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Company and its structure and rules in Dubai and UAE by [Bravo Charli](#)

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Company is an organization which is an association of different individuals, whether real people or other companies, primarily formed with the aim of doing business and earning profits for its shareholders or members. These individuals provide some sort of capital in the company, either during its formation or after its development to become members or shareholders of it. The key trait which distinguishes company from other sorts of business organizations is that it is considered a separate individual having a unique identity and personality in the eyes of law. This legal person, that is the company, has rights and obligations of its own therefore it can sue someone for the violation of its own rights and can be sued by others in the case of infringement of their rights.

The companies are usually referred to as by the name "limited". These are called limited because the liability of its members and shareholders are limited to an extent and these cannot be directly sued by someone for company's affairs and similarly they can't sue someone directly. The capital and assets of the company are company's personal wealth and property, and its members have no direct right and claim over it.

Companies are a popular arrangement of business in the whole world especially in the continuously developing emirates and states of UAE particularly in Dubai, Abu Dhabi and Ajman. In the past, the process for Dubai company formation and other emirates was different. Each emirate used to have a unique procedure for the incorporation of company and foreign business rules. However after 1984, steps were taken to make a single codified companies law that deals with and is applicable to all the emirates in UAE including company formation Dubai, Sharjah, Ajman and Qatar. This law also applies to the Abu Dhabi company set-up requirements. This company law has outlined seven types of companies that can be formed in UAE that are General partnership company, Partnership-en-commendams, Joint venture company, Public shareholding company, Private shareholding company, Limited liability company, Share partnership company.

The UAE company law has made a requirement for all the UAE established companies to be owned in at least 51% proportion by the local UAE residents except in certain special conditions in which 100% ownership by local UAE residents is required. There is also a basic requirement of obtaining a license for conducting the business activity. These licenses fall in three categories, commercial, professional and industrial. A company has to obtain the required license before it can commence trading.

To encourage individuals and other companies to establish Dubai company incorporation and other emirates of UAE, a lot of free zones are being created in Dubai, Ajman, Abu Dhabi and in other parts of UAE. These free zone company Ajman, Dubai, Abu Dhabi and Sharjah etc enjoy an exemption of duty on the goods.

Dubai has a great population of people. Due to the recent development, great population of people, great opportunities, free zones being developed and a promising future growth, a lot of investors are making their way into the Dubai business market. A lot of new industries and companies are nowadays being set-up in Dubai giving a further boost to Dubai's economy and GDP. These companies are being formed for a lot of businesses including tourism, mobile phones, telecommunication, retail, advertising and marketing and transportation.

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