



BUSINESS PLAN · INDIA

Cap-Table & ESOP Advisory

Equity structuring, ESOP design, dilution & waterfall modelling for India

FINANCE

AISEVAK.IN · BY ABL DIGITAL TECHNOLOGIES

August 2026

This document is confidential and prepared for planning purposes. All financial figures are illustrative model assumptions for an Indian MSME context and must be validated against live quotes, local rates and professional advice before any investment or borrowing decision.

1. Executive Summary

This plan sets out a **Cap-Table & ESOP Advisory Firm** in India — a specialist that helps startups, founders and investors structure and manage equity: capitalisation tables, ESOP pool design and administration, SAFE/convertible-note conversions, dilution and round modelling, liquidation waterfalls, fair-market-value (FMV) valuations, vesting schedules, and secondary-sale support.

As India's startup ecosystem matures, equity has become the central currency of talent and capital — yet founders routinely mismanage cap tables, ESOPs and conversions, creating expensive errors at funding and exit. This firm provides the specialist equity expertise most CAs and lawyers do not, on a mix of project fees and ongoing administration retainers.

The promoter seeks total funding of **₹6.0 lakh** (₹2.5 lakh promoter + ₹3.5 lakh term loan, eligible under PMMY-Mudra / CGTMSE), targeting **₹34 lakh** revenue in Year 1 and **₹85 lakh** by Year 3.

2. Business Description, Vision & Legal Structure

Concept: An equity-structuring partner that keeps a company's cap table clean, its ESOPs well-designed, and its founders and investors clear on ownership through every round and exit.

Vision: To be the trusted equity-advisory partner for India's startups and their investors.

Mission: Accurate cap tables, fair and effective ESOPs, and error-free structuring at every financing and liquidity event.

Legal structure options

- **LLP** — recommended: limited liability and credibility with investor-backed clients.
- **Private Limited** — for scaling or building a cap-table platform.
- **Proprietorship** — acceptable for a solo start.

Boundary note: registered valuations (e.g., for tax/regulatory purposes) require a registered valuer/merchant banker; the firm coordinates with those professionals while owning the modelling, structuring and administration. It advises on structuring, not regulated investment products.

3. Promoter & Ownership

Led by a promoter with equity, venture-finance or corporate-law experience (CA/CS/MBA/ex-VC background). Delivery blends financial modelling, legal-document coordination and administration. Year-one ownership rests with the founder(s); analysts and a legal-coordination associate are added as the client base grows. Ownership and profit-sharing are editable inputs.

4. Market Analysis — India

India has a large and growing base of startups raising capital and issuing equity, plus the investors backing them — all of whom need cap-table and ESOP expertise. As rounds, ESOP grants and secondaries proliferate, so does the demand for specialist equity advisory, a niche that generalist advisors serve poorly.

Demand drivers

- **Startup funding activity:** each round changes the cap table and needs modelling and documentation.

- **ESOP proliferation:** equity is the primary talent currency; pools need design and administration.
- **Instrument complexity:** SAFEs, convertibles, preference terms and waterfalls require expertise.
- **Secondaries & exits:** liquidity events need clean cap tables and waterfall clarity.
- **Costly errors:** cap-table mistakes surface painfully at diligence — driving demand for specialists.

Market sizing (illustrative framing)

Layer	Definition	Indicative scale
TAM	Startups issuing equity + investors in India	1,00,000+ entities
SAM	Reachable funded/ESOP-issuing startups in the firm's ecosystem	3,000-8,000
SOM (Yr 1-3)	Advisory + administration clients served	30 → 90 clients

Target segments

- Early- and growth-stage startups raising rounds.
- Companies designing or administering ESOP pools.
- Founders and employees at liquidity/secondary events.
- Investors and funds needing waterfall and dilution clarity.

5. Competition & Competitive Advantage

Landscape: cap-table software platforms (tools, not advice), CS/CA firms (compliance-focused), law firms (documents), and a few equity specialists. The firm combines modelling, structuring and administration in one specialist package.

The firm's edge

- **Equity-modelling depth** — dilution, waterfalls, scenario rounds.
- **ESOP design expertise** — pools, vesting, tax-aware structuring.
- **Error-free administration** — clean, diligence-ready cap tables.
- **Ecosystem trust** — investor and founder relationships.
- **End-to-end** — from structuring to documentation coordination to admin.

6. Services & Pricing

Service	Model	Indicative fee (₹)
Cap-table setup & clean-up	Project	25,000-1,50,000
ESOP pool design & policy	Project	50,000-2,50,000
Round modelling (dilution, waterfall)	Project	40,000-2,00,000
SAFE / convertible conversion	Per event	30,000-1,50,000
FMV valuation coordination	Per valuation	25,000-1,00,000
Cap-table & ESOP administration	Annual retainer	60,000-4,00,000/yr
Secondary-sale support	Per transaction	50,000-3,00,000

Round and ESOP projects provide event-driven fees; ongoing cap-table administration retainers convert clients into recurring revenue.

7. Go-to-Market — Marketing & Sales

- **Investor & accelerator referrals:** VCs, angels and incubators refer portfolio companies at funding events.
- **Law-firm & CS partnerships:** equity modelling/admin as a specialist complement.
- **Founder education:** content on dilution, ESOPs and cap-table hygiene.
- **Round-triggered outreach:** engage companies at fundraising milestones.
- **Referrals** from clean, error-free diligence experiences.

Sales approach

Consultative and referral-led. A cap-table review revealing errors is a strong wedge; convert projects into administration retainers. Target 2-3 new clients/month across projects and retainers.

8. Operations Plan

- **Location:** a lean office or remote-first setup; delivery is analytical and document-driven.
- **Process:** data intake (cap table, agreements) → modelling & scenario analysis → structuring recommendation → document coordination (with lawyers/CS) → execution → ongoing administration & updates.
- **Technology:** cap-table tools/models, scenario templates, and a secure client-data environment.
- **Quality:** rigorous model review; version control; diligence-ready documentation; confidentiality.
- **Capacity:** a lead + analyst pod runs many engagements; scale by adding analysts.

Core equity work products

Work product	Purpose	When
Cap table	Ownership record of truth	Ongoing
ESOP pool & grants	Talent equity	Hiring/annual
Round model	Dilution & pricing	Each round
Waterfall	Exit distribution	Exit/secondary
Conversion sheet	SAFE/note to equity	At round

9. Regulatory, Licences & Compliance (India)

- **Business registration:** LLP/Pvt Ltd (preferred) or proprietorship; MCA incorporation.
- **Udyam (MSME), PAN/TAN, GST registration** (fees attract GST), professional tax and Shops & Establishments as applicable.
- **Professional coordination:** registered-valuer/merchant-banker for statutory valuations; CS/CA/lawyers for filings and documents; advisory only (no regulated investment advice).
- **Data protection:** DPDP-aligned handling of sensitive equity and personal data; strict confidentiality.

10. Organisation & Manpower Plan

Role	Yr 1	Yr 2	Yr 3
Founder / Lead Advisor	1	1	1
Equity Analyst	1	3	4
Legal / Admin Coordinator	1	1	2
BD / Ops	0	1	1
Total	3	6	8

11. Implementation Timeline & Milestones

Phase	Timeline	Milestone
Setup	Month 0-1	Entity, models & templates, tools, investor network
Launch	Month 1-4	First 8 clients; first round & ESOP projects
Traction	Month 4-9	Administration retainers; break-even nears
Scale	Year 2	Second analyst pod; secondary-transaction work
Growth	Year 3	90-client base; recurring admin book

12. Financial Plan (Illustrative)

All figures are illustrative model assumptions for an Indian context, shown so the promoter can replace them with live rates. They are not projections of guaranteed results.

12.1 Project cost & means of finance

Capital requirement	₹
Office / setup & furniture	1,10,000
Computers & peripherals (3)	1,60,000
Cap-table tools & software	70,000
Branding, website & BD	60,000
Deposits & pre-operative	60,000
Working-capital buffer	1,40,000
Total project cost	6,00,000
Promoter contribution	2,50,000
Term loan (Mudra / CGTMSE)	3,50,000

12.2 Projected Profit & Loss (3 years)

Particulars	Year 1	Year 2	Year 3
Project fees (rounds, ESOP, conversions)	22,00,000	40,00,000	52,00,000
Administration retainers	8,00,000	17,00,000	24,00,000
Secondary / transaction support	4,00,000	8,00,000	9,00,000
Total revenue	34,00,000	65,00,000	85,00,000
Salaries & delivery team	16,50,000	31,00,000	41,00,000
Rent & utilities	2,40,000	3,00,000	3,60,000
Software & tools	2,00,000	3,00,000	3,80,000
Marketing & BD	2,00,000	3,00,000	3,80,000
Admin, travel & misc	2,60,000	3,80,000	5,00,000
Interest on term loan	38,000	28,000	16,000
Total expenses	25,88,000	44,08,000	57,36,000
Net profit (before tax)	8,12,000	20,92,000	27,64,000
Net margin	23.9%	32.2%	32.5%

12.3 Unit economics & break-even

- **Per engagement:** projects ₹50,000–2,00,000; admin retainers ₹1–3 lakh/year — a blend of event and recurring revenue.
- **Break-even:** ~10–12 project engagements plus a retainer base — reached around month 9–10.
- **Recurring:** administration retainers give predictable revenue and high retention.

12.4 Projected Cash Flow — Year 1 (quarterly, illustrative)

Particulars (₹)	Q1	Q2	Q3	Q4
Opening balance	1,40,000	1,00,000	1,65,000	3,05,000
Collections	5,00,000	7,60,000	9,90,000	11,50,000
Operating outflows	5,05,000	6,65,000	8,20,000	9,60,000
Loan EMI	35,000	30,000	30,000	30,000
Closing balance	1,00,000	1,65,000	3,05,000	4,65,000

Project fees fund early cash while administration retainers build a recurring base through the year.

12.5 Key Performance Indicators to Monitor

- **Pipeline:** project engagements; retainer clients; investor referrals.
- **Quality:** cap-table accuracy; diligence pass rate; model-error rate (near zero).
- **Economics:** revenue per client; retainer share; utilisation.

- **Retention:** admin-retainer renewals; repeat round work.

13. Funding Requirement & Bankability

Total ask: **₹3.5 lakh term loan** against ₹2.5 lakh promoter contribution — eligible under **PMMY (Mudra)** and coverable under **CGTMSE**. Year-1 net profit ~₹8.12 lakh against annual debt service of ~₹1.2 lakh gives a **DSCR above 3.0** — comfortably bankable.

13.1 Funding utilisation

Use of funds	₹	% of total
IT, cap-table tools & software	2,30,000	38%
Office setup & deposits	1,70,000	28%
Branding & client acquisition	60,000	10%
Working-capital buffer	1,40,000	24%
Total	6,00,000	100%

14. Risk Analysis & Mitigation

Risk	Mitigation
Modelling / cap-table error	Rigorous review; version control; professional-indemnity cover
Funding-cycle dependence	Administration retainers; broad client base; ESOP work is less cycle-sensitive
Regulatory boundary (valuations)	Coordinate with registered valuers/merchant bankers; advisory-only positioning
Confidentiality	NDAs, secure data handling, DPDP alignment
Key-person dependence	Build analyst pods; templatised models and processes

15. SWOT Analysis

Strengths Specialist niche; recurring admin retainers; high margins; ecosystem trust.	Weaknesses Funding-cycle sensitivity; valuation boundary; key-person risk.
Opportunities Growing ESOP & secondary activity; investor referrals; platform/admin book; multi-city.	Threats Cap-table software; funding winters; competition from CS/law firms.

16. Recommended AiSevak Tools for This Business

This firm would use AiSevak's Finance vertical equity tools heavily in delivery:

- **Cap table & equity:** Cap-Table, Dilution Modeller, ESOP Designer, SAFE Conversion, Liquidation Waterfall, Vesting Schedule, Secondary Sale.

- **Valuation & terms:** FMV Valuation, Term-Sheet Explainer; and Business Plan / Unit-Economics tools to model the firm and client rounds.

17. Key Assumptions & Notes

- ~30 clients in Year 1 growing to ~90 by Year 3 across projects and administration.
- Blend of project fees and ₹1–3 lakh/year admin retainers — adjust to client mix.
- Term-loan interest ~11% p.a., 5-year tenure; adjust to sanctioned terms.
- Figures exclude GST on fees (pass-through) and promoter remuneration (editable input).

► Use these tools now — free on AiSevak

Every tool referenced in this plan is available on aisevak.in. Open the [Finance toolkit](#) to browse and use them all at <https://aisevak.in/verticals/finance> — or go straight to any specific tool at <https://aisevak.in/service/<tool-name>>. No signup needed to explore; each tool guides you step by step.

Prepared by AiSevak.in — a product of ABL Digital Technologies. AI-powered business services for India. This is AI-assisted guidance; figures are illustrative and not a guarantee of results. Verify all numbers, licences and regulatory requirements with a qualified professional before relying on this plan for binding decisions. © 2026 ABL Digital Technologies Private Limited.