



SUMMER INTERNSHIP REPORT

FOR

R K KAPADIA AND ASSOCIATES

COMPANY SECRETARIES.



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Batch: MBA-FT (2020-2022)

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*Date of Submission: 12<sup>th</sup> July, 2021*

## ACKNOWLEDGEMENT

With great pleasure and sense of obligation I express my heartily gratitude to Prof. Meeta Munshi my faculty mentor. I am highly indebted for her invaluable guidance and support in successful completion of this project in stipulated time. Her persisting encouragement, perpetual motivation, everlasting patience and excellent expertise in discussions, during progress of project work, have benefited me in extent, which is far beyond expressions.

I am also grateful to corporate relations team of my college for their support in summer internship project.

I am also thankful to Mr. Raj Kapadia, my Organization Guide for his continuous guidance and in-depth knowledge for the project. His guidance helps me in enhancing my knowledge, skills, remarks during the process, and achieving the task successfully. I would like to thank him for encouraging and giving constructive feedback on the task during the internship.

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## EXECUTIVE SUMMARY

The firm provides interns with a one-of-a-kind opportunity to grow and develop their skills across numerous domains and projects. Even in the midst of a pandemic, feedback sessions are held online with Raj Kapadia (CEO) himself in order for interns to stay informed and perform better.

One month into my internship, I have contributed to legal research, financial research, and the creation of animations based on various stories. These were the primary areas of focus for my Summer Internship Project.

Working with R K Kapadia and Associates has given me the opportunity to look at financial and legal issues from an altogether new viewpoint. The basic goal of my job was to collect secondary data and write a quick note or report on it, to provide financial advice to the company by reviewing their financial records from the previous three years, and to research legal phrases and create an animated video for the same. My mentors have also given me the flexibility to use other animation programmes and express myself creatively. They also allow me the freedom to browse different sites for research.

## 1.1 INTRODUCTION

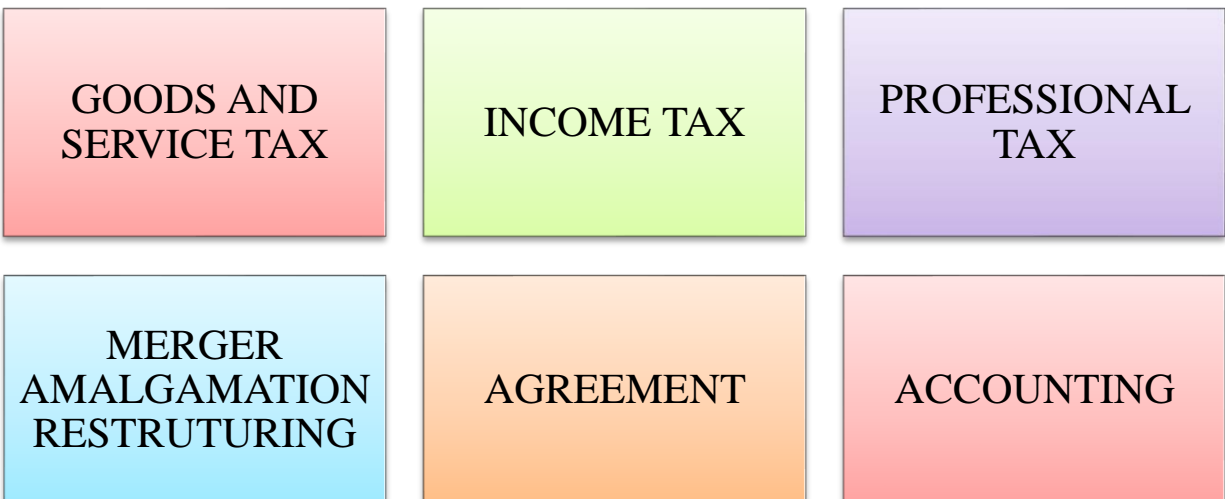
R K Kapadia and Associates is a firm of company secretaries providing full range business advisory and consultancy services to the corporate clients, start-ups, entrepreneurs including MSME's. They provide all services under one roof, including on-going regulatory compliance services, legal services, due diligence, corporate governance, audits, certifications, tax, accounting, drafting, intellectual property rights, appearances and representations and advisory in all of these matters.

## 1.2 VISION AND MISSION OF THE COMPANY

- ◆ Vision to provide the best-in-class business advisory services to our global clients.
- ◆ Mission to act as a single stop location for all the advisory, regulatory and compliance aspects which would be needed for a business enterprise.

## 1.3 SERVICES OFFERED:

R K Kapadia and Associates provides the following services:



## GOODS AND SERVICE TAX:

- ◆ Registration
- ◆ Returns
- ◆ Accounting
- ◆ Advisory
- ◆ Handling Queries

## INCOME TAX:

- ◆ Advisor
- ◆ Returns
- ◆ Tax Audits
- ◆ Scrutiny
- ◆ Appearances and Representations
- ◆ Filings
- ◆ Planning

For all assesses

## PROFESSIONAL TAX:

- ◆ Registration
- ◆ Tax payment
- ◆ Returns

## MERGER AMALGAMATION RESTRUCTURING:

- ◆ Advisory and consulting
- ◆ Due Diligence
- ◆ Drafting
- ◆ Scheme
- ◆ Filings
- ◆ Appearances and Reprerentation
- ◆ Valuation
- ◆ Taxation

## AGREEMENT:

- ◆ Commercial Agreements
- ◆ Business Agreements
- ◆ Joint Venture
- ◆ Share Transfer
- ◆ Share Purchase
- ◆ MoU
- ◆ Sale Agreements

## ACCOUNTING:

Accounting services for different entities:

- ◆ Individuals
- ◆ Professionals
- ◆ HNI Clients
- ◆ Corporate

- ◆ Businesses
- ◆ Firms
- ◆ Trust
- ◆ Preparing Reports
- ◆ Preparing Financial Statements under Companies Act, 2013.



## 2.1 INDUSTRY INTRODUCTION

R K Kapadia is a company secretarial firm that works in private practise as a company secretary.

The company secretary is in charge of developing and implementing processes that promote and sustain good corporate governance. This is acknowledged in the UK Code of Corporate Governance (which the Irish Stock Exchange has adopted) and the FRC Guidance on Board Effectiveness. The company secretary should assist board meetings by proactive agenda management and ensuring the presentation of high-quality, up-to-date information in advance of meetings.

*In India, how many company secretaries are in practise?*

During the fiscal year ended March 31, 2018, the ICAI admitted 4241 Associates and 456 Fellows, respectively.

As of March 31, 2018, the Institute had 39729 Associate and 7895 Fellow members, for a total of 47624 current members on the Register of Members, 375 of whom resided abroad.

*The corporate legal services team consists of the following individuals:*

*CEO of the company:* The CEO of the company is the person in charge of supervising all of the work done by all of the teams, as well as making ideas and correcting errors in all domains.

*Accountants and finance team:* Who oversees the company's finances and provides business advice.

*Administrative team or Officer on Special Duty:* In charge of all office paper work and documents connected to legal aspects, record keeping of an organisation, and crisis management.

Secretarial and legal team: This team will work on legal matters such as transaction support, contracting, and compliance. Assisting the organisation in comprehending legislative and regulatory changes that may have an influence on its business model and operations.

Social media team: Social media team manages the company's social media profile, updates all information on a regular basis, and uses their creativity to create posters, content, and videos.

## 2.2 THE COMPANY'S GROWTH STORY:

Raj Kapadia is the sole founder of the company. The firm began by concentrating on corporate laws, securities laws, FEMA, intellectual property laws, and corporate due diligence. They began by providing services related to Intellectual Property Rights, such as Trademarks, Copyrights, Patents, Industrial Designs, and other intellectual assets. They have now expanded their services to include intellectual property due diligence, audit, search, filing, prosecution, registration, licencing, valuation, drafting, appearances and representations, data protection, data privacy, and rights infringement defence. Current clients include Foreign Joint Venture Companies, where the proprietor has played a critical role in everything from the company's formation to advisory and compliance with the Companies Act. R K Kapadia and Associates, Company Secretaries is a top-tier advisory firm in Mumbai.

### 3.1 PROJECT DIVISION AND ALLOCATION:

An intern at R K Kapadia and Associates has the opportunity to explore and contribute to a variety of projects in a variety of fields. This allows one to become acquainted with the overall operation of the company as well as the process flow. So far, I have been handed tasks in domains where I can showcase some knowledge while also gaining the opportunity to improve my capabilities.

Since I have signed a NDA with the company, we are not permitted to disclose any clients or specific projects in the internship reports.

#### 3.1.1 LEGAL RESEARCH:

My focus was the PLI scheme, which stands for Production Linked Incentive Scheme. I had to acquire data for the research, which I did using secondary sources of data that are freely available in the public domain. Secondary sources such as research papers, publications, government websites, and specific data sources were active to conduct research on the subject.

#### A) PLI SCHEME (PRODUCTION LINKED INCENTIVE SCHEME):

In compliance with the National Policy on Electronics, the PLI scheme was notified on April 1. Electronics companies that produce cell phones and other electronic components such as transistors, diodes, thyristors, resistors, capacitors, and nanoelectronic components such as microelectromechanical systems would receive 4–6 percent incentives under the scheme. The PLI system will be in effect for five years. The fiscal year 2019–20 will be used as the base year for calculating rewards.

Similarly, the PLI scheme for pharmaceutical ingredients and medical devices requires applicants to commit a certain amount as investment to build capacities in these areas, as determined by the government.

Who is qualified to apply for the scheme?

Both Indian or Indian-based electronic manufacturing companies with a registered unit in India would be qualified to apply for the scheme. These businesses may either establish a new unit or pursue incentives for existing units in one or more Indian cities.

What does it mean for phone manufacturers?

Global companies that produce phones in India that sell for Rs 15,000 or more will get a 6% bonus. This is based on incremental sales of all such phones in India.

Benefits of PLI Scheme:

PLI is a well-thought-out strategy that encourages manufacturers to reconsider their domestic supply chain and strive for export-led growth. The scheme will cause a significant shift in the government's (thought) process, shifting their previous policy focus from import substitution to export-led growth, which will result in design-led growth for the country.

It encourages participants to improve process efficiency and scale-up.

On November 11, 2020, the Union Cabinet, chaired by Prime Minister Narendra Modi, approved the implementation of the PLI scheme for the ten main sectors that can boost India's manufacturing capabilities and exports.

The following are the ten new sectors to which the scheme has been extended, as well as the authorised financial outlay:

<b>Sectors</b>	<b>Implementing Ministry/Department</b>	<b>Approved financial outlay over a five-year period (Rs. in crores)</b>
Advance Chemistry Cell (ACC) Battery	NITI Aayog and Department of Heavy Industries	18100
Electronic/Technology Products	Ministry of Electronics and Information Technology	5000
Automobiles & Auto Components	Department of Heavy Industries	57042
Pharmaceuticals drugs	Department of Pharmaceuticals	15000
Telecom & Networking Products	Department of Telecom	12195
Textile Products: MMF segment and technical textiles	Ministry of Textiles	10683
Food Products	Ministry of Food Processing Industries	10900
High-Efficiency Solar PV Modules	Ministry of New and Renewable Energy	4500

White Goods (ACs & LED)	Department for Promotion of Industry and Internal Trade	6238
Speciality Steel	Ministry of Steel	6322

### Pharma Sector:

The government approved a production-linked incentive (PLI) scheme for the pharmaceutical sector, entailing an outlay of Rs 15,000 crore. The scheme is expected to encourage the production of high-value goods in the country and increase the value addition in exports from 2020-21 to 2028-29.

### Objectives of Pharma sector are:

- ◆ The scheme's aim is to improve India's manufacturing capabilities by growing investment and development in the industry, as well as contributing to product diversification to high-value products in the pharmaceutical sector.
- ◆ One of the scheme's additional goals is to develop global champions from India who have the ability to expand in size and scale using cutting-edge technology and thus penetrate global value chains.
- ◆ The companies registered in the country will be divided into three categories based on their global manufacturing revenue (GMR) to ensure the scheme's broader applicability across the pharmaceutical sector while meeting the scheme's objectives.
- ◆ Group A organisations will have a GMR (FY 2019-20) of pharmaceutical products greater than or equal to Rs 5,000 crore. The reward for such applicants is Rs 11,000 crore.
- ◆ Applicants with a GMR (2019-20) of pharmaceutical products between Rs 500 crore and Rs 5,000 crore will be eligible for Rs 2,250 crore in incentives. Similarly, applicants with a GMR of less than Rs 500 crore will be eligible for Rs 1,750 crore in rewards.

- ◆ The bonus rate for Category 1 and Category 2 goods will be 10% (of incremental sales value) for the first four years, 8% for the fifth year, and 6% for the sixth year of production under the scheme.
- ◆ Furthermore, the bonus rate for Category 3 goods would be 5% (of incremental sales value) for the first four years, 4% for the fifth year, and 3% for the sixth year of production under the scheme.

## B) MSME:

### The new definition of MSME (May 2020):

The MSME definition was officially changed by the centre on Wednesday, May 13th.

Union Minister Nitin Gadkari stated in October 2019 that the revamped definition of micro, small, and medium enterprises may provide a uniform description for everything related to taxation, investment, and more.

The new definition was to be adopted through an amendment that would further refine the business environment for Indian firms. The amendment to shift the criteria for classifying MSMEs from “investment in plant and machinery” to “annual turnover” was approved by the Union Cabinet.

Finance Minister Nirmala Sitharaman added the turnover principle to the investment principle on May 13, 2020.

<b>Revised MSME Classification</b>			
<b>Composite Criteria: Investment and Annual Turnover.</b>			
<b>Classification</b>	<b>Micro</b>	<b>Small</b>	<b>Medium</b>
<b>Manufacturing &amp; services</b>	Investment < Rs 1 crore and turnover < Rs 5 crore	Investment < Rs 10 crore and turnover < Rs 50 crore	Investment < Rs 50 crore and turnover < Rs 250 crore

This was done as part of the Atma-nirbhar Bharat Abhiyaan Economic Package to alleviate India's economic difficulties in the middle of the pandemic.

The overall sum of the relief package, when combined with all prior economic stimulus efforts, comes to a whopping Rs. 20 lakh crores.

Atma-nirbhar Bharat Abhiyaan key announcements:

- Automatic collateral-free loans worth Rs 3 lakh crore are available to MSMEs.
- Equity infusion of Rs 50,000 crore via MSME Fund of Funds.
- Subordinate debt of Rs 20 crore for MSMEs
- Extending the registration and completion dates of RERA-governed real estate developments.
- All non-charitable trusts will receive immediate pending reimbursements.
- The deadline for filing the ITR for fiscal year 2019-20 has been extended until November 30, 2020.

What is MSME? An Introduction:

MSME is an acronym that stands for Micro, Small, and Medium Enterprises. According to the Micro, Small, and Medium Enterprises Development (MSMED) Act of 2006, enterprises are divided into two categories.

Manufacturing enterprises — businesses that manufacture or produce goods in any industry.

Service enterprises — businesses that provide or deliver services.



MSME definition based on investment prior to the MSMED Act of 2006:

<b>Manufacturing Sector:</b>	
Enterprises	Investment in plant and machinery
Micro enterprise	< or = Rs 25 lakh
Small enterprises	> Rs 25 lakh < Rs 5 crore
Medium enterprises	> Rs 5 crore < Rs 10 crore

<b>Service Sector:</b>	
Enterprises	Investment in equipment.
Micro enterprise	< or = Rs 10 lakh
Small enterprises	>Rs 10 Lakh< Rs 2 crore
Medium enterprises	> Rs 2 crore < Rs 5 crore

Features of MSME:

- MSMEs seek to improve the lives of workers and craftsmen. They assist them by offering employment, loans, and other services.
- MSMEs provide banks with credit limits or funding assistance.
- They encourage the growth of business as well as skill development by establishing specialised training facilities.
- They advocate for the advancement of developmental technologies, the development of infrastructure, and the overall modernisation of the industry.
- MSMEs are well-known for providing fair support to improve access to both local and export markets.
- They also provide cutting-edge testing facilities and high-quality certification services.

### What is MSME Registration:

Micro, Small, and Medium Enterprises (MSME) Registration benefits individuals and businesses that fall within the Government's investment limits. The registration is intended for businesses in the manufacturing or service sectors.

Any business entity (sole proprietorship, partnership, OPC, etc.) can apply for the MSME certificate; however, applicants' investment restrictions vary. It is also known as Udyog Aadhar Registration and can be completed online or offline.

### Benefits of MSME Registration:

- ◆ The government facilitated financial help from banks: Once registered with MSME, it is much easier to raise money for the financial needs of Micro, Small, and Medium Enterprises. The government assists in the provision of subsidised bank loans with lower interest rates. It is one of the most significant advantages of MSME registration.
- ◆ Tax Benefits: Depending on the nature of the industry, one may be eligible for excise duty exemption. Furthermore, if your company is in its early stages of growth, you may be eligible for direct tax exemptions.
- ◆ A presumptive taxation plan is available under section 44AD of the Income Tax Act for small and medium firms, i.e., non-corporate entities with a turnover or gross revenues of less than one crore rupees. Currently, around 33 lakh small business owners take advantage of this perk, which relieves them of the stress of keeping complete books of account and having audits performed. To raise the scheme's turnover ceiling to Rs. two crores, which will provide significant relief to a large number of assesses in the MSME category.
- ◆ Central Government Schemes for the Development of Small and Medium-Sized Enterprises: MSMEs can obtain collateral-free loans through programmes such as the Credit Guarantee Fund Trust for Micro and Small Enterprises. Furthermore, through the Pradhan Mantri MUDRA Yojana, SIDBI provides financial assistance to MSMEs.
- ◆ Only products created by MSMEs are reserved: Because Small and Medium Scale Industries operate on a smaller scale, the government ensures that they do not fail due to market competition. As a result, it has set aside some products that can only be manufactured by Micro, Small, and Medium Enterprises. Furthermore, the government

stores are required to acquire specified products from these businesses solely, such as wooden furniture, jewellery, pickles, and so on.

- ◆ Easy recovery of money: The Government of India assists MSMEs in dealing with buyers who do not pay on time, hence decreasing bad debts. If a due date is specified in the agreement between the MSMEs and the buyers during the supply of goods and services, the payment is expected to be made on or before that date; if no due date is specified, the buyer is expected to make the payment within 15 days after the goods and services have been accepted. If payment is not received within 45 days of the goods and services being given. If the buyers do not comply with these conditions, they must pay a penalty equal to three times the prevailing bank interest rate as prescribed by the RBI.

The MSMED ensures that the needs of small business owners are not jeopardised:

- ◆ Reduced Trademark Registration Fees: The MSME certificate might also assist you with trademark registration. It allows you to receive a 50% discount on fees only when you file for the registration of a trademark or a patent.
- ◆ Exemption from Overdraft Interest: If your business is registered under the MSMED Act, you can get a 1% interest rate reduction on overdraft arrangements.
- ◆ Facilities for upgrading industry technology: When compared to other industries, the Small and Medium Scale Industry has a low level of financial capital. This is the rationale for their employment of antiquated machinery in the manufacture of goods and services. The Government of India wishes to ensure that small-scale companies receive adequate funding via the Capital Aid for Technological Upgradation Scheme in order to upgrade the machinery they employ.
- ◆ Subsidies and Government Schemes to promote your industry: The various state governments have created a number of programs to aid in the promotion of business. Schemes such as the Pradhan Mantri Employment Generation Program and the Skill Development Program go a long way toward establishing businesses. Subsidies are also provided by the government to help increase revenue.
- ◆ Reimbursement for ISO certification costs: Industries having an MSME certificate are entitled to compensation if they incur any costs throughout the ISO certification procedure.

- ◆ Electricity bill reduction: If a firm is registered under the MSMED Act, it may be eligible for significant savings on its power price. This manner, you can lower the number of fixed costs associated with running your organisation. The benefits of MSME registration pave the road for industry development and expansion.
  - As a result, one can understand how an MSME registration certificate might aid in the establishment of a business. With a streamlined Udyog Aadhar process, one can reap numerous benefits and become a successful entrepreneur. As a result, you can make a significant contribution to the growth of the economy.
  
- ◆ Women Entrepreneurship: Women as entrepreneurs play a little role in our country, accounting for only 14 percent of all entrepreneurs. Thus, in order to promote and cater to the potential of women as entrepreneurs, the government has developed a number of initiatives that offer rewards and skill-training to young women who want to pursue entrepreneurship and MSMEs as a career option. MSME programmes for entrepreneurship are unparalleled in terms of giving assistance tailored exclusively to women.

#### Various MSMED Act Schemes:

- ◆ Grievance Monitoring System: The benefits of this scheme include receiving complaints from businesses about bad debt recovery. Legal action will be taken to reclaim their debts.
- ◆ Banks' financial support: Interest rates are cheaper for officially registered firms or firms than for others. Public sector banks have divided their MSME branches into two wings: ordinary banking branches and specialised MSME branches, with 60 percent or more of their advances going to MSME sectors. This is done to improve the sector's overall service network.
  - Even according to the Reserve Bank of India Circular on lending to the MSME sector dated July 1, 2010, there is a composite loan limit Scheme under which a loan of Rs.1 crore can be obtained.
- ◆ Udyog Aadhaar Memorandum: Enterprises can attach their Aadhaar number, which is 12 digits long. Because the Aadhaar card is required for registration. The advantage of

enrolling under this system is the ease with which you can obtain government credits, loans, and other subsidies. Online or offline registration is available.

- ◆ Credit Linked Capital Subsidy Scheme: This programme provides new technologies to businesses to replace outdated and outmoded technology. A capital subsidy is also provided to the business in order for them to improve and have better means of doing business. Small, micro, and medium-sized businesses can approach banks directly for these subsidies and loans for upgrading.
  - The government of India launched the MSME Support and Outreach Programme(SOP) with the goal of making credit, loans, and financial assistance more accessible to Micro, Small, and Medium Enterprises Under this initiative, the Government of India will grant primary permission to all MSMEs with MSME registration and GST registration for easy loans up to 5 crores in 59 minutes.
  - MSMEs with a GST registration will be eligible for a 2% interest rate subsidy. This will undoubtedly increase tax compliance among MSMEs and make conducting business easier for them. Furthermore, exporters who have a unique Import Export Code (IEC) in addition to GST registration will be offered an additional rebate in their interest rate ranging from 3% to 5% on loans taken out during the pre-shipment and post-shipment periods.
- ◆ Zero Defect Zero Effect: In this approach, commodities created for export must adhere to particular criteria in order to avoid being rejected or returned to India due to quality issues. To attain this goal, the government has developed the Zero defect Zero impact initiative. If certain commodities are exported, they are eligible for certain rebates and incentives.

The following are the current MSME schemes:

1. Single Point Registration Scheme (SPRS): This scheme exempts you from paying an Earnest Money Deposit (EMD) and allows you to issue tenders with no money down.
2. Credit Guarantee Scheme (CGS): This Scheme guarantees credit support from the SIDBI-created CGTMSE fund for firms engaged in manufacturing and service operations.
3. Coir Udyami Yojana: Under this programme, Coir Units are supported with credit of up to 25% of project cost up to a maximum of Rs 10 lakh, as well as financing working capital of up to 25% of project cost.

4. Raw Material Assistance (by NSIC): This initiative facilitates easy access to capital for processing raw materials for production, allowing companies to focus more on their core services.
5. Revamped Scheme for Regeneration of Traditional Industries (SFURTI) Scheme: This scheme assists startups, including traditional industries and artisans, in organising and obtaining long-term sustainability by providing easy access to tools and equipment, strengthening the cluster with market intelligence, improved technology, and so on.
6. A New Scheme To Assist Distressed MSMEs Has Been Launched: On June 24, 2020, the Ministry of Micro, Small and Medium Enterprises (“MoSME”) introduced another finance programme to assist the distressed MSME sector. The scheme is known as the ‘Distressed Assets Fund - Subordinate Debt for Stressed MSMEs.’ The Scheme will be implemented through the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE).  
The goal is: The Scheme's goal is to provide guarantee coverage to give sub-debt support in the restructuring of MSMEs. It will make personal loans available through banks to the promoters of troubled MSMEs in order to infuse equity/quasi-equity into the business qualified for restructuring.

The Government of India has introduced a number of initiatives aimed at assisting, strengthening, and promoting the growth of micro, small, and medium-sized businesses (MSME). The Ministry of Micro, Small, and Medium Enterprises, in a notification dated June 26, 2020, introduced the concept of ‘Udyam Registration. Udyam Registration is available to businesses in both the manufacturing and service sectors.

#### What is Udyam Registration?

It is a streamlined procedure for registering entities as MSME. Prior to the advent of Udyam Registration, the registration procedure was highly onerous and a time-consuming bureaucratic process that required a lot of documentation. However, with the launch of Udyam Registration, entities can easily and quickly register themselves online. It is worth noting that the online Udyam registration site is the only Government Portal for MSME (Udyam) Registration.

### Who is eligible:

Anyone thinking about starting a micro, small, or medium-sized business can register online with Udyam Registration.

### Online Udyam Registration Procedure:

- ◆ Only on the basis of self-declaration may any entity file Udyam Registration through the online portal. Documentary proofs are not required to be uploaded.
- ◆ The registration form can be found on the Udyam Registration webpage.
- ◆ There is no fee for submitting the form.
- ◆ The entity is subsequently referred to as "Udyam" in the online Portal and given a permanent identifying number known as the "Udyam Registration Number."
- ◆ The Aadhaar number is required.
- ◆ When a company has an Aadhaar Card, the Aadhaar number of the proprietor in the case of a proprietorship firm, the managing partner in the case of a partnership firm, and the 'Karta' of a Hindu Undivided Family shall be used (HUF).
- ◆ In the event of a Company, a Limited Liability Partnership, a Cooperative Society, or a Society or a Trust, the organisation or authorised signatory must supply its GSTIN and PAN, as well as its Aadhaar number.
- ◆ If an enterprise is legally registered as an Udyam with a PAN, any information gaps for past years, during which it did not have a PAN, must be supplied through self-declaration.
- ◆ An enterprise can only apply for Udyam Application once, although any number of operations, including manufacturing, service, or both, can be stated or added in the single registration.
- ◆ Anyone who knowingly misrepresents or suppresses any information or figures during the Udyam Registration or update process will face a penalty.
- ◆ Following the completion of the online registration process, an e-certificate, titled "Udyam Registration Certificate," is issued in the entity's name.

### Existing Enterprise Registration Procedure:

- ◆ From the 1st of July 2020, all current firms must re-register on the Udyam Registration platform.
- ◆ The re-classification must be carried out in conformity with the new notification.
- ◆ Enterprises that were already registered before to the 30th of June 2020 will be valid only until the 31st of March 2021.
- ◆ An enterprise registered with any other MSME body must register with Udyam Registration.

### Why is MSME registration important for your business?

Micro, Small, and Medium Enterprises (MSME) have developed as a vibrant sector of the Indian economy over the last five years. On the one hand, MSME plays a key role in job creation at a cheap capital cost, and on the other, it contributes to the industrialization of rural and backward areas. As a result, this thriving sector has helped to minimise regional disparities, ensuring a more equitable distribution of national income and wealth. As an accessory unit, they occasionally contribute to major industries.

The Micro, Small and Medium Enterprises Development (MSMED) Act was introduced in 2006 to address difficulties affecting MSME's. The Act provides the first-ever legal framework for enterprise recognition. According to this, the primary duty for the promotion and growth of these enterprises rests with the state governments, who are supplemented by the federal government. Various schemes and programmes are implemented, but they can only be accessed following MSME registration to:

- ◆ Encourage entrepreneurship by ensuring a sufficient flow of financing from financial institutions and banks. MSME are recognised by all banks and financial institutions, and plans for their commercialization are available. To maintain MSME tax benefits in the early years of operation, such as excise duty exemption and exemption from some direct taxes.
- ◆ Support for technical advancements, as well as infrastructure amenities



- ◆ Opportunities for employment include skill development, capacity building, and training facilities.
- ◆ Opportunities for a living: the well-being of artisans and employees.
- ◆ Product development assistance and market access on a national and international scale.

#### Udyam Registration Benefits:

The new MSME registration process, according to the MSME Ministry, will be exceptionally straightforward, smooth, and entrepreneur-friendly. It will also assist to create an example in terms of Ease of Doing Business, not only in India but also globally. It will also minimise transaction time and costs, allowing entrepreneurs and businesses to focus on their core competencies and become more globally competitive.

#### Cancelling an MSME Registration Online:

Micro, small, and medium enterprises are the economic backbones of a country like India. These businesses form the foundation of India's financial system. There are numerous elements and eligibility considerations that are accountable for designating a specific company pattern as a micro, small, or medium enterprise. The central government establishes these elements and eligibility regulations in order to assist business owners who are in need.

When a firm transitions out of the micro, small, and medium businesses sector, it is critical that the previously completed MSME registration be cancelled. To cancel an MSME registration, a number of processes must be taken, which must be completed by accessing the government webpage. But first, we must investigate the conditions for being a firm in the MSME sector.

#### Reasons for MSME Registration Cancellation:

If a person wishes to cancel their MSME registration, they may do so for a variety of reasons. These reasons are frequently based on the organization's revenue system and even if the business person wishes to change the business pattern. In this section, we will go over the two reasons:

- ◆ The money generated by the organisation is a crucial indicator of whether it is in the MSME sector or not. If it is discovered that the organization's turnover is significantly higher than what is expected of a micro, small, and medium-sized enterprise, the business owner should consider cancelling the MSME registration.
- ◆ If a business owner wishes to modify the pattern of the business or the sector in which the business is operated, he or she can easily cancel the prior registration. One of the most prevalent reasons given by those involved in the trade for cancelling MSME registration is a change in business.

#### MSME Registration Cancellation Procedure:

There are several actions that must be taken in order to cancel an MSME registration. All of these procedures are critical and can be completed on the government website that is provided in order to complete the cancelling procedure. It has been noted that if a person is not well knowledgeable in the realm of technology, the cancelling procedure might be long and stressful. This presents a hurdle for most business owners because technology is not something that the owner of an MSME business is knowledgeable about. There are several procedures that must be completed, one of which is the return of the prior ID.

MSME registration is normally completed when the business person is given a 12-digit ID that is unique to each individual. To cancel an MSME registration, the business owner must provide the necessary paperwork as well as this ID, which the federal government may delete in the sector of micro, small, and medium companies. It is, as previously stated, one of the most difficult operations to execute on the web platform.

## C) START-UP INDIA INITIATIVE:

### What is Startup India?

Startup India is a flagship programme of the Government of India that aims to create a strong ecosystem conducive to the growth of startup firms, drive long-term economic growth, and provide large-scale job opportunities. Through this project, the government hopes to empower entrepreneurs to grow through innovation and design.

Since the inauguration of the initiative by the Hon'ble Prime Minister on January 16, 2016, several projects have been implemented to contribute to his vision of changing India into a country of job creators rather than job seekers. These initiatives have stimulated the startup culture, with startups receiving recognition through the Startup India initiative and numerous entrepreneurs reaping the rewards of establishing their own firm in India. Via this effort, the Government of India hopes to empower startups to grow through innovation and design.

A startup is defined as an entity that meets all of the following criteria:

1. If it is incorporated/registered as any of the followings:
  - ◆ Private Limited Company
  - ◆ Partnership Firm
  - ◆ Limited Liability Partnership
  - ◆ One Person Provided Company
2. It has not passed the ten-year mark from incorporation/registration, as stated above.
3. Its turnover has never crossed INR 100 crore in any of its fiscal years.
4. It fulfills any of the following criteria:
  - I. It is working towards:
    - ◆ New product/process/service innovation
    - ◆ New product/process/service development
    - ◆ Existing products/processes/services are being improved.
  - II. It is a scalable business model with the following advantages:
    - ◆ Employment generation
    - ◆ Wealth creation

### Startup India Hub Will Help Startups Grow:

Startup India Hub: The goal of Startup India Hub is to provide a single point of contact for the whole Startup ecosystem, as well as to facilitate knowledge sharing and access to investment. It offers the following resources:

- ◆ Learning and Development Programs – A 4-week online free certification course for a step-by-step guide to launching a business in India is provided.
- ◆ Government Initiatives - The page contains information on all government schemes for startups.
- ◆ State Startup Policies - The portal contains all of the state government policies for startups.
- ◆ Pro Bono Services - The platform offers free applications, cloud credits, legal and banking assistance from startup India partners such as Amazon Web Services, PayU, Truecaller, and others.
- ◆ Knowledge Bank - A brief guide to everything related to startups is provided, including business registration, investor engagement, legal issues, and so on.

### Startup Registration/Recognition by Government:

Startups that meet all of the above criteria can apply to be recognised by the Department for Promotion of Industry and Internal Trade (DPIIT) through the Startup India portal

<https://www.startupindia.gov.in/>.

### Requirements for recognition:

- ◆ PAN and Certificate of Incorporation/Registration
- ◆ Total number of directors/partners, as well as information about each director/partner, such as name, phone number, email address, and entire address.
- ◆ Details on the entity's industry, sector, and category of business.
- ◆ Authorized Representative Information (Name, Designation, Mobile No. and Email ID).
- ◆ Employees counted, including the founders.
- ◆ Is the entity the recipient of any honours or recognition? If so, a document pertaining to the award/recognition received must be uploaded.

- ◆ What is the startup's solution to the problem? It must be explained in no more than 250 words.
- ◆ How does your startup intend to address the aforementioned issue? It must be explained in no more than 250 words.
- ◆ What distinguishes your solution? It must be explained in no more than 250 words.
- ◆ How does your startup make money? It must be explained in no more than 250 words.
- ◆ Links to extra documents or the uploading of supplementary documents to support your application (For example, a website link, videos, a pitch deck, patents, and so on.) It is required to submit at least one.

Benefits provided under Stratup Scheme:

- ◆ Various advantages in terms of Intellectual Property Rights (IPR): In terms of intellectual property rights, startups receive the following benefits:

i) Startups receive a refund of 80% when filing a patent application and 50% when filing a trademark application.

ii) Startups benefit from expedited evaluation and disposition of patent applications.

iii) Startups are supplied with a panel of facilitators to assist them in filing applications for intellectual property rights such as patents and trademarks. The Central Government pays the total fee of the facilitators for any number of patents, trademarks, or designs, whereas startups just pay the statutorily required fees.

According to the most recent government data, over 1000 applications have gotten cost reductions, and there are over 4000 IPR facilitators ready to assist companies in obtaining IPRs.

- ◆ Relaxation of Public Procurement Regulations for Startups:

When a government institution or a public sector initiative issues a tender, it usually includes a need for past experience or turnover. In general, startups do not meet the requirements to participate in the tender.

To support startups in the manufacturing industry on par with well-experienced entrepreneurs/companies with significant turnover, the government has exempted startups from

the prior experience or turnover requirements. However, no concessions have been made in terms of quality standards or technical characteristics.

◆ Self-Certification of Compliance with Labor & Environmental Regulations:

In order to lessen the regulatory burden on Startups, it has been permitted to self-certify compliance with certain labour & environmental laws for a period of three years from the date of incorporation.

In the case of labour laws, no inspection will be conducted until the inspecting officer receives a credible and verifiable complaint of a violation, which must be lodged in writing and approved by at least one level superior to the inspecting officer.

Relief in following Labour Laws:

- ◆ The Building and Other Constructions Workers' (Regulation of Employment & Conditions of Service) Act, 1996.
- ◆ The Inter-State Migrant Workmen (Regulation of Employment & Conditions of Service) Act, 1979.
- ◆ The Payment of Gratuity Act, 1972.
- ◆ The Contract Labour (Regulation and Abolition) Act, 1970.
- ◆ The Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
- ◆ The Employees' State Insurance Act, 1948.

Relief in following Environment Laws:

- ◆ The Water (Prevention & Control of Pollution) Act, 1974.
- ◆ The Water (Prevention & Control of Pollution) Cess (Amendment) Act, 2003.
- ◆ The Air (Prevention & Control of Pollution) Act, 1981.

Faster Exit:

Due to the innovative nature of startups, a large portion of them fail to prosper.

In the event of a startup failure, it is critical to reallocate remaining funds and resources to more productive choices, and thus a quick and simple winding up process has been established for Startups.

This would encourage entrepreneurs to experiment with fresh and innovative concepts without fear of confronting a costly and time-consuming exit process in which their capital is unnecessarily trapped.

- ◆ For a period of three years, you are exempt from paying income taxes under Section 80IAC.

Tax exemption for recognised startups for three years on an approved basis has been authorised in order to foster the development of startups in India and provide them with a competitive platform.

Startups formed on or after April 1, 2016 are eligible for income tax exemption under section 80IAC of the Income Tax Act of 1961.

The Inter-Ministerial Board assesses the business's innovative characteristics in order to provide Income Tax Exemption.

Recognized Startups with an Inter-Ministerial Board Certificate are exempt from income tax for three consecutive years out of ten years following formation.

- ◆ Income Tax Exemption on Investments under Section 56(2)(viib) (Angel Tax):

What exactly is section 56(2)(viib)?

When a corporation receives consideration for the issuance of shares that exceeds the Fair Market Value (FMV) of such shares, the excess consideration is taxable in the recipient's hands as Income from Other Sources.

- ◆ Access to capital has been one of the most difficult obstacles for startups in India. Startups frequently struggle to justify financing due to a lack of collateral or current cash flows.

Furthermore, the high-risk nature of startups, with a considerable portion failing to take off, diminishes their investment attractiveness.

The government has set up a corpus fund of INR 10,000 crores administered by SIDBI to provide equity capital support for the creation and growth of innovation-driven firms.

The Fund is structured as a Fund of Funds, which implies that the government contributes to the capital of SEBI-registered Venture Funds, which invest twice as much in Startups.

The funding flow is as follows: Government > SIDBI > Venture Capitals > Startups.

◆ Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE):

The Government of India (GoI) established the Loans Guarantee Fund Scheme for Micro and Small Enterprises to provide collateral-free credit to the micro and small enterprise sector. Both current and new businesses are eligible for coverage under the plan.

- ◆ Capital Gains Tax Exemptions with the goal of encouraging investments in startups by mobilising capital gains from the sale of capital assets.

How to Create a Profile on Startup India's Website:

The procedure of creating a profile on the Startup India website is quite simple.

1. Simply click 'Register' and fill out the registration form with the necessary information. An OTP will be given to your registered email address, and after you submit it, your profile will be established.
2. You will be able to choose your profile type. Individuals' profiles go live instantly, however Startups' profiles go under moderation for 24-48 hours, after which you will be able to access all benefits on [www.startupindia.go](http://www.startupindia.go).

Why Should You Form a Company for Your Startup?

Additional credibility: If you had to pick one or two of the primary advantages of incorporating your business, one of the top reasons would be the instant legitimacy for your company after incorporation. Adding “Pvt Ltd” after your company name might give it instant authority. Consumers, vendors, and business partners may prefer to conduct business with a corporation.



Tax advantages and benefits of incorporation: There are various tax advantages and benefits to incorporating a small firm. Though profit and loss normally pass via the government's taxation slabs and are reported on the personal income tax returns of owners, they can also elect to be taxed as a corporation. Similarly, by incorporating their business, the proprietor can avoid double taxation on corporation profits.

Personal asset protection: Allows business owners to separate and protect their personal assets in the case of a lawsuit or allegations made against a business entity. Owners should have minimal accountability for business debts and responsibilities in a well-established and managed organisation. This is still one of the most significant advantages of incorporating.

Protocol for Growth: In addition to friends and family, you will need stock or loans to fund your firm. Outsiders will make certain that their money is invested in registered forms of business rather than in any primitive type of corporation. As a result, registering your firm becomes a growth protocol.

#### Indian-based start-ups' success stories:

The Indian startup ecosystem is said to be the third-largest in the world, and it continues to draw investors from all over the world as commercial opportunities expand. India is home to the largest ecommerce agreement between Walmart and Flipkart, 31 unicorns and counting, and plenty of unexplored prospects, so it should come as no surprise that the country has produced some of the most notable startup success stories. And the effect of India's most successful entrepreneurs is felt not only in India, but around the world, as Indian startup products and services enter international markets.

The Most Successful Startups in India: Over the years, Indian businesses have achieved success in a variety of areas, with startups in corporate technology, ecommerce, and travel technology gaining international recognition. Simultaneously, many of India's most successful businesses are aiming to expand their footprint and reach, particularly in Tier 2 and 3 cities.

- ◆ InMobi – Adtech: InMobi was created in 2006 by Naveen Tewari, however it eventually shifted focus to become a mobile advertising and content discovery platform. InMobi assists businesses in developing enticing ad campaigns on mobile devices through app

partners, as well as making sound marketing decisions on where to spend their money. Tewari oversaw a number of acquisitions at InMobi, propelling the company to the status of India's first unicorn.

- InMobi's mobile advertisements and discovery network, which began as an SMS-based mobile search platform called Mhkoj, now serves over 1.64 billion devices globally (March 2019). After surpassing 1 billion active devices in 2015, the adtech startup became profitable in the fourth quarter of 2016. While the United States remains InMobi's most profitable area due to the larger app economy, China has surpassed it as the company's second-largest market. InMobi is competing for a piece of the global mobile internet ad spending pie with the two major global companies in the field, Facebook and Google.
  - Launch Year: 2007
  - Founders: Naveen Tewari, Amit Gupta, Mohit Saxena
  - Headquarters: Bengaluru
  - Total Funding: \$ 320 Mn
  - Key Investors: SoftBank, Kleiner Perkins Caufield & Byers, Tennenbaum Capital Partners, Sheralo Ventures
  - Unicorn Since: 2014
  - Estimated Valuation: \$1 Bn
- ◆ Flipkart: Flipkart's founder and CEO, Sachin Bansal
- This one would not be unfamiliar to everyone! Flipkart attained huge success a few years ago as a result of its first-mover advantage in India's online business. Sachin and Binny Bansal, both IIT-D alumni, had worked with Amazon, therefore they brought a similar concept to the Indian market. They began with books in 2007 and have since expanded to sell practically anything, from personal care to jewellery, CDs to stationery. It paid roughly INR 2000 crore for Myntra.
  - According to a Wall Street Journal and Dow Jones VitalSource report released on Thursday, Flipkart.com has joined the top five global billion-dollar start-up club, with a valuation of \$11 billion.
- ◆ Swiggy – Consumer Services: Swiggy began operations in Bengaluru's venerable Koramangala neighbourhood in 2014, with six delivery executives and 25 partner

restaurants covering just one neighbourhood. It offers the urban foodie a complete food ordering and delivery service from a variety of establishments. It now has over 2.1 lakh active delivery partners and processes almost 1.4 million food orders per day across India, up from roughly 700,000 orders per day last year. It announced the commencement of operations in its 500th city in October 2020 and hopes to expand to 600 locations by December 2021, with the most recent funding of \$1 billion from Naspers and Tencent Holdings. Swiggy's expansion has come at the expense of profitability; Swiggy finished FY 2018-19 with a 93 percent increase in losses, totaling INR 397 Cr.

- Launch Year: 2014.
  - Founders: Nandan Reddy, Rahul Jaimini, Sriharsha Majety.
  - Headquarters: Bengaluru.
  - Total Funding: \$1.27 Bn.
  - Key Investors: DST Global, Naspers, Bessemer Venture Partners, Norwest Venture Partners, Accel, SAIF Partners.
  - Unicorn Since: 2018.
  - Estimated Valuation: \$3.3 Bn.
- ◆ Paytm – Fintech: While Paytm originated as a digital wallet, it has changed and expanded into other payment categories numerous times over the years. Paytm deserves credit for keeping its services relevant and compliant with shifting regulatory and fintech developments. It claims to have over 130 million active users now, and in addition to individual purchases and transactions, clients may pay utility bills, transfer funds to other bank accounts, book flights, trains, and cinema tickets, among other things.
- The demonetisation of high-value currency notes in November 2016 marked a watershed moment for Paytm. Its user base increased from 125 million before demonetisation to 185 million three months later. It has grown steadily since then, surpassing 300 million in 2018. It has also expanded to include six new organisations, including Paytm Financial Services, Paytm Entertainment, Paytm Money, Paytm Mall, and Paytm Insurance Corporation.
  - Paytm's founder, Vijay Shekhar Sharma, has stated that the fintech startup will want to go public after 2021, when it begins to generate revenue.
  - Launch Year: 2010

- Founders: Vijay Shekhar Sharma
- Headquarters: Delhi-NCR
- Total Funding: \$ 2.5 Bn
- Key Investors: SoftBank, Alibaba, Berkshire Hathaway, SAIF Partners, Intel Capital, and SAP Ventures
- Unicorn Since: 2015
- Estimated Valuation: \$15 Bn

Unsuccessful startup stories from India:

- ◆ SMAAASH: SMAAASH, which opened in 2012, was one of India's most acclaimed gaming and entertainment centres, combining sports, virtual reality, music, and dining to create a sophisticated, collaborative, and groundbreaking social experience for a wide range of user categories.
  - SMAAASH founded itself in sports simulation technology and proprietary gamification technologies, led by the creative entrepreneur Shripal Morakhia, with a unique twilight bowling zone, motor racing and bike racing simulators, and go-karting circuits.
  - The key contributors to the success of this virtual reality-led entertainment gaming centre were in-house research and production skills, with titles like Walk the Plank, Finger Coaster, and Cockpit 360 acquiring cult followings due to Head-mounted displays.
  - SMAAASH had 32 centres in 16 cities across India at the time of its termination.
  - Failure caused by:
  - The main reason for SMAAASH's closure was the ongoing lockdown caused by the non-improving Covid-19 spread.
  - According to the creator Shripal Morakhia's email to all employees dated September 15, 2020, "I am sorry that despite my best efforts, I have failed in my efforts to preserve the company from its untimely death."
  - "But it just did not materialise in terms of genuine money; I am unhappy that a dream like Smaaash would have died in this manner."

- He went on to say that though the investors had given the corporation their "promise" to "finance" the company, the money injection did not occur, resulting in the company's demise.
- COVID, as indicated in the outset of this article, has resulted in the demise of the retail, hospitality, and hotel industries.
- However, the closure of a brick-and-mortar store that sold on-premise games has benefited online gaming providers.
- While enterprises such as SMAASH closed their doors, internet sports networks such as Dream 11 and competitor Mobile Premier League took advantage of the opportunity to invest as marketers and sponsors during the last edition of the Indian Premier League.
- ◆ Harley-Davidson: Let's go to Harley-Davidson. Harley-Davidson, or H-D for short, is an American motorcycle manufacturer that began producing motorbikes in Milwaukee in 1903. Harleys is a manufacturer of heavyweight motorbikes designed for highway riding.
  - Harley-Davidson is one of two long-standing motorcycle manufacturing firms in the United States that survived the Great Depression in 1953.
  - Harley-Davidsons have a distinct appearance and sound. Except for the V-Rods, even the most recent Harleys are designed to look like vintage Harleys.
  - Harley-Davidson also charges fees to companies that want to use Harley-Davidson logos on other products, which contributes significantly to their earnings aside from selling motorbikes.
  - Harley-Davidson has production plants in New York, Pennsylvania, Milwaukee, Wisconsin, Kansas City, Missouri (which was closed in May 2019), Manaus, Brazil, and Bawal, India.
  - In 2011, the business launched a subsidiary, Harley-Davidson India, in Gurgaon, Delhi.
  - Harley-Davidson announced plans to create a subsidiary in Gurgaon, near Delhi, in 2009. However, due to expensive tariffs and pollution rules, their aspirations to join the Indian market were delayed for several years.
  - The environmental standards were recently amended, but the tariff issue has yet to be resolved.

- During its early years, the Indian subsidiary of Harley-Davidson offered 11 models through 29 dealership sites across India.
- In 2011, the firm opened an assembly unit in Bawal, India, its only manufacturing site outside of the United States.
- In addition, the corporation conducted an annual trip across the country in partnership with India H.O.G. Rally, with Goa serving as the event host. Harley-Davidson India also staged Harley Rock Riders, a yearly music tour that began in 2009.
- Failure caused by:
- Harley-Davidson has ceased operations in India as part of the 'Rewire' strategy, which is part of a new strategic plan named The Hardwire for the years 2021-2025.
- The corporation announced its first quarterly loss of US\$96 million, which will occur between April and June 2020.
- Despite the fact that the brand was becoming a local fad, the company suffered financial difficulties for a time.
- As a result, the motorcycle maker followed the 'Rewire' strategy to focus on profitable markets in North America, Europe, and selected portions of Asia, which entailed discontinuing operations in low-profitability regions such as India.
- According to SIAM estimates, Harley-Davidson sold 103 bikes in India in July 2020 and 176 companies in the following month (Society of Indian Automobile Manufacturers).
- Due to a lack of demand and sales, Harley-Davidson announced on September 24, 2020, that it will end its sales and manufacturing operations in India. The restructure will cost US\$75 million, will result in 70 layoffs, and will result in the closure of its Bawal manufacturing unit. There was little consensus about Harley-next Davidson's movements.
- Following the collaboration of Triumph and KTM with Bajaj Auto, rumours circulated that Harley-Davidson was considering working with an Indian firm to share the country's financial obligation and localise production.
- The corporation has closed its shutters in India, but you never know when they will reopen.

- In addition, Harley-Davidson announced the closure of its Bawal manufacturing site and a significant reduction in its Gurgaon sales office capacity.
- Harley's owner begins to question about the after-sales service.
- The company's dealer network will continue to serve clients under contract terms and will be operational until further notice. Several internet sources projected partnership with big local two-wheeler wholesalers to help India's motorbike market segment.

### 3.3 ANALYSING FINANCIAL DATA AND EXPRESSING MY THOUGHTS ON IT:

The balance sheet and working capital of the company can tell an investor whether or not to invest in the company. The ratio should be 2:1, although good companies can get away with a 1:1 ratio. The balance statement of the following company does not appear to be healthy, since they have less assets and more liabilities. When the difference between what you own and what you owe is negative, the loss grows larger and larger, indicating that the company is not doing well and has less money in its equity. As long as the company's working capital ratio is appropriate, the situation should remain steady in the future. However, given the current scenario, I believe that one should not invest in the firm because we can see that the Mentoria Pvt Ltd. company is continually losing money and it may take a long time to recover the firm's losses. Another issue to consider is that in these pandemics, all good companies are suffering, and if we talk about these firms, the counselling company, which is currently losing money, may lose even more money in the future. And, in order to examine the firm's growth, I used the equity growth rate, which is the first rate we look at in the firm's balance sheet to get a sense of where the company stands. It is considered as the company's genuine long-term growth rate.

### 3.4 THE TASK IN ANIMATION:

The task in animation and was to make an animated video based on the landmark case of Salomon VS Salomon & Co Ltd. My second story focuses on the trademark concept. Recently, I have created an animated video about MSME concept.

The link to it is provided below:

[https://drive.google.com/file/d/17Y4X\\_QzgEZFJvD5K\\_Z851mp2TZDep13T/view?usp=drivesdk](https://drive.google.com/file/d/17Y4X_QzgEZFJvD5K_Z851mp2TZDep13T/view?usp=drivesdk)

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<https://drive.google.com/file/d/1F9XeYMxFC1dHDvr-mYzHapyB4nAjptK5/view?usp=drivesdk>

I also prepared a graphic design template that included information about the MCA's relaxation due to the recurrence of COVID-19, Stay ahead of the compliance. (Annual Return–Form DPT 3)

The templates are as follows:

**R K KAPADIA AND ASSOCIATES**  
COMPANY SECRETARIES

**Stay Ahead of the Compliance.**

The Ministry of Corporate Affairs has, by way of notification number G.S.O. 433E1 dated 22/07/2020, introduced a requirement for every Company other than a Government Company, Under no compliance every company other than a Government Company has to file with the MCA, a Return of Deposits or Particulars of Transactions Not Considered as Deposits Or Both, Particulars of Transactions Not Considered as Deposits are contained in Rule 2(1)(k) of Companies (Registration of Proposals) Rules, 2014. Nil Return is not required to be Filed. **The returns to be filed are as follows:**

**\*Annual Return (Form DPT 3)**  
Annual Return for Return of Deposits or Particulars of Transactions Not Considered as Deposits as if provided is to be filed with MCA in Form DPT 3. Outstanding as on 31 March of every year is to be filed in this return. In case of Return of Deposits, Auditors Certificate is required. For Particulars of Transactions not considered as Deposits, Auditors Certificate is not required, as per clarification by MCA. **Due Date: 30/06/2021**

Email: [csraj@rkkapadia.in](mailto:csraj@rkkapadia.in)

**R K KAPADIA AND ASSOCIATES**  
COMPANY SECRETARIES

**Relaxations given by MCA owing to resurgence of COVID - 19**

Section 173 of the Companies Act, 2013 provides for a gap between a consecutive Board Meetings of 120 days. The gap between two board meetings is now extended by 60 days i.e. 180 days instead of the existing 120 for the Quarters - April to June 2021, July to September 2021.

\*Ministry Of Corporate Affairs has, vide notification dated 31st May, 2020 extended the due dates of all the filings applicable to Companies and LLPs which are due for filing during the months April, 2021 and May, 2021. Additional time has now been granted for filing of such forms without any additional fees till 30th July, 2021. The following are some illustrative list of forms which have due dates during April, 2021 and May, 2021:

- MSME - 1
- PAN-1
- LLP-1
- ITC-1

For other more based forms as well, due for filing during April, 2021 and May, 2021 the forms can now be filed without any late fees till 30th July, 2021. Note: Due dates of forms related to Charges - CHG-1, CHG-2, CHG-3 are not extended by this circular, separate circular is issued.

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**R K KAPADIA AND ASSOCIATES**  
COMPANY SECRETARIES

Now, also obtain **Shops and Establishment License** for Companies at the time of Incorporation.

W.e.f 07th June, 2021, the new **AGILE - PRO - S** form is notified by the MCA.

Now, obtain the following at the time of Incorporation of the Company and begin business:

- PAN
- TAN
- GST
- Bank Account
- Profession Tax
- ESIC
- EPFO
- Shops and Establishment License

Email: [csraj@rkkapadia.in](mailto:csraj@rkkapadia.in)



## *CHAPTER 4: Learnings and Observations*

The internship program has helped me understand the fundamentals of law, finance, animation, and graphic design while also allowing me to express myself creatively. I learned how to conduct financial analysis and how to advise an investor on whether or not the company is profitable and whether or not he or she should invest in the company. I learned how to put past information to the test and verify them by conducting legal study. Examining facts through the perspective of a new theoretical framework to look into the ramifications of new facts, legal concepts, or legal decisions.

My mentor has also assisted me in developing a clear awareness of what is required as we conduct study on finance and law. I have had the opportunity to exercise my imagination, refine my research skills, and comprehend the significance of research in all legal and financial matters.

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COPY OF CERTIFICATE:



**R K KAPADIA & ASSOCIATES**  
**Company Secretaries**

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TO WHOMSOEVER IT MAY CONCERN

This is to certify that Ms. Roshni Patel has completed her Internship as "legal researcher, financial analyst and digital marketer" at R. K. Kapadia and Associates, Company Secretaries, from 01-05-2021 to 30-06-2021.

During her tenure she has demonstrated her skills with determination and sincerity, as we observed, she was active and could perform all of assigned tasks effectively.

Moreover, she demonstrated excellent behavior and attitude during her internship with us.

For the research and content creation assignments, she has demonstrated proactive approach and found solutions by learning on the job.

We wish her all the best for all her future endeavors.

For R. K. Kapadia and Associates

Company Secretaries

CS Raj Kapadia

Mumbai

12/07/2021

