



भारतीय प्रतिभूति और विनिमय बोर्ड
Securities and Exchange Board of India

Consultation Paper

Review of Framework for Social Stock Exchange

JANUARY 20, 2025



1. OBJECTIVE

- 1.1. The objective of this consultation paper is to seek comments / views / suggestions from the public and other stakeholders on various proposals of the Social Stock Exchange Advisory Committee (SSEAC) to review the framework for Social Stock Exchange (SSE).

2. BACKGROUND ON THE REGULATORY FRAMEWORK ON SSE

- 2.1. The regulatory framework for SSE was prescribed by SEBI through amendments dated July 25, 2022 to SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“ICDR Regulations”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR Regulations”) and SEBI (Alternative Investment Funds) Regulations, 2012 (“AIF Regulations”).
- 2.2. The minimum registration and reporting requirements to be met by the Not for Profit Organization (NPOs) on SSE are prescribed through the Circular dated September 19, 2022.
- 2.3. Further, based on the suggestions of SSEAC, certain provisions under ICDR Regulations were modified viz. substituting the word ‘Auditor’ with ‘Assessor’, ‘Social Audit’ with ‘Social Impact Assessment’, including retail investors by changing the application size, change in issue size etc. Further certain provisions of ICDR Regulations pertaining to procedure for public issuance of Zero Coupon Zero Principal Instruments (ZCZP), contents of fund raising document and other conditions relating to issuance of ZCZP were moved into a Circular. The revised circular was issued by SEBI on December 28, 2023.
- 2.4. SEBI vide Circular dated May 27, 2024 acknowledged agencies under ICSI and ICMAI viz. ICSI Institute of Social Auditors and ICMAI Social Auditors Organization respectively for the purpose for Social Impact Assessors in the context of Social Stock Exchange.

3. CURRENT STATUS ON SOCIAL STOCK EXCHANGE

3.1. Registrations on SSE:

- 3.1.1. As on December 31st, 2024 total 111 Not- for- Profit Organizations (NPOs) are registered on SSE segment of both the Stock Exchanges i.e. NSE-SSE and BSE-SSE. Further, 10 NPOs have raised funds of INR 22 crores through SSE by issuing Zero Coupon Zero Principal instrument.

3.2. Annual disclosures by the NPOs for the Financial Year 2023-24:

- 3.2.1. NPOs, which are registered on SSE or have raised funds through SSE are required to comply with the annual disclosure requirements within 60 days from the end of the financial year and submission of annual impact

assessment report within 90 days from the end of the financial year as prescribed in LODR Regulations.

3.2.2. However, for the financial year 2023-24 these timelines were extended till October 31st, 2024 vide circular dated May 27, 2024 and which are further extended till January 31st, 2025 vide circular dated October 07, 2024, considering the challenges that NPOs are facing in meeting the regulatory requirements within the prescribed timelines.

3.3. Notification of Forms for reporting of annual disclosures and Social Impact Report:

3.3.1. In order to ease the disclosures to be made by NPOs prescribed under the SEBI Circular dated September 19, 2022, the sub-group of SSEAC in co-ordination with the Institute of Chartered Accountants of India (ICAI), Institute of Company Secretaries of India (ICSI) and Institute of Cost Accountants of India (ICMAI) developed the reporting forms for the annual disclosures and annual impact report.

3.3.2. These reporting forms were duly made applicable on NPOs registered and listed on SSE by NSE-SSE and BSE-SSE vide their Circulars dated July 31, 2024.

3.4. Empanelment of Social Impact Assessment Firms by Self-Regulatory Organizations (SROs):

3.4.1. The SROs of ICSI and ICMAI are in process to empanel the Social Impact Assessment Firms to be appointed by the NPOs for the purpose of social impact assessment. ICAI is in process of amending the CA Regulations in order to allow Chartered Accountants to act as Social Impact Assessor.

4. REVIEW OF EXISTING FRAMEWORK FOR SOCIAL STOCK EXCHANGE

SSEAC, based on proposal of its sub-group, has recommended changes to the following Regulations/ Circulars prescribed by SEBI

- I. SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 henceforth "*ICDR Regulations*"

SSEAC has recommended amendments in ICDR Regulations with respect to the following:

1. Definition of Not for Profit Organization- Expanding the list of legal structures permissible to be recognized as NPOs.
2. Definition of Social Impact Assessment Firm-Substituting the term 'Social Impact Assessment Firm' with 'Social Impact Assessment Organization'.
3. Tenure of registration of NPOs with SSE- Permitting NPOs to be registered on SSE for a period of 2 years without raising funds through SSE.

4. Modifications to eligible activities to be identified as Social Enterprise-To include welfare of disadvantaged children, women, elderly, vocational skills, promotion and education of art, culture and heritage etc.
 5. Modifications to target segment to be identified as Social Enterprise-To include cultural and environmental ecosystem entities in addition to social entities.
 6. Modification to applicability of percentage of activities to be eligible activities- Prescribing the criteria of business income for NPOs and For-Profit Social Enterprises to establish the primacy of social intent through eligible activities.
- II. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 henceforth “*LODR Regulations*”

SSEAC has recommended amendments in LODR Regulations with respect to the following:

7. Disclosures by NPOs- Bifurcating the annual disclosures in financial and non-financial aspects and revising the timelines for the annual disclosures.
8. Submission of Social Impact Report-Segregating reporting for listed and other significant non-listed projects.

- III. SEBI Circular dated September 19, 2022 (as amended by Circular dated December 28, 2023)

SSEAC has recommended modifications in the circular with respect to the following:

9. Minimum requirements to be met by NPOs for registration on SSE- Prescribing additional details regarding registration certificate under Income Tax Act.
10. Minimum initial disclosure requirements for NPOs raising funds through the issuance of ZCZP-Including Project/Programme Proposal along with minimum initial disclosures.
11. Minimum Initial Disclosure Requirements- Prescribing additional details regarding remuneration, reimbursements and benefits to the governing members of the social enterprises.
12. Annual disclosures by NPOs on SSE which have either raised funds through SSE or are registered with SSE-Prescribing additional details regarding governance aspects and financial aspects.
13. Disclosure of Annual Impact Report by all Social Enterprises which have registered or raised funds using SSE-Introducing ‘logic model’ for the solution implementation plan.
14. Modifications to Annexure I of Circular dated September 19, 2024- Prescribing addition details regarding governing body of the social enterprises.

15. Modification to Annexure II of Circular dated September 19, 2024- Prescribing Mid-Term and End Term Reports for the projects having duration of 3 years or more, withdrawal strategy for making exit etc.

The following section of the paper details the existing provision, relevant concerns/ issues, SSEAC- recommendation along with rationale.

Part I: Provisions under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018

1. Definition of Not for Profit Organization

1.1. Existing Provision:

Regulation 292A(e) of the ICDR Regulations states that Not for Profit Organization means a social enterprise which is registered under charitable trust registered under the Indian Trusts Act, 1882 or under the public trust statute of the relevant state, or a charitable society registered under the Societies Registration Act, 1860 or a Company incorporated under Section 8 of the Companies Act, 2013.

1.2. Concerns:

- 1.2.1. The Indian Trusts Act, 1882 is for private trusts. In states where there is no separate act for Trusts, they simply register with the Sub-Registrar under the Indian Registration Act, 1908
- 1.2.2. Various states have the relevant act as per Societies Registration Act or the same is a part of other Acts of the state
- 1.2.3. Section 25 of the erstwhile Companies Act, 1956 is the equivalent of company under Section 8 of the Companies Act, 2013. Companies registered under section 25 of the erstwhile Companies Act, 1956, were not required to re-register with the Registrar of Companies under the Companies Act, 2013. It is necessary to provide clarity that Companies registered under Section 25 of the erstwhile Companies Act, 1956 are covered under the definition of NPOs.

1.3. Recommendation of SSEAC:

SSEAC recommended to expand the list of legal structures permissible to be recognized as NPOs under ICDR Regulations.

1.4. Rationale:

NPOs take varying forms of legal structure. The amendment shall help in expanding the list of legal structures which are permissible to be recognized as NPOs under ICDR Regulations.



1.5. Proposal:

1.5.1. To expand the list of legal structures permissible to be recognized as NPOs under ICDR Regulations to include the following:

- a) Trusts registered under Indian Registration Act, 1908 with relevant sub-registrar (in states that do not have a Trusts Act).
- b) Charitable society registered under the society registration statute of the relevant state.
- c) Companies registered under Section 25 of the Companies Act, 1956.

1.6. Public comments:

Public comments/suggestions are invited on the following:

Proposal 1: To expand the list of legal structures permissible to be recognized as NPOs under ICDR Regulations

2. Definition of Social Impact Assessment Firm

2.1. Existing Provision:

Regulation 292A(g) of the ICDR Regulations states that “Social Impact Assessment Firm” means any entity which has employed Social Impact Assessor(s) and has a track record of minimum three years for conducting social impact assessment.

2.2. Concerns:

- 2.2.1. The word “firm” suggests a traditional audit firm that is a for-profit entity. Thus may not appeal to social impact assessment institutions in the development sector that are not-for-profit entities to associate themselves with the SROs
- 2.2.2. There is a shortage of social impact assessment organisations (SIAOs) with 3 years of experience. All the 3 SROs have less than half a dozen SIAO

2.3. Recommendation of SSEAC:

SSEAC has recommended to substitute the term “Social Impact Assessment Firm” with “Social Impact Assessment Organization” and to permit Social Impact Assessment Organisations that have in full time employment at least two Social Impact Assessors each with a minimum experience of 3 years of social impact assessment for empanelment by Self-regulatory organization under ICAI, ICSI or ICMAI in addition to the existing eligibility requirement for conducting social impact assessment.

2.4. Rationale:

- 2.4.1. Substituting the term “Social Impact Assessment Firm” with “Social Impact Assessment Organization” will help encourage social impact assessment organisations in the development sector to also get empanelled with SROs

2.4.2. It is also critical that the social impact assessment organization is not a proprietary firm but at least an organisation of individuals so that there is continuity, reliability and greater objectivity and accountability.

2.4.3. The proposal will also encourage the growth of social impact assessment organisations without compromising on required the requisite experience.

2.5. Proposal:

2.5.1. To substitute the term “Social Impact Assessment Firm” with “Social Impact Assessment Organization”.

2.5.2. To permit Social Impact Assessment Organisations that have in full time employment at least two Social Impact Assessors each with a minimum experience of 3 years of social impact assessment for empanelment by Self-regulatory organization under ICAI, ICSI or ICMAI in addition to the existing eligibility requirement for conducting social impact assessment. Social Impact Assessment Organisations may employ or engage on long-term basis with ongoing accountability, Social Impact Assessor(s) considering their domain knowledge and professional competence.

2.6. Public comments:

Public comments/suggestions are invited on the following:

Proposal 2: To substitute the term “Social Impact Assessment Firm” with “Social Impact Assessment Organization”

Proposal 3: To allow Social Impact Assessment Organizations to get empanel with SROs that have in full time employment at least two Social Impact Assessors each with a minimum of 3 years of social impact assessment in addition to the existing eligibility requirement for conducting social impact assessment.

3. Tenure of registration of NPOs with SSE

3.1. Existing Provision:

Regulation 292F of the ICDR Regulations state that an NPO shall mandatorily seek registration with a SSE before it raises funds through SSE. Further, NPO may choose to merely register on a SSE and not raise funds through it.

3.2. Concerns:

Several NPOs register with the SSE and do not graduate to listing, neither do they renew the registration due to the cost of annual reporting including the social impact assessment of significant programmes.



3.3. Recommendation of SSEAC:

SSEAC has recommended that NPOs should be permitted to be registered with SSE for a period of total 2 years without raising funds through SSE or such duration as may be specified by the Board.

3.4. Rationale:

The intent of registration was to create a pool of NPOs that would learn about the SSE ecosystem and eventually list projects.

3.5. Proposal:

3.5.1. It is proposed that NPOs should be permitted to be registered with SSE for a period of total 2 years without raising funds through SSE or such duration as may be specified by the Board.

3.6. Public comments:

Public comments/suggestions are invited on the following:

Proposal 4: To limit the tenure of registration to total 2 years without raising funds on Social Stock Exchange

4. Modifications to eligible activity to be identified as Social Enterprise

4.1. Existing Provision:

Regulation 292E(2)(a) of the ICDR Regulations provides a list of activities in order for an entity to be eligible as Social Enterprise.

4.2. Concerns:

The list of eligible activities and corresponding area of concerns are tabulated below:

Sr. No.	Existing Provision in Regulation	Concerns
1	Eradicating hunger, poverty, malnutrition and inequality;	The area covered in Regulation does not clearly indicate whether the welfare of disadvantaged segments among elderly, disabled, destitute, women and children are covered
2	Promoting education, employability and livelihoods;	Livelihood is again getting repeated in 292E (2)(a)(x) i.e. 'promoting livelihoods for rural and urban poor including enhancing income of small and marginal farmers and workers in the non-farm sector; The term 'Livelihood' need to come only in one thematic activity that fits best to a thematic area.



Sr. No.	Existing Provision in Regulation	Concerns
		Secondly, Education only will not be able to provide employability until one has the vocational skills and other soft skills for employability. The area covered in Regulation does not clearly indicate the term 'vocational skills'.
3	Ensuring environmental sustainability, addressing climate change including mitigation and adaptation, forest and wildlife conservation;	<p>The area covered in Regulation has excluded three important attributes of environmental activities i.e., (1). Natural ecosystem, (2). Pollution and (3). Adopting sustainable lifestyle through education and awareness.</p> <p>The area covered in Regulation deals with wildlife conservation but does not specifically include protection and care for domestic and vulnerable animals.</p>
4	Protection of national heritage, art and culture;	<p>Art, culture and heritage are not only the ancient/past entities to be protected but also contemporary entities which regenerates and/or changes contextually based on contextual needs and aspirations of society at large. Hence, the promotional activity becomes an inseparable part of activities under art, culture and heritage.</p> <p>National Heritage excludes many other important heritage of India located in remote geographies which are not defined as "National Heritage". For example, ASI can designate monuments as state protected monuments which are different from National Heritage Monuments.</p>
5	Training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports;	The use of the words 'training to promote' is delimiting the scope of other important works needed to promote sports, specially sports for inclusion. To name a few are, giving special sports facilities or other kinds of needful support to Paralympic sports or Rural sports, promotion of sports culture in youth, and niche areas of support & development for talented sportspersons who cannot afford etc.
6	Supporting incubators of Social Enterprises;	There is a need to spell out clearly what it means to support incubators of social enterprises. The area covered in the Regulation should include

Sr. No.	Existing Provision in Regulation	Concerns
		research and development projects in the field of science, technology, engineering, medicine and social science funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government
7	Supporting other platforms that strengthen the non-profit ecosystem in fundraising and capacity building;	The area covered in Regulation do not specifically cover the need to intent to strengthen the NPO ecosystem at the sector level or organisation level; covering all activities such as governance, transparency, finance & compliance, leadership and organisation development, information systems, research, social innovation, use of technology, fundraising, impact measurement and reporting; and not limit it to just platforms and that too only for fundraising and capacity building.

4.3. Recommendation of SSEAC:

SSEAC recommended to make the list of eligible activities more inclusive and broader.

4.4. Rationale:

SSEAC has proposed the amendments in order to make the list of eligible activities more inclusive and convey the correct intent of the Regulations.

4.5. Proposal:

- 4.5.1. To include welfare of disadvantaged children, women, destitute, elderly and the disabled under eligible activities.
- 4.5.2. To include vocational skills under eligible activities.
- 4.5.3. To reword Regulation 292E(2)(a)(5) to “Sustaining and stewarding natural ecosystem and environment, pollution control, addressing climate change, conserving forest and wildlife, welfare of vulnerable animals, and education and awareness on sustainable lifestyle” under eligible activities.
- 4.5.4. To include promotion and education of art, culture and heritage and include all heritage instead of only national heritage under eligible activities.
- 4.5.5. To reword the existing provision “training to” to “promoting” in respect of activities such as rural sports, nationally recognised sports, Paralympic sports and Olympic sports.

- 4.5.6. To expand the eligible activity “supporting incubators of Social Enterprises” to specifically include “research and development projects in the field of science, technology, engineering, medicine and social science funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government”.
- 4.5.7. To expand the eligible activity “supporting other platforms that strengthen the non-profit ecosystem in fundraising and capacity building” to include non-profit ecosystem activities that strengthen capacities at the sectoral level or organisation level in areas such as: governance, transparency, finance & compliance, leadership and organisation development, information systems, research, social innovation, use of technology, fundraising, impact measurement and reporting.

4.6. Public comments:

Public comments/suggestions are invited on the following:

Proposal 5: To include welfare of disadvantaged children, women, destitute, elderly and the disabled under eligible activities.

Proposal 6: To include vocational skills under eligible activities.

Proposal 7: To reword Regulation 292E(2)(a)(5) to “Sustaining and stewarding natural ecosystem and environment, pollution control, addressing climate change, conserving forest and wildlife, welfare of vulnerable animals, and education and awareness on sustainable lifestyle” under eligible activities.

Proposal 8: To include promotion and education of art, culture and heritage and include all heritage instead of only national heritage under eligible activities.

Proposal 9: To reword the existing provision “training to” to “promoting” in respect of activities such as rural sports, nationally recognised sports, Paralympic sports and Olympic sports.

Proposal 10: To expand the eligible activity “supporting incubators of Social Enterprises” to specifically include “research and development projects in the field of science, technology, engineering, medicine and social science funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government”.

Proposal 11: To expand the eligible activity “supporting other platforms that strengthen the non-profit ecosystem in fundraising and capacity building” to include non-profit ecosystem activities that strengthen capacities at the sectoral level or organisation level in areas such as: governance, transparency, finance & compliance, leadership and organisation development, information systems, research, social innovation, use of technology, fundraising, impact measurement and reporting.

5. Modifications to target segment to be identified as Social Enterprise

5.1. Existing provision:

In order for an entity to be identified as Social Enterprise, in terms of Regulation 292E(2)(b) the entity is required to target underserved or less privileged population

segments or regions recording lower performance in the development priorities of central or state governments.

5.2. Concerns:

The existing provision does not explicitly cover eco-centric projects that comes under Environment and Culture causing an entry barrier to the Environmental and Cultural projects by virtue of being outside the definition of Social Enterprise.

5.3. Recommendation of SSEAC:

SSEAC has recommended to expand the target segment and to include cultural and environmental ecosystem entities in addition to social entities.

5.4. Rationale:

The eligibility criteria framed under Section 292 E(b) of ICDR Regulations need to include Social Enterprises working for environment and cultural cause in addition to Social Enterprise working for social cause. The proposal will bring environmental and cultural activities under the definition of Social Enterprise under Section 292E (2)(b).

5.5. Proposal:

5.5.1. To expand the target segment and to include the following:

Sr. No.	Existing Provision	Proposal
1	The Social Enterprise shall target underserved or less privileged population segments or regions recording lower performance in the development priorities of central or state governments;	2(b). The Social Enterprise shall target i. underserved or less privileged population segments or regions recording lower performance in the development priorities of central or state governments; <u>the environment and/or natural ecosystem entities* facing degradation and/or depletion and/or extinction that is creating environmental concerns; and the cultural entities* facing erosion and/or extinction contextually and also that need promotions contextually.</u> <i>*Entities means Things, articles, beings, individuals, bodies, persons, people, creatures.</i>

5.6. Public comments:

Public comments/suggestions are invited on the following:

Proposal 12: To expand the target segment and to include cultural and environmental ecosystem entities in addition to social entities.

6. Modification to applicability of percentage of activities to be eligible activities

6.1. Existing Provision:

Regulation 292E(2)(c) of the ICDR Regulations states that Social Enterprise shall have at least 67% of its activities, qualifying as eligible activities to the target population, to be established through 3-year average of either revenue, expenditure or total customer base.

6.2. Concerns:

NPOs are currently required by the exchange to give a certificate from a Chartered Accountant confirming compliance with this. Data on average of revenues is not relevant to NPOs and data regarding average expenditure is not easily verifiable from financial statements as expenditure is of capital and revenue in nature, which may or may not be maintained programme-wise, programmes may not always be categorised target segment-wise, indirect costs and overheads are not always apportioned among programmes.

The usage of term 'target population' in the definition of Social Enterprise connotes to 'human numbers' to be targeted. This way, the Environmental and Cultural projects have been innocuously excluded, as of now, from the definition of Social Enterprise.

6.3. Recommendation of SSEAC:

SSEAC has recommended that For-Profit Social Enterprise (FPE) or Not for Profit Entities where, its annual audit report (Form 10B/ 10BB) and IT Return for the latest Assessment Year (AY) indicates that the organisation has business income of more than 20 percent of its revenue in the latest annual year, shall have at least 67% of its activities, qualifying as eligible social/ environmental/ cultural activities to the target entities.

6.4. Rationale:

Tax exemption from Income Tax under section 12A/ 12AA/12AB is an indicator of an NPO qualifying as eligible activities to establish primacy of social intent. Income Tax authorities examine eligibility of charitable activities as per section 2(15) of the Income Tax Act and the tax exemption is reviewed every 3 to 5 years and in the annual audit report to be filed by the Chartered Accountants. In the annual income tax returns, NPO is required to furnish details of source of revenues, details of expenditure, business income, if any. Together with 292E (2) (a) and (b), tax exemption would be sufficient in most cases to ensure that only NPOs catering to privileged target segments or entities are excluded. In case of exceptions, where the NPO also caters to privileged target segments, or charges more than nominal

fees for its services, the Social Stock Exchange may specify additional requirements to establish primacy of social intent.

6.5. Proposal:

6.5.1. It is proposed to amend percentage of activities to be eligible activities as mentioned below:

Sr. No.	Existing Provision	Proposal
1	<p>The Social Enterprise shall have at least 67% of its activities, qualifying as eligible activities to the target population, to be established through one or more of the following:</p> <p>(i) at least 67% of the immediately preceding 3-year average of revenues comes from providing eligible activities to members of the target population;</p> <p>(ii) at least 67% of the immediately preceding 3-year average of expenditure has been incurred for providing eligible activities to members of the target population;</p> <p>(iii) members of the target population to whom the eligible activities have been provided constitute at least 67% of the immediately preceding 3-year average of the total customer base and/or total number of beneficiaries.</p>	<p>The For-Profit Social Enterprise (FPE) or Not for Profit Entities where, its annual audit report (Form 10B/ 10BB) and IT Return for the latest Assessment Year (AY) indicates that the organisation has business income of more than 20 percent of its revenue in the latest annual year, shall have at least 67% of its activities, qualifying as eligible social/ environmental/ cultural activities to the target entities*, to be established through one or more of the following:</p> <p>(i) at least 67% of the immediately preceding 3-year average of revenues comes from providing eligible social/ environmental/ cultural activities to the target entities*;</p> <p>(ii) at least 67% of the immediately preceding 3-year average of expenditure has been incurred on eligible social/ environmental /cultural activities to the target entities*;</p> <p>(iii) the entities to whom the eligible activities have been provided constitute at least 67% of the immediately preceding 3-year average of the total entities* covered by Social Enterprise.</p> <p>NOTE:</p> <p>*Entities means things, articles, beings, individuals, bodies, persons, people, creatures.</p>

6.6. Public comments:

Public comments/suggestions are invited on the following:

Proposal 13: To prescribe the condition of business income of more than 20 percent of revenues in the latest annual year for the For-Profit Social Enterprises or Not for Profit Social Enterprises in order to comply with the criteria of 67% of activities qualifying as eligible activities.

Part II: Provisions under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

7. Disclosures by a Not for Profit Organization (NPOs)

7.1. Existing Provision:

- 1) A Not for Profit Organization registered on the Social Stock Exchange(s), including a Not for Profit Organization whose designated securities are listed on the Social Stock Exchange(s), shall be required to make annual disclosures to the Social Stock Exchange(s) on matters specified by the Board, within 60 days from the end of the financial year or within such period as may be specified by the Board.
- 2) In addition to the disclosure referred in sub-regulation (1), the Social Stock Exchange(s) may specify matters that shall be disclosed by the Not for Profit Organization on annual basis.

7.2. Concerns:

The Income Tax Act, 1961 and FCRA are key central government regulations that require reporting by NPOs. The date for filing annual income tax returns for NPOs is October 31st and for FCRA is December 31st. NPOs file these returns based on annual audit of their books of accounts. More than 50 percent NPOs have operations in rural and remote locations and auditors usually carry out the NPO audits after they finish corporate audits and closer to the deadline for submissions. NPOs need to adopt audited accounts at their annual general meetings. The annual disclosures related to financial, compliance and governance matters and the submissions specified in the LODR Regulations are based on audited accounts and compliance with Income Tax Act. The Annual Disclosures specifically requires reporting on Programme Expenditure on top 5 Programmes and expenditure of funds received from top 5 donors that need to be as per the audited financial statements.

7.3. Recommendation of SSEAC:

SSEAC has recommended to bifurcate the annual self-disclosures in financial and non-financial aspects and to revise the timelines for disclosures pertaining to

financial aspects to October 31st after the end of the financial year or within such period as may be specified by the Board.

7.4. Rationale:

In order to align reporting timelines based on whether information to be reported is dependent on the audited financial information and has reference to auditor's report and annual returns filed with the Income Tax, the timeline for annual disclosures is recommended to be revised to 31st October after the end of the financial year.

7.5. Proposal:

7.5.1. To bifurcate the annual self-disclosures in two aspects:

- i. Financial Aspects-covering disclosures of general, governance and finance aspects that have a reference to audited financial statements.
- ii. Non-Financial Aspects-covering general and governance disclosure aspects that are not dependent on audited financial statements.

7.5.2. To revise the timelines for disclosures pertaining to financial aspects to October 31st after the end of the financial year or within such period as may be specified by the Board. The timelines for disclosures pertaining to non-financial aspects may remain same i.e. within 60 days from the end of the financial year.

7.6. Public comments:

Public comments/suggestions are invited on the following:

Proposal 14: To bifurcate the annual disclosures into two aspects Financial Aspects and Non-Financial Aspects.

Proposal 15: To revise the timelines for disclosing Financial Aspects to October 31st after the end of the Financial Year and Non-Financial aspects to be disclosed within 60 days from the end of the Financial Year.

8. Submission of Social Impact Report

8.1. Existing Provision:

Regulation 91E (1) of LODR Regulations, a Social Enterprise, which is either registered with or has raised funds through a Social Stock Exchange or a Stock Exchange, as the case may be, shall be required to submit an annual impact report to the Social Stock Exchange or the Stock Exchange in the format specified by the Board from time to time.

8.2. Concerns:

8.2.1. NPOs have diverse programmes and the existing funders require varied forms of project monitoring and evaluation based on the nature of the project, the cost-benefit of impact reporting and assessments and the extent of their

support and engagement. The current practice of reporting by NPOs to Funders consists of:

- i. Annual Report (covers programmes) adopted by the governing body.
- ii. Programme/ Project/ Impact Reports authorised by the Chief Functionary, sometimes validated by third party thematic experts, some reports are commissioned by funders.
- iii. Fund utilisation Reports signed by Chartered Accountants and are funder specific.

8.2.2. Further, Impact Reports also come with a cost i.e. expenditure to collect, prepare and validate, time and effort of NPO staff and the community which may have low monetary cost but huge opportunity costs. Therefore, the cost/ erosion of net impact due to burdensome reporting is critical to be considered. Reporting for specific listed projects would also require alignment and comparison with the annual audited accounts of the NPO as the listed project would be one of several projects of the NPO and carrying out the social impact assessment in isolation would miss out on crucial aspects of verifying inputs and activities against reported costs, verifying outputs and outcomes vis-a-vis reported revenues, as may be relevant to the listed project; commenting on overall impact; reviewing inter-linkages of projects, and to assess sustainability. Assessments require field visits and community interaction that need to be planned as per availability of the communities and assessments should not be disruptive for local communities that are into seasonal activities and migration.

8.3. Recommendation of SSEAC:

SSEAC has recommended to reporting for listed projects and for other significant non-listed projects. Social Impact Reporting for listed projects and non-listed significant projects should account for at least 67% of programme expenditure in the previous financial year. It has also recommended that the Annual Social Impact Report for non-listed significant projects shall be self-reported.

8.4. Rationale:

The objective for introducing registration of NPOs without listing was to familiarise NPOs with the market mechanism of due diligence, periodic and event based disclosures to the stock exchange and undergo capacity building to eventually list projects. The NPO sector is already well regulated and requires exhaustive annual audit and reporting by the Income Tax. Regulators presently require exhaustive reporting on governance and financial matters to satisfy that programmes are charitable and are for the under-privileged to qualify for tax exemptions and to



ensure that donors are legitimate, identifiable, and are not anti-nationals or terrorists.

It is necessary to have separate reporting requirements for listed projects and non-listed other significant programmes of NPOs funded through other sources.

8.5. Proposal:

8.5.1. To segregate reporting for listed projects and for other significant non-listed projects. Social Impact Reporting for listed projects and non-listed significant projects should account for at least 67% of programme expenditure in the previous financial year. The Annual Social Impact Report for listed projects shall be made with reference to Fundraising Document and Solution Implementation Plan and submitted with an external Social Impact Assessment Report.

8.5.2. It is further proposed that, the Annual Social Impact Report for non-listed significant projects shall be self-reported.

8.5.3. To provide a moratorium period of two years to all the NPOs registered on SSE. Beyond such moratorium the NPOs should have at least one listed project that would be liable to social impact assessment by a social impact assessment organization.

8.6. Public comments:

Public comments/suggestions are invited on the following:

Proposal 16: *To segregate the reporting for listed projects and other significant non-listed projects.*

Proposal 17: *To prescribe self-reporting for other significant non-listed projects.*

Proposal 18: *To provide a moratorium period of two years to all the NPOs registered on SSE to get listed on SSE.*

Part III: Amendments in SEBI Circular dated September 19, 2022

9. Minimum requirements to be met by a Not for Profit Organization (NPO) for registration with SSE in terms of Regulation 292F (1) of ICDR Regulations:

9.1. Existing Provisions:

Regulation 292F (1) of LODR Regulations states that NPOs desirous of registration on SSE, shall fulfil the criteria prescribed by Circular dated September 19, 2022. The existing provisions along with recommendations of SSEAC are mentioned below in the table:

Sr. No.	Broad Parameter	Existing Provisions	Recommendations by SSEAC
		Details	Details
1.	Age of the NPO: Minimum 3 years	Registration Certificate	Registration certificate or MoA & AoA/ Trust Deed/ Constitution duly stamped by the Registration authority
2.	Deduction under Income Tax Act, 1961	Valid 80G registration under Income Tax Act, 1961 for entities registered under section 12A/ 12AA/ 12AB of the Income-tax Act, 1961	Valid 80G registration or any other relevant section under Income Tax Act, 1961 for entities with tax exemption registration under section 12A/ 12AA/ 12AB/ 10(23C)/ 10(46) of the Income-tax Act, 1961

9.2. Rationale:

- 9.2.1. In order to broaden the criteria, MoA & AoA/ Trust Deed/ Constitution duly stamped by the Registration authority are prescribed in addition to registration certificate for determining the age of the NPOs.
- 9.2.2. Enabling provision for other sections that offer tax deduction to be included in the future as and when they become eligible is added to the existing details for deduction under Income Tax Act, 1961.

9.3. Proposal:

- 9.3.1. To include MoA & AoA/ Trust Deed/ Constitution duly stamped by the Registration authority in addition to registration certificate for the purpose of determining the age of NPO for registration on SSE.
- 9.3.2. To add the enabling provisions for other sections that offer tax deduction under Income Tax Act, 1961.

9.4. Public comments:

Public comments/suggestions are invited on the following:

Proposal 19: To include MoA & AoA/ Trust Deed/ Constitution duly stamped by the Registration authority in addition to registration certificate for the purpose of determining the age of NPO for registration on SSE.

Proposal 20: To add the enabling provisions for other sections that offer tax deduction under Income Tax Act, 1961.

10. Minimum Initial Disclosure Requirement for NPOs raising funds through the issuance of Zero Coupon Zero Principal Instruments (ZCZP) in terms of Regulation 292K (1) of the ICDR Regulations



10.1. Existing Provisions:

Para 1B of SEBI Circular provides for the minimum initial disclosure requirements for NPOs for raising funds through ZCZP.

10.2. Concerns:

Currently, the SEBI Circular has covered only 'Disclosure Requirements for raising funds'. No provision has been specified for details regarding 'Project/Program Proposal' for listing or raising funds.

10.3. Recommendation of SSEAC:

SSEAC has recommended to include 'Project/Programme Proposal' along with the minimum initial disclosures for raising funds on Social Stock Exchange through ZCZP.

10.4. Rationale:

Preparation of Project/Programme proposal is also an important item that should be disclosed to the applicants along with the initial disclosures. Including Project/Programme Proposal in the offer document will provide a detailed information to the applicants about the project/programme for which funds are being raised.

10.5. Proposal:

10.5.1. To include 'Project/Programme Proposal' along with the minimum initial disclosures for raising funds on Social Stock Exchange through ZCZP. The details required to be disclosed with respect to 'Project/Programme Proposal' are attached at https://www.sebi.gov.in/sebi_data/commndocs/jan-2025/200124_Annexure-I_p.pdf

10.6. Public comments:

Public comments/suggestions are invited on the following:

Proposal 21: To include 'Project/Programme Proposal' along with the minimum initial disclosures for raising funds on Social Stock Exchange through ZCZP.

11. Minimum Initial Disclosure Requirements

11.1. Existing Provisions:

Regulation 292K (1) of LODR Regulations states that NPOs desirous of raising funds on SSE, shall fulfil the disclosure criteria prescribed by Circular dated September 19, 2022. The existing provisions for initial disclosures along with recommendations of SSEAC are mentioned below in the table:

Sr. No.	Existing Provisions		Recommendation of SSEAC	Rationale
	Parameter	Details		
1.	Credibility	Documents such as Registration, Trust Deed/ MoA and AoA, Address Proof, IT PAN, 12A/12AA/12AB Certificate, FCRA certificate and returns, remuneration to governing members.	Documents such as Registration, Trust Deed/ MoA and AoA, Address Proof, IT PAN, 12A/12AA/12AB Certificate, FCRA certificate (if applicable), annual returns to IT, FCRA, regulating authority (Charity Commissioner/ RoC/ Societies Registrar), remuneration, <u>reimbursements & benefits to governing members.</u> The organisation to share a list of certifications and accreditations obtained from third parties such as GuideStar India (if any) specifying the category and validity period.	Since compensation and payments to governing body members of social sector organisation are referred to by different names such as honorarium. The same is clarified through broader language. Further production of certificates and/or accreditations will help the SSE to assess the credibility of the Social Enterprise in a better way.

11.2. Proposal:

11.2.1. It is proposed to include reimbursements & benefits to governing members in addition to existing details to determine the credibility of the NPOs.

11.3. Public comments:

Public comments/suggestions are invited on the following:

Proposal 22: *To include reimbursements & benefits to governing members in addition to existing details to determine the credibility of the NPOs.*

12. Annual disclosure by NPOs on SSE which have either raised funds through SSE or are registered with SSE in terms of Regulation 91C of the LODR Regulations

12.1. Existing Provisions:

Annual disclosures on General aspects, Governance aspects and Financial aspects have been prescribed for the NPOs which have either raised funds or are registered with SSE vide Circular dated September 19, 2022. The existing provisions of the Circular along with recommendations of SSEAC are as follows:

Sr. No.	Existing Provisions	Recommendation of SSEAC
Governance Aspects		
1.	Currently NPOs are required to disclose the details regarding Organization's registration certificate and other license and certifications as per 12A, 80G of Income Tax Act, FCRA, GST etc.	To include additional details regarding the validity of registration certificates etc. SSEAC has recommended that the NPO may also disclose the following details: <u>NPO Registration as:</u> <ul style="list-style-type: none"> ● Trust/ Society/ Section 25 or Section 8 Company ● Registration Number and Date ● Valid till (if any) ● State of Registration as NPO Income Tax Permanent Account No. (Must Have) 12A/ 12AA /12AB/ 10 (23C) Number (Must Have) 12A/ 12AA /12AB/ 10 (23C) Valid till: 80G Number (if any) 80G Valid till: GST Registration No. (if any): Darpan ID: FCRA Number (if any): FCRA Valid till: CSR Registration with MCA: <u>Third Party Certification/ Accreditations:</u> GuideStar Number (GSN): GuideStar India Certification Level and valid till: Other Certifications, if any:
Financial Aspects		



Sr. No.	Existing Provisions	Recommendation of SSEAC
2.	Financial Statement (Balance Sheet, Income statement and Cash Statement). Also program wise fund utilization for the year	SSEAC has recommended to include the following: 1. Financial Statements for the previous year: <ul style="list-style-type: none">• Balance Sheet• Income & Expenditure Statement• Cash Flow Statement/ Receipts & Payments Account• Schedules to Accounts• Notes on Accounts & Significant Accounting Policies• Copy of Income Tax Return• Copy of FC Return (if NPO has FCRA)• Copy of Annual Returns filed with Registration Authority (Registrar of Companies, Registrar of Societies, Charity Commissioner) 2. Program-wise fund utilization for the previous year
3.	Auditors report and auditors details	SSEAC has recommended to include copy of Form 10B/ 10BB Audit report filed with Income Tax in addition to Auditors report and details of Auditor

12.2. Rationale:

- 12.2.1. Changes regarding Organization's registration certificates and other licenses are suggested for clarity of what is required to be submitted with appropriate document name. Added key IDs, registrations and certifications/ accreditations that would help the exchanges track/ verify/ triangulate reports.
- 12.2.2. Changes regarding the financial statements are suggested for clarity of what is required to be submitted with appropriate document name. Key annual returns filed with other regulators are also added to bring clarity.
- 12.2.3. Though the Statutory Auditor's Report is an integral part of the financial statements for companies, it is not always prepared for trusts and societies as it may be a part of the annual returns to the Charity Commissioner or the Registrar of Societies, detailed auditor's report filed with Income Tax is added to the list.

12.3. Proposal:

- 12.3.1. To modify the provisions of Circular on framework for SSE to specify additional details to be disclosed by the NPOs regarding the registration certificate and other license and certifications under Governance aspects.
- 12.3.2. To modify the provisions of Circular on framework for SSE to specify additional details with respect to the Financial Statements under Financial aspects such as copy of Income Tax Return, copy of Annual Returns filed with Registration Authority, Registrar of Companies etc.
- 12.3.3. To modify the provisions of Circular on framework for SSE to include copy of Form 10B/10BB Audit report filed with Income Tax in addition to Auditors Report and Auditors details under Financial aspects.
- 12.3.4. Details regarding 'Vision', 'Process of Performance Review', 'Organization level potential risks and mitigation plan', 'Remuneration policies', 'Stakeholder grievance', not mandatory for the social enterprises that raises funds below the amount of INR 1 crore.

12.4. Public comments:

Public comments/suggestions are invited on the following:

Proposal 23: To specify additional details to be disclosed by the NPOs regarding the registration certificate and other license and certifications under Governance aspects.

Proposal 24: To specify additional details with respect to the Financial Statements under Financial aspects such as copy of Income Tax Return, copy of Annual Returns filed with Registration Authority, Registrar of Companies etc.

Proposal 25: To include copy of Form 10B/10BB Audit report filed with Income Tax in addition to Auditors Report and Auditors details under Financial aspects.

Proposal 26: Details regarding 'Vision', 'Process of Performance Review', 'Organization level potential risks and mitigation plan', 'Remuneration policies', 'Stakeholder grievance', not mandatory for the social enterprises that raises funds below the amount of INR 1 crore.

13. Disclosures of Annual Impact Report by all Social Enterprises which have registered or raised funds using SSE in term of Regulation 91E of the LODR Regulations

13.1. Existing Provisions:

In terms of Regulation 91E of LODR Regulations, disclosures of annual impact report by all social enterprises which have registered or raised funds have been prescribed by Circular dated September 19, 2022. The existing provisions for Annual Impact Report along with recommendations of SSEAS are mentioned below in the table:

Sr. No.	Existing Provisions	SSEAC Recommendations	Rationale
1.	All Social Enterprises will have to provide duly audited Annual Impact Report (AIR) to SSE within 90 days from the end of financial Year	SSEAC has recommended that Annual Impact report shall be submitted by all Social Enterprises by October 31 st every year after the end of the financial year or within such period as may be specified by the Board. Further, it has been recommended that for listed projects, the AIR shall be duly assessed by a Social Impact Assessment Organization.	This is to align with the proposed changes in the LODR.
2.	In case an NPO is only registered without listing any security, the AIR must cover the NPO's significant activities, intervention, programs or projects during the year and the methodology for determination of significance must be explained. Additionally, if there is an activity, intervention, program or projects covered under a listed security, it will qualify as a significant activity, intervention, program or project.	SSEAC has recommended the following: In case an NPO is only registered without listing any security, the AIR must cover the NPO's significant (67%) activities, intervention, programs or projects during the year. The methodology for determination of significance along with reasons must be explained whether it is based on annual expenditure on programme or some other basis. Additionally, if there is an activity, intervention, program or projects covered under a listed security, it will qualify as a significant activity, intervention, program or project.	This is to align with Annexure I of the circular where top-programs are asked to be reported budget-wise.
3.	<p>Strategic Intent and Planning:</p> <p>i. What is the social or environmental challenge the organization and/or the instrument listed is addressing? Has this changed in the last year?</p>	SSEAC has recommended to include ' cultural ' along with social and environmental challenge the organization and/or the instrument listed is addressing. It has been further recommended to replace the term 'last year' with the 'Year reported upon' at all the sub-points mentioned in the Circular.	To align it with the proposed amendments in LODR Regulations.

Sr. No.	Existing Provisions	SSEAC Recommendations	Rationale
4.	<p>Approach:</p> <p>What is the solution implementation plan and the measures taken for sustainability of activity/intervention/programs or project outcomes? Has there been any material change in your implementation model in the last one year?</p>	<p>The SSEAC has recommended to introduce 'logic model' for the solution implementation plan of listed projects. The modified language recommended by SSEAC is as under:</p> <p>For listed projects, has the solution implementation plan prepared using logic model been followed and the measures provisioned therein for sustainability of activity/intervention/ programs or project outcomes? Has there been any material change in your implementation model in the last one year?</p>	<p>For listed projects, the communication on the use of Solution Implementation Plan has been made more explicit linking the same with actual planning process of projects using Logic Model Framework.</p>
5.	<p>Impact Score Card</p> <p><i>What are the metrics monitored and what has been the trend?</i></p>	<p>SSEAC has recommended to modify the language as under:</p> <p>"What KPI metrics drawn from Solution implementation plan for listed projects have been monitored and what has been the trend?"</p>	<p>It Is important to draw the reference of Solution Implementation Plan for listed projects for traceability of the KPI metrics.</p>
6.	<p>Impact Score Card</p> <p><i>The AIR shall be audited by Social Auditors and the SEs shall disclose the report of the Social Auditor along with AIR</i></p>	<p>SSEAC has recommended that for listed projects the AIR shall be assessed by Social Impact Assessors of duly empanelled Social Impact Assessment Organization and for non-listed significant projects the AIR will only be self-reported.</p>	<p>To align it with LODR Regulations.</p>

13.2. Proposal:

13.2.1. It is proposed to modify the provisions of Circular on framework for SSE to include the additional details with respect to the Annual Impact Report.



13.3. Public comments:

Public comments/suggestions are invited on the following:

Proposal 27: To modify the provisions of Circular on framework for SSE to include the additional details with respect to the Annual Impact Report.

14. Annexure I of Circular dated September 19, 2024

14.1. Existing Provisions:

Annexure I provides guidance for listed/registered NPOs on disclosures of general, governance and financial aspects are prescribed in the Circular dated September 19, 2022. The existing provisions along with SSEAC recommendations are as follows:

Sr. No.	Existing Provisions	SSEAC Recommendations	Rationale
1.	<p><u>Governance Disclosures</u></p> <p>Details of governing body including names of the members of the body:</p> <p>The organization shall explain the role of the governance body, the competence available and the identification of the members including name. Also name and designation of the senior decision maker may be provided.</p>	<p>SSEAC has recommended certain additional details to be disclosed by the NPOs. The recommended details are as follows:</p> <p>The organization shall explain the role of the governance body, the competence available and the identification of the members including name, age, gender, occupation, Relation to other Members by blood or marriage, tenure details (current and past), details of remuneration and reimbursements paid and in what capacity. Passport details to be provided in case of foreign nationals. Also name and designation of the senior decision maker may be provided.</p>	<p>The additional details are to understand diversity, stability and potential conflict of interest.</p> <p>SSEs to ensure data privacy and protection of personal identification details of governing body members and all other individuals (including community, employees, management) disclosed to the SSEs.</p>

14.2. Proposal:

14.2.1. To prescribe additional details regarding Governance disclosures in the Annexure-I to the Circular on framework for SSE.

14.3. Public comments:

Public comments/suggestions are invited on the following:

Proposal 28: To prescribe additional details regarding Governance disclosures in the Annexure-I to the Circular on framework for SSE.

15. Annexure II of Circular dated September 19, 2024

15.1. Existing Provisions:

Annexure II provides guidance for all listed Projects of Social Enterprises on Annual Impact Report are prescribed in the Circular dated September 19, 2022. The existing provisions along with SSEAC recommendations are as follows:

Sr. No.	Existing Provisions	SSEAC Recommendations	Rationale
1.	Guidance notes for all Social Enterprises on AIR	<p>SSEAC has recommended that in addition to Annual Impact Report the listed projects need to have Mid-term Report (MTR) to take stock of effectiveness of ongoing program in fulfilling the overall project objective, and bring needful changes required, if any, in the implementation strategy.</p> <p>Similarly, for listed projects, an End-term Report (ETR) will sum up the overall project performance on the impact with all the learnings; evaluate and concretise the exit plan implementation strategy for sustainability of the project.</p> <p>Only the projects/ programs of 3 years and above duration need MTR.</p> <p>The MTR of 3/5/7-year project will be co-terminus with 2nd / 3rd / 4th year AIR cycle.</p> <p>The ETR will be co-terminus with the annual end year project evaluation cycle, unless found necessary to conduct special ETR exercise beyond the end year project evaluation cycle.</p>	<p>Annexure II applies only to AIR of Listed Projects.</p> <p>In addition to the AIR which is a routine annual assessment, Mid-term Report (MTR) reporting provisions have been kept to provide flexibility of mid-course corrections to the SSE listed projects.</p> <p>End-term Report (ETR) reporting provisions have been kept to ensure a robust winding up and for ensuring sustainability of SSE listed projects.</p>



Sr. No.	Existing Provisions	SSEAC Recommendations	Rationale
2.	<p>Strategic Intent and Planning</p> <p>Who is being impacted (target segment)</p>	<p>SSEAC has recommended to define the target segment in a broader way and to include environmental and cultural parameters also in addition to the social parameters.</p> <p>The broader language to be used as suggested by SSEAC is as follows:</p> <p>Who is being impacted (target segment)?</p> <p>The target beneficiaries / stakeholders to cover various kinds of target groups/entities. This includes the organization's internal definition of "target segments" it seeks to serve one or more of the three dimensions namely, social, environmental and cultural parameters as under:</p> <ul style="list-style-type: none">i. Social Groups defined by income, geography and thematic issuesii. Environmental groups defined by Natural ecosystem and environment; Pollution; Climate change; Forest and wildlife; and Sustainable lifestyle.iii. (iii). Cultural groups defined by Arts; Artefacts, Antiquities and Documentary Heritage; languages;	<p>Target segment definition was not very clear and was primarily aligned for Social projects/programs. Now along with Social parameters, the Environmental and Cultural parameters have been defined for environmental and cultural projects.</p>

Sr. No.	Existing Provisions	SSEAC Recommendations	Rationale
		Cultural traditions; Monuments and Sites.	
3.	<u>Approach</u> What is the baseline status / situation analysis / context description at the start of the activity, intervention, program or project?	SSEAC has recommended that for the listed projects the baseline measurement should be integrated with the Solution Implementation Plan	It Is important to draw the reference of Solution Implementation Plan for listed projects
4.	<u>Approach</u> What is the solution implementation plan and the measures taken for sustainability of program outcomes?	SSEAC has recommended to rephrase the language as under: <i>“Has Solution implementation plan (SIP) for Listed Projects taken measures for sustainability of program outcomes?”</i> SSEAC has also recommended that the social enterprises shall explain the withdrawal strategy for making exit. The withdrawal strategy needs to plan out how the assets, capacities, partnerships, networks, influence and the stake of beneficiary community/entity built during the project/program will be used further to sustain outcome.	Needful elaboration has been done as to how the withdrawal strategy need to be planned to sustain the project outcome.
5.	<u>Impact Scorecard</u> What are the metrics monitored and what has been the trend?	SSEAC has recommended that the trend in performance shall be explained through the trend of the Key Performance Indicators (KPIs) prepared by integrating suggested attributes on reach, depth and inclusion.	Until suggested attributes on reach, depth and inclusion considerations are integrated in the KPIs, it will be difficult to create any accountability which these parameters command.



15.2. Proposal:

- 15.2.1. To include Mid-Term report and End- Term Report in addition to the Annual Impact Report for listed projects which have duration of 3 years or more.
- 15.2.2. To include environmental and cultural parameters in addition to social parameters
- 15.2.3. To integrate the baseline measurement for listed projects with the Solution Implementation Plan
- 15.2.4. To integrate the attributes on reach, depth and inclusion with the Key Performance Indicators.

15.3. Public comments:

Public comments/suggestions are invited on the following:

Proposal 29: <i>To include Mid-Term report and End- Term Report in addition to the Annual Impact Report for listed projects having project duration of years or more</i>
Proposal 30: <i>To include environmental and cultural parameters in addition to social parameters</i>
Proposal 31: <i>To integrate the baseline measurement for listed projects with the Solution Implementation Plan</i>
Proposal 32: <i>To integrate the attributes on reach, depth and inclusion with the Key Performance Indicators.</i>

5. Public Comments

5.1. Public Comments are solicited on the aforesaid proposals with respect to review of framework for Social Stock Exchange. The comments / suggestions along with rationale should be submitted not later than February 10, 2025 through the following link:

<https://www.sebi.gov.in/sebiweb/publiccommentv2/PublicCommentAction.do?doPublicComments=yes>

5.2. In case of any technical issue in submitting your comment through web based public comments form, you may write to consultationcfd@sebi.gov.in with the subject: "Review of Framework for Social Stock Exchange".
