

PREFACE

"You don't build business, you build people, then people build business."

~ Zig Ziglar

Each business enterprise, is a unique story – a story of grit, hard work, patience and most importantly perseverance. The fact that an enterprise persevered and stood against all odds makes up for a good story to be told for generations. Rather it is this story that becomes a legacy. The Indian business environment is filled with such legacies and stories – ones which have both motivated and inspired the next generations to break the stereotypes and take the plunge – to not seek jobs but rather follow their own dreams and create jobs in return.

Understanding this wide spectrum of roles played by business enterprises – ones that provide individual stimulus and strengthen the very foundations of the economy, the governments worldwide take dedicated steps to create a strong ecosystem and foster an entrepreneurial culture. Amongst these budding businesses, ones that have caught much greater fancy of Regulators and Government Authorities are the 'Startups'. Although accorded a proper definition under the legislations, the key factor describing a startup is one driven by technological innovation – one that relieves the nation of a certain issue or challenge – by providing a product or service as its solution.

It is for this reason, that the Government of India, to tap in the various benefits of these enterprises and to provide them ease of doing business by way of various beneficiary schemes and relaxations, launched the Startup India initiative.

The Institute of Company Secretaries of India, in understanding of the contributions being made by Startups to boost the economic numbers; and to guide and handhold these enterprises through the legislative and compliance framework, launched a unique initiative – the 'MSME & Startup Catalyst', creating a pool of dedicated experts who have imbibed the concept of MSME and Startup culture. The intent is to ensure both good corporate governance and adequate dissemination of information regarding schemes and benefits pertaining to these entities.

In an attempt to ensure that these experts are well armed with the latest developments, the ICSI has been undertaking numerous initiatives. This publication titled Startup Ready Reckoner is one such publication, to bring all legislative aspects of Startups within the binds of a single document.

I place on record my sincere appreciations towards the Corporate Laws and Governance Committee headed by CS Manish Gupta, Immediate Former President, ICSI for their forthcoming approach in conceptualizing this initiative.

I extend my heartiest gratitude to all the members of the MSME & Startup Board of ICSI chaired by CS Rajiv Bajaj, for their valuable contribution during the preparation of this publication. I extend my heartiest appreciations towards Dr. (CS) Ajay Garg, Registered Valuer & Corporate Counsel and CS Bala Nadar, Founder, Startupwala in further strengthening the contents of this publication.

I commend the dedicated efforts put in by CS (Dr.) Pooja Rahi, Assistant Director and Dr. Pratap Kumar Manne, Executive Academics, in the preparation of the manuscript under the guidance of CS Deepa Khatri, Joint Director, Directorate of Corporate Law with the stewardship of CS Asish Mohan, Secretary, ICSI.

I sincerely hope that this Ready Reckoner will guide both Startups and Company Secretaries in fulfilling their governance responsibilities.

Date : December 20, 2024

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(CS B. Narasimhan)

President

The Institute of Company Secretaries of India