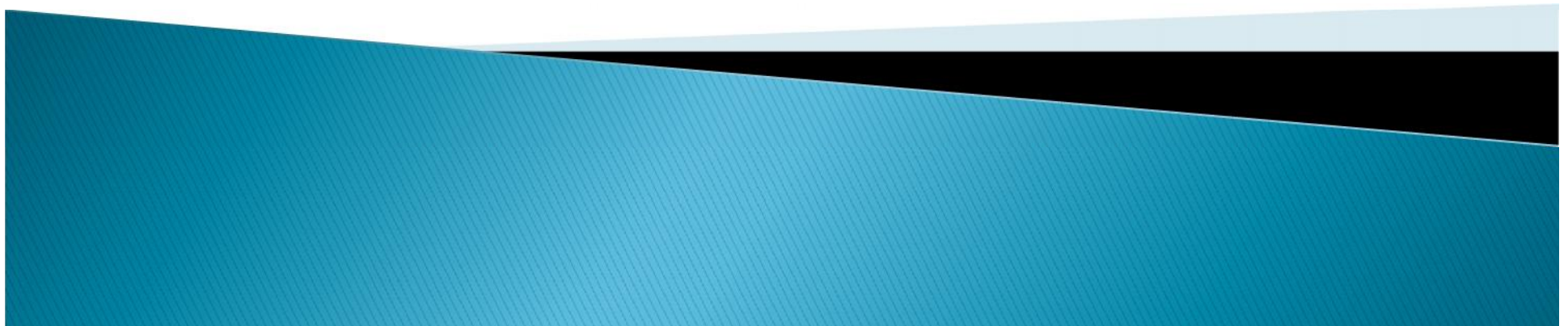


Companies Act 2013 For Startups



What is Start-up Company

- ▶ A start-up company means to be a private company incorporated under the Act and recognised as a start-up in accordance with the notification issued by the DIPP.



Simplified integrated process for incorporation of a company

- ▶ E-forms INC-32 (commonly known as SPICe)
- ▶ INC-33 (e-Memorandum of Association)
- ▶ INC-34 (e-Articles of Association)
- ▶ DIN, PAN, TAN and Name in the same form

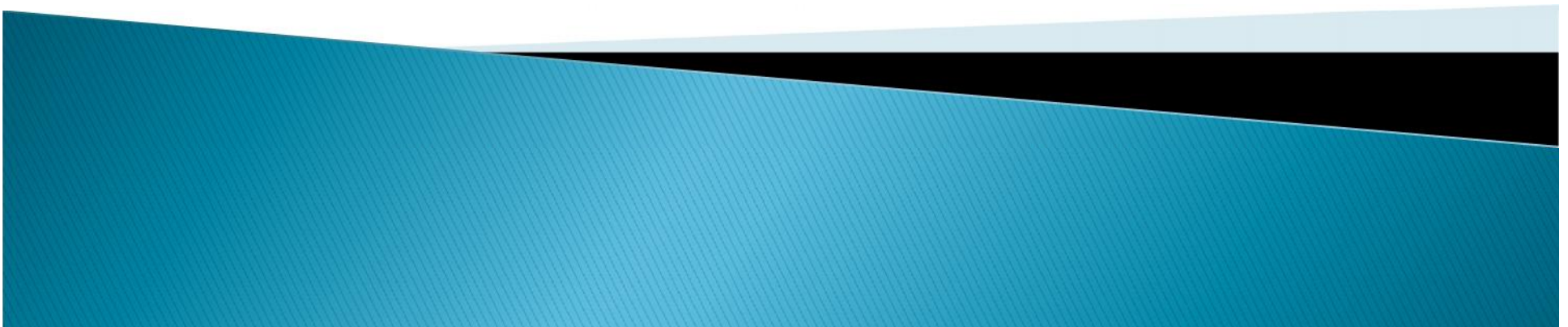


Less compliances

- ▶ Not required to include a cash flow statement during the course of preparation and presentation of its 'financial statements'
- ▶ A company secretary or a director can sign the annual return
- ▶ Allowed to raise deposits from members (shareholders), with exemption from procedural compliance for five years
- ▶ Convening at least one meeting of the board of directors in each half of a calendar year with the gap between the two meeting of not less than Ninety (90) days



Compliances to be done



1. Annual General Meeting (AGM)

- ▶ There should be one AGM every year and
- ▶ There must be a maximum gap of 15 months between 2 AGMs



2. Board Meetings

- ▶ The first board meeting of the Board of Directors should be held within 30 days of the incorporation of the company.
- ▶ There should be a minimum of two meetings one in each half calendar year. Plus, there should be a gap of at least 90 days between two meetings.




3. Appointment of Auditor (E-Form ADT-1)

- ▶ The first Statutory Auditor to be appointed within 30 days of the company's incorporation in the first board meeting.
- ▶ The subsequent auditors could be appointed for 5 years in AGM.



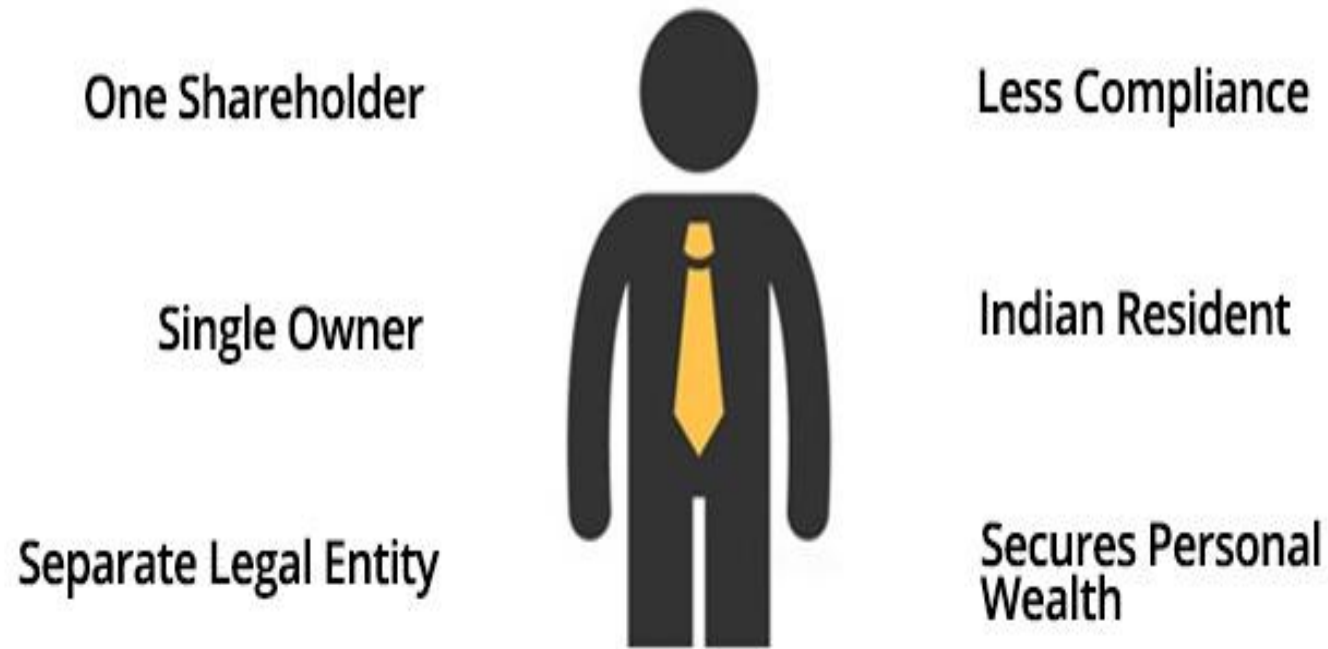
4. Statutory registers and Books of Accounts

- ▶ Minutes book,
 - ▶ Board meeting minutes book,
 - ▶ General meeting minutes book that could be EGM, AGM, Creditors Meetings, Debenture holders Meetings, and Postal Ballot,
 - ▶ Statutory Registers,
 - ▶ Books of Accounts or Financial Statements (as per Section 44aa),
 - ▶ Register of Directors Attendance at Committee or Board meetings.
- 



ONE PERSON COMPANY

Characteristics of OPC



ESOP & Sweat equity shares

- ▶ Restriction on companies on issuing sweat equity shares in excess of 25% of paid up capital at any time.
- ▶ The amendment expressly allows notified Start-ups to issue sweat equity shares not exceeding 50% of its paid up capital up to 5 years from the date of its incorporation or registration.



Thank You

