

# **Pre & Post Fundraising Guide**

Preparing for Fundraising and Post-Fundraising Activities: A Handy Guide

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## Dear Founders,

Having a structured fundraising plan is essential for your startup to secure funding effectively.

Our expert team at Jordensky has created this comprehensive playbook to outline the fundraising process, dividing it into stages with specific goals, outcomes, and important factors to consider.

Included are templates that we utilize with our clients to assist you in organizing your fundraising strategy. Our aim is not to provide a rigid template, but rather offer a flexible framework for pre and post fundraising activities tailored to your company's early stage and size.

We trust that you will find this guide beneficial, and remember, Jordensky is always available to support you. For more details on how Jordensky can assist you in navigating the pre and post fundraising planning process, please visit [jordensky.com](https://jordensky.com) or reach out to us via email at [info@jordensky.com](mailto:info@jordensky.com).



Best,  
**Akash Bagrecha**  
Founder, Jordensky

# 01

## Pre Funding Checklist



# Things to Consider Before Seeking Funding

## Why do I want to raise?

The main thing to think about is how you plan to use the money you're raising to make your business bigger and better. So, ask yourself: What exactly will this funding round help my business achieve?

## Exactly how will I use the money?

Besides the reasons for raising funds that we discussed earlier, it's crucial to outline precisely how you intend to use this money. It's essential to have a clear plan for where every rupee will go and how it will contribute to the growth of your business.

## What kind of equity am I willing to give up?

Determining how much equity you're willing to offer is a crucial decision. Whether it's 15% or 25%, remember that when investors have a larger stake, they're not only financially committed but also have more say in decision-making. So, it's vital to strike a balance.

## How much do I want to raise?

In addition to why you want to raise (above), how exactly will this round of funding be used? For example, how you would use the funds to build a product or scale your Sales & Marketing team?

# Pre-fundraising Checklist.

## Preparation of Document

### Strong Pitch Deck (Teaser)

#### 5 - 6 slides

These quickly show the problem, solution, team and traction.

Share these widely. Decks can be uploaded on Google Drive / One Drive and it helps to track who is looking at your deck by requiring emails before viewing.

### Full Pitch Deck (Longer + More Data)

#### 10- 15 slides

Usually presented during the pitch call, or shared directly when you're confident of who's looking at your deck.

### A Forward-able summary on your startup

This is a paragraph + 3-5 bullet summary that introduces your startup, problem, solution, market, team and traction

### A Product Demo

#### 2 min video

walkthrough of your solution. If you don't have a product yet, wireframes of the product/ anything visual can be a good substitute

### Data / Deal Room

An data room where information relevant to due diligence. are kept. For example, when an enterprise wants to buy a company, this information helps investors ensure everything is in order.

# Financial Checklist to be kept handy for the investors

Ensure finance related documents are updated and all the required registrations are obtained, before going to the investors



# How to structure your data room for investors ?

Ensure finances and all the required registrations are obtained, before going to the investors.

## 01

### **Incorporation Documents**

Get all your incorporation-related documents in one folder. This includes the Certificate of Incorporation, Memorandum and Articles of Association (MOA / AOA), board minutes and documents, necessary registrations (PF, ESIC, PT, MSME, GST, etc.), and registration with Startup India.

## 02

### **Investment Strategy and Process**

Prepare a comprehensive note outlining the investment strategy for your business. This should include a detailed breakdown of fund usage, quarterly fund requirements and expenditures, a 12-month financial plan, and a three-year business plan.

## 03

### **Detailed Team Information and Org structure**

Create a team tree diagram that includes founder bios and team details, showcasing the experience of each team member.

## 04

### **Pitch Deck and marketing document**

Prepare a 10-15 page pitch deck that includes a brief note addressing key questions, such as your unique selling proposition, Executive/Founder Bios, and Sources and Uses of funds.

05

**Accounting and Books**

Prepare for Success with an Updated Accounting System:

- Ensure you have a backup of your data
- Compile a list of all tax filings and registrations
- Gather tax returns from previous periods
- Organize financial statements including Profit and Loss (PL), Balance Sheet (BS), and Cash Flow Statement (CFS)

06

**KPI and MIS Reports**

Compile the KPI and MIS reports from the past six months, emphasizing key metrics and performance, as well as the AP/AR Ageing Report, Debtors, and Creditors report.

07

**Product Demo / Wireframes**

Develop product demos or wireframes to showcase your startup. Additionally, consider offering guided tours of your product to provide investors with a hands-on experience.

08

**Details of Clients / Testimonials**

Compile a useful list of clients alongside their testimonials to impress potential investors.

09

**Agreements**

Ensure all agreements are in order, starting from Founder's and Employee Agreements to Vendor and Customer agreements, Legal Opinions, Rental Agreements, and more.

# Legal Filings for Pre-funding

## List of Documents

### Before Investment:

- Obtain a Valuation Report from a Registered Valuer
- File MGT 14 (MCA)
- Submit Other Letter (PAS-4)

### Before Investment Preparation:

- Filing of PAS-3 Form
- Generation of PAS 5
- Board Meeting: notice, agenda, resolution, attendance sheet, minutes
- RBI - FCGPR Filings

### Additional Documents:

- Board meeting notice to accompany the agenda.
- Notice to shareholders for the meeting with the agenda.
- Board resolution, attendance sheet, minutes.
- Special resolution, attendance sheet, minutes.

### Other Miscellaneous

- Declaration of Remittance
- Declarant of Remittance

# 02

**Post Funding Checklist**



# Compliances

A company still has other post-funding compliance requirements to undertake after securing funding.

## Allotment of Shares

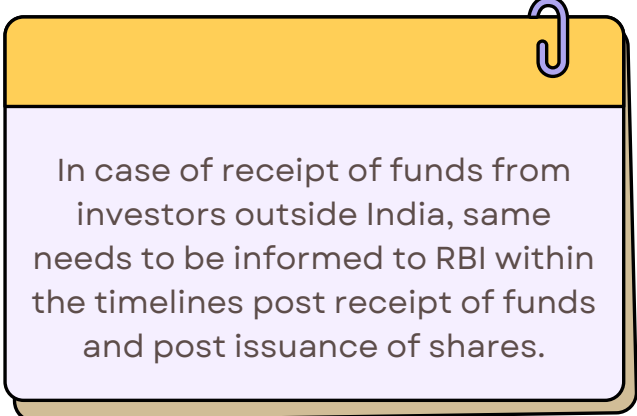
After receiving the funds, within a period of 60 days company needs to allot the necessary securities to the investors.

It allows investors to officially become shareholders of the company, giving them ownership stakes and certain rights within the organization.



## Share Certificate Issuance

Once the allotment process is completed and all necessary compliances are met, the company can proceed to issue share certificates to its investors, formally making them shareholders of the company.



In case of receipt of funds from investors outside India, same needs to be informed to RBI within the timelines post receipt of funds and post issuance of shares.

## Other than Compliances

Post Raising of funds, it is important to set up right practises in place to ensure proper utilisation of funds

### Setting Up Books of Accounts

Setting Up Right accounting and Tax function in the organisation

### Detailed Plan on usgae of funding

Create detailed plan on how to use the funding. One of the first things you need to do after securing seed funding is to create a detailed plan for how you'll use the money. This plan should include both short-term and long-term goals and should be created with input from your investors.

### Create Milestones and KPI

Once you've secured seed funding and hired key personnel, it's time to start setting some milestones and KPIs. This will help you track your progress and ensure that you're on track to achieving your goals.

### Setting Up MIS Reporting

Share your monthly progress report / MIS report to the investors and seek feedback.

03

**Final Checks**



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## Section 3 - Final Checklist

# Checklist

Ensure finances and all the required registrations are obtained, before going to the investors

**01** Identify a suitable fundraising strategy right from type of fundraise to utilisation of funds.

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**02** Prepare your data room with all the documents and accounting related information.

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**03** Prepare Marketing material i.e, Pitch Deck, Investment Teaser and 5 Yr Financial Model

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**04** Detailed Team Information and Org structure

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**05** Pre and Post Fundraising financial compliances (Legal documents)

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04

**How Jordensky Can  
Help**



## Section 4 - How Jordensky can help

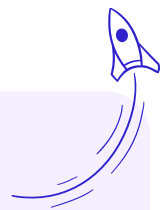
# Jordensky Services

Jordensky's Services team is well-prepared to efficiently guide your startup during your pre and post fundraising process. Leveraging our expertise in financial backoffice functions and adeptness in handling complex procedures, the team can address any uncertainties that may arise.

They will ensure the fundraising stays on schedule and help you navigate any unfamiliar obstacles. By doing so, the expert services team eases the burden for clients and optimizes time management.

### **Dedicated Experts at Your Service**

When you partner with Jordensky CFO Services, rest assured that your fundraising process will be led by top-notch expert, and a forward-thinking approach. This collaboration will set targets that propel your business growth and enable you to reach sustainable success.



## BONUS RESOURCES

**01** Compliance Schedule for the Fiscal Year 2024-25



**02** Way Forward for MSMEs - Loans and Government Schemes for Your Business



**03** Exploring Cap Tables for Founders and Investors



**04** Exploring Different Phases of Startup Funding



**05** Founders' Guide to the Basics of Personal Finance



# Jordensky

Jordensky is the trusted choice for accounting services among numerous startups and founders.

Specializing in bookkeeping, tax preparation, and CFO services for high-growth startups from pre-seed to Series C, Jordensky offers the expertise of a finance team that handles the workload, allowing you to concentrate on your business.

-> Learn More at [Jordensky.com](https://jordensky.com)



Discover more about Jordensky.