. Documents required: This is one of the most crucial elements in the documentation process. When registering the business, the proprietor must have the necessary legal documentation on hand. The list of paperwork you must have on hand to register your startup is as follows:

- DS-Certificate for Digital Signature
- Form-1 (for incorporation of a new firm or start-up)
- Form-18 (for position or address of the company) (for situation or address of the company)
- Form-32 (for directors, managers, and secretary) (for directors, managers, and the secretary)
- Letter from ROC concerning (original copy) availability of the company's name
- Direct ID number of your company's directors.

iii. Importance of insurance: As business owners, we must consider the

company's welfare and immediately obtain insurance. Since this is an investment, you will make for the benefit of the firm as a whole, you shouldn't strive to save money here.

iv. Compliance with data laws: One must take required security procedures for data, regardless the size of the firm. The business must make sure that all employees are informed and aware of potential uses for their data in the sector.

v. Health and safety compliances: Talk to your colleagues about all the safety measures in place at the office. Have a rule in place to keep the workplace safe. To keep your staff safe, carry out a risk assessment to identify any possible threats and determine how to eliminate or manage them. Any organisation must train its employees to operate safely and have an updated policy for doing so. Additionally, preventing disputes during an accident can be ensured by putting a reasonable plan in place for keeping employees safe.

COST OF SETTING A BUSINESS IN MUMBAI

An indicative table on cost of setting up business in Maharashtra

Identity Proof (Any one)	Residence Proof (Any one)
Industrial land (per sq mt)	Mumbai - 28.72 Pune- 14.36
Office space rent (per sq ft per month)	Mumbai - 2.39V Pune - 0.957
Residential rent (for a 2,000 sq ft house, per month)	Mumbai - 957 Pune - 287
5-star hotel room (Single Occupancy, per night)	Mumbai - 95.74-263 Pune - 95.74
Electricity (per kWh)	0.0957
Water (per 1000 litres)	0.287

Note: US\$ 1 = INR 47;

Source: MIDC, MSEB, PwC research

Conclusion

Every industry, including engineering, automobiles, chemicals, pharmaceuticals, textiles, information technology, and biotechnology, has developed strengths in Maharashtra. It continues to be in a beneficial position to draw in new investors and has developed into a manufacturing hotspot attributable to its supportive industrial policies and abundant skills. Maharashtra has a sizable consumer base and is ranked highly on the purchasing power index owing to its large population in India. Despite having some of the most recognisable brands in Indian business, its industrial policy favours the growth of Small and Medium Enterprises (SMEs)

Frequently Asked Questions

What are the legal procedures to start a business?

Companies need to adhere to a number of legal requirements. These formalities, which are essential to the operation of every business organisation in India, encompass financial regulations, tax requirements, and employment law regulations.

How do you register a small business in Mumbai?

The procedure of registering a company in Mumbai is now paperless, and other regulatory filings are now done online through the MCA website, with processing done at the Central Registration Centre (CRC). Mumbai's company registration procedure is entirely online.

Who is eligible for the FAME subsidy?

The FAME-2 programme offers subsidies based on battery capacity and kilowatt-hour energy content (kWh). For all-electric cars, including hybrids, with the

exception of buses, it suggests a universal demand incentive of 10,000 per kWh.

In order to meet the requirements for FAME-2 eligibility, the department of heavy industry has also issued an invitation to electric and hybrid vehicle manufacturers to register. To qualify, businesses must have at least 25 car dealerships and service centres spread over at least two states. Only models that have been approved, including all variations, are acceptable under the new rules.

How can I open a shop in Mumbai?

Three months before opening for operation, the business establishment must submit the licencing application. A company owner must go to the closest Citizen Facilitation Centre (CFC), which was established by the civic authorities, to apply for a trading licence in the city. The licence division of BMC grants business permits in a number of sectors, including the food and beverage industry, wholesale trade, and pharmacies, among others.