Sole Proprietorship — Registration Checklist

The simplest business form — no separate legal entity; owner and business are one.

Registration checklist

- [ ] PAN and Aadhaar of the proprietor
- [ ] Trade name — check trademark conflicts before finalising
- [ ] GST registration, if applicable
  Mandatory above ₹40 lakh turnover (goods) / ₹20 lakh (services), or for inter-state supply and e-commerce sellers
- [ ] Shops & Establishments registration
  Karnataka: within 30 days of commencement
- [ ] MSME Udyam registration (recommended)
  Free; enables priority lending and delayed-payment protection
- [ ] Current account
  Banks ask for two business-existence proofs (GST / Udyam / S&E; certificate)
- [ ] Professional Tax enrolment (PT-EC); PT-RC once employees are hired
- [ ] Trade licence from municipality, if your activity requires it

First-year compliance snapshot

- [ ] Income tax return — business income in the proprietor's ITR
  Due 31 July (31 October if tax audit applies)
- [ ] Advance tax quarterly, if annual tax exceeds ₹10,000
- [ ] GST returns (GSTR-1 & 3B) if registered
  Monthly or quarterly under QRMP
- [ ] Books of account once income/turnover thresholds are crossed
  Income-tax Act, 2025 — Section 62
- [ ] Tax audit if turnover exceeds ₹1 crore / receipts ₹50 lakh (profession)
  ₹10 crore where cash ≤ 5% — Section 63

Disclaimer

This checklist is a general guide by Dhee Compliance (OPC) Pvt Ltd — it is not professional, legal or tax advice and may not cover every requirement for your specific facts, sector or state. Positions (including Income-tax Act, 2025 and Labour Code references) are as of July 2026 and change frequently — verify before acting. We accept no liability for reliance on this document. For advice specific to your business, consult us: +91 63609 84154 · info@dheeopc.com.