LexStart PARTNERS

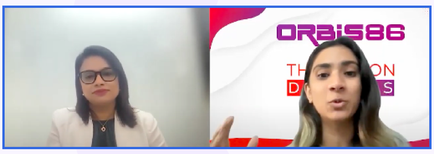
February 2024

LexStart Insights

Discussing Legal Knots in Web3

Explore the nexus of law, startups, and Web3 in the latest episode of "The Silicon Dreams," organized by Orbis86, and featuring Anisha Patnaik, our Managing Partner. She shared insights on her journey and provided key perspectives on legal challenges faced by startups in the Web3 space. Anisha also discussed challenges encountered during investment transactions and stock incentives.

View here



Deal Announcement

LexStart Partners represented **Happi Planet** on their recent fundraise from **Fireside Ventures**.

The transaction team consisted of **Anisha Patnaik**, **Sophia Mustafa** and **Riya Trivedi**.

Know more

Legal News Digest

Google de-listing of apps: Is it permitted?

Recently, Google delisted numerous Indian apps due to non-compliance with its billing policies and non-payment of service fees. Any app developer that charges users to download the app or make in-app purchases is required to pay a service fee ranging from 11% to 30% of the revenue earned (depending on the arrangement).

Take a look at the different aspects of Google's payment and billing policy to know if you are in compliance with the policies.

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What's latest at BYJU's amongst its long drawn financial crisis.

Think & Learn Private Limited (BYJU's) is facing a financial crisis since 2021, with its valuation dropping sharply. While the company has recently floated a rights issue to raise $200 million to battle its cash crunch, its investors are more concerned on the overall functioning and had called for an EGM to address governance, financial mismanagement, compliance issues, and board reconstitution.

The NCLT has directed the company to keep proceeds in escrow and consider extending the rights issue closure date. The crisis could set a precedent for startups growing rapidly without proper compliance and governance.

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LexGyaan

Simplifying E-Form Submissions and Queries

The Ministry of Corporate Affairs has announced the establishment of the Central Processing Centre at Indian Institute of Corporate Affairs, Haryana to process and dispose of e-forms filed by replacing the jurisdictional state Registrar in this capacity. The jurisdictional Registrar will still retain authority regarding all other provisions of the Companies Act, 2013 and the rules made thereunder other than e-Forms.

This step is taken towards promoting ease of doing business by setting up a central unit to process all the e-forms. This will ensure speedy disposal of e-forms filed on the MCA portal and help in faster resolution of all e-forms related queries.

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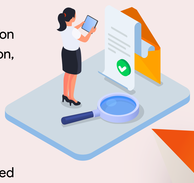
Does your organization have an equal employment opportunity in place?

Continuing our series on breaking down the most common non-compliances we catch in our due-diligences, we have observed that most organizations do not implement equal opportunity policies for their employees.

Every organization is required to have an equal opportunity policy in place which should, inter alia, include:

- Declaration that the organisation does not adversely discriminate and prohibits such discrimination by the employees on the basis of religion, race, caste, sex, place of birth, descent, sexual orientation, gender identity, disability, or age.
- Declaration of infrastructure and facilities for transgender persons, such as allowing employees to use toilets which correspond to their gender identity/gender expression.
- Declaration of accessible physical and digital infrastructure adheres with the standards established by the Government of India.



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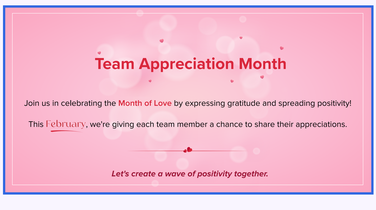
Team Appreciation Month

In February, we launched an initiative to celebrate and appreciate our colleagues. This month has been all about focusing on the positives, recognizing the exceptional efforts, and fostering a culture of gratitude. Cheers to our fantastic team!