

# TOOLKIT FOR NOT-FOR-PROFIT ORGANISATIONS NAVIGATING SOCIAL STOCK EXCHANGE

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# Acknowledgements

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## Glossary

<b>Admission of Securities</b>	The admission of securities refers to the formal approval and inclusion of a particular financial instrument (equity, bonds, ZCZP instruments, etc.) for trading on a recognised stock exchange. It is a process through which a NPO or the issuer complies with the listing requirements set by the exchange to have its securities listed on the exchange. The admission of securities involves a thorough review by the exchange to ensure that the issuer meets specific standards, including financial health, governance, and transparency. Once approved, the securities are considered "listed" on the exchange, and investors can invest in them.
<b>Designated Stock Exchange</b>	A stock exchange that has been officially recognised or designated by regulatory authorities or governing bodies to facilitate the trading of securities. As part of the listing procedure, the NPOs have to choose either BSE or NSE as their Designated Stock Exchange but can still list in both.
<b>Escrow Account</b>	A dedicated account established during the issuance of the financial instruments on a Social Stock Exchange. This account serves to securely hold and manage funds raised from investors until the conclusion of the subscription period till the fulfilment of specific conditions.
<b>Issue</b>	A term commonly used in Capital Markets, "issue" refers to the process of offering financial market securities (such as equity, bonds, debentures, and, in the context of a social stock exchange, Zero Coupon Zero Principal Instruments) to eligible investors. This offering is made for subscription with the primary objective of raising capital for specific purposes. These purposes may include funding projects, expanding operations, or addressing various financial needs.
<b>Issue Closure</b>	The culmination of the issuance process, where the offering of securities is concluded, and subscription is closed. It marks the end of the period during which investors can participate in the subscription of the securities.
<b>List/Listing/ To List</b>	The formal admission of securities, like ZCZP instruments, to trading on a Social Stock Exchange. This process involves meeting the exchange's listing requirements, enabling investors to invest in them.



<b>Materiality</b>	Events that may have a material impact on the planned achievement of outputs or outcomes set out to be achieved by the Social Entity include changes in key members of the governing body, disruptions in the operations of the Social Entity due to natural calamities (such as earthquakes, floods, fires, etc.), force majeure, or events such as strikes, lockouts, etc., as well as litigations/disputes/regulatory actions, and withdrawal, surrender, cancellation, or suspension of key licences or regulatory approvals.
<b>Minimum Subscription Amount</b>	The minimum monetary value that an investor must commit to contributing to the Issue when participating in the Social Stock Exchange. Recently, the Securities and Exchange Board of India has amended the minimum application size i.e. the contribution of each investor and cut it to ₹10,000.
<b>Zero Coupon Zero Principal Instrument</b>	ZCZP is a type of financial instrument that neither offers any 'coupons' (interest) during the tenure nor the "principal repayment" on redemption. Therefore, these are purely donations, with no financial returns attached to them.

## Abbreviations

<b>ATR</b>	: Action Taken Report
<b>AIR</b>	: Annual Impact Report
<b>BSE</b>	: Bombay Stock Exchange
<b>CEO</b>	: Chief Executive Officer
<b>CDSL</b>	: Central Depository Services Limited
<b>DFRD</b>	: Draft Fund-raising Document
<b>DP IP</b>	: Depository Participant Identification
<b>ICDR</b>	: Issue of Capital and Disclosure Requirements
<b>KMP</b>	: Key Managerial Personnel
<b>NPO</b>	: Not-for-Profit Organisation
<b>NEFT</b>	: National Electronic Funds Transfer
<b>NSE</b>	: National Stock Exchange
<b>NSDL</b>	: National Depository Services Limited
<b>PAN</b>	: Permanent Account Number
<b>RTA</b>	: Registrar and Transfer Agent
<b>RTGS</b>	: Real-Time Gross Settlement
<b>RTI</b>	: Registrar to the Issue
<b>SCORES</b>	: SEBI Complaints Redress System
<b>SEBI</b>	: Securities and Exchange Board of India
<b>SEs</b>	: Social Enterprises
<b>SSE</b>	: Social Stock Exchange
<b>ZCZP Instruments</b>	: Zero Coupon Zero Principle Instruments



## Executive Summary

**In her 2019 budget speech, Finance Minister Nirmala Sitharaman introduced the Social Stock Exchange initiative, which has since attracted considerable attention in the development sphere.**

Designed to foster inclusivity and adaptability within capital markets, India launched its Social Stock Exchange, the fourth functioning exchange in the world. In February 2023, SSE achieved a noteworthy milestone with formal approval from SEBI, establishing its position as a regulated entity. It is now integrated into both the NSE and BSE, providing a regulated platform for socially responsible investment initiatives.

**The Social Stock Exchange challenges the issue of inconsistent funding and transparency, by connecting Not-for-Profit Organisations (NPOs) with socially conscious investors through various financial instruments.**

The exchange serves as a centralised hub for channelling resources to social enterprises and fostering impactful development initiatives. This is facilitated by deploying consistent funding frameworks, diversifying funding sources, and enhancing impact measurement, disclosure, and reporting practices. Through promoting transparency, the exchange cultivates a disclosure-driven ecosystem, guiding stakeholders towards mutual progress.

Registering and listing on this exchange can be an intimidating process. This toolkit aims to equip NPOs with the essential knowledge and resources to navigate the SSE framework through a step-by-step approach.

**Leveraging insights from Unnati Foundation, the first NPO to get listed on the SSE platform, we segment the NPO's journey from registration to successful listing into four phases.**

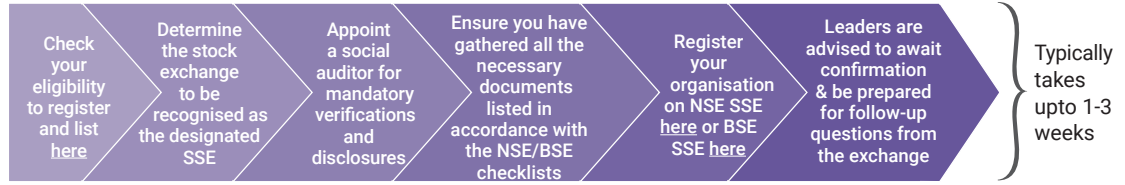
Each phase aids in understanding compliance requirements, forging partnerships, and embracing best practices.

# TOOLKIT NAVIGATING SOCIAL STOCK EXCHANGE

1

## REGISTRATION

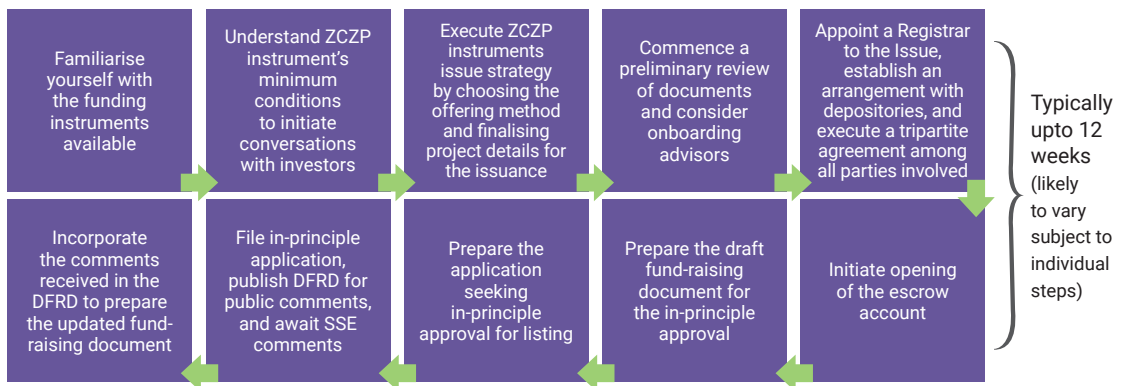
NPOs meeting eligibility criteria can register at SSE(s). While registered entities can choose whether to get listed, listing requires mandatory registration.



2

## PRE-LISTING

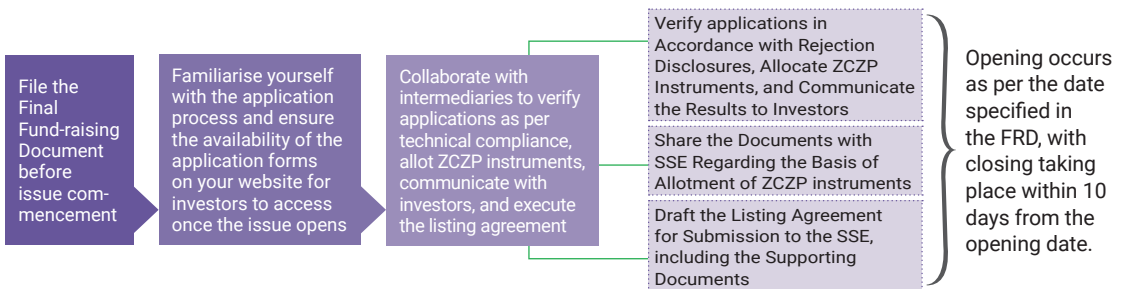
Involves understanding various instruments, minimum subscription amounts, and offering methods, as well as ensuring preparedness before listing. This includes hygiene checks like document preparation, onboarding intermediaries, and filing the Draft Fund-raising Document (DFRD) to SSE(s).



3

## LISTING

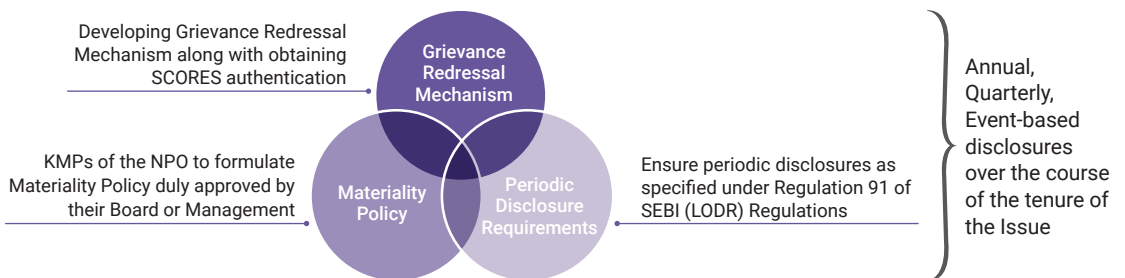
The SSE(s) review applications and the Updated Fund-raising Document, granting in-principle approval for listing. Upon receiving SSE approval, NPOs collaborate with designated intermediaries for the listing process. The issue opens for a set period, followed by allotment of the instrument.



4

## POST-LISTING

Once the issue reaches the minimum subscription amount, the project commences. Post-listing involves NPOs to be mindful of the ongoing requirements and ensure periodic disclosures with assistance from the Social Impact Assessor.



NPOs can glean some of the best practices from Unnati's journey, serving as a starting point for future entries and instilling preparedness towards the efficient use of the SSE.

- **Understand the SSE Landscape Thoroughly and Engage in Self-Reflection on Readiness:** NPOs must prioritise thorough feasibility assessments, evaluating their preparedness to meet stringent SSE compliance requirements and navigate regulatory complexities.
- **Clear Dues Timely and Be Cognisant of Third-Party Interventions:** It is very important to clear tax or notice dues that the NPO might have as soon as possible. NPOs should also be mindful of the scrutiny of parties related to them that can be undertaken.
- **Be Open to Collaboration:** Unnati's journey highlights the invaluable role of partnering with experts and intermediaries from onboarding to regulatory navigation. Active engagement with the SSE Council, known for responsiveness and support, facilitates a smoother integration process.
- **Develop a Funder Pipeline Prior to Listing:** One of the reasons for Unnati's success stemmed from targeted outreach to diverse investor segments, including high-net-worth individuals and philanthropists. NPOs should proactively initiate conversations with funders and not wait until the listing begins.
- **Committed and Proactive Leadership:** Active involvement of key decision-makers at every strategic step is essential for SSE participation. Their time commitment ensures strategic oversight and timely decision-making, contributing to the organisation's seamless onboarding on the platform.

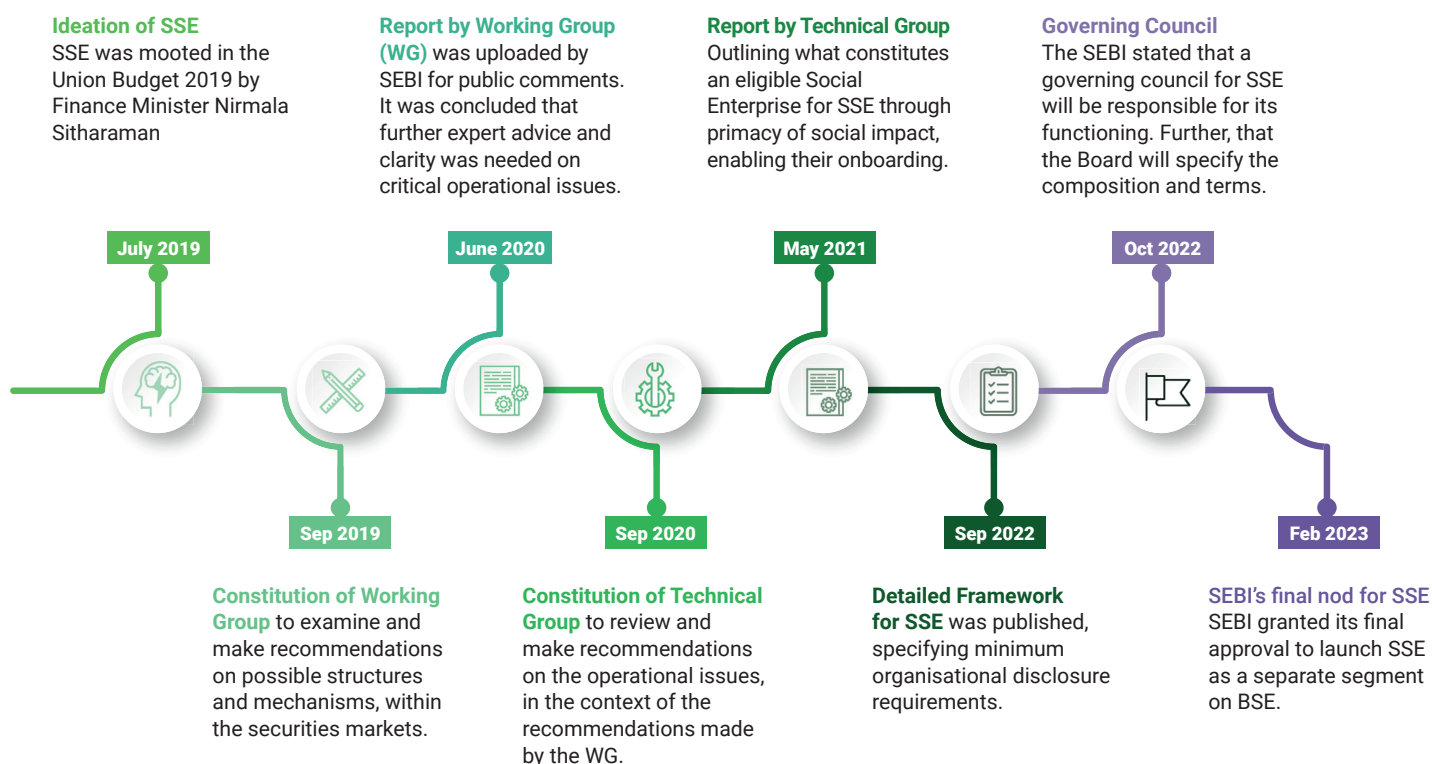
# SECTION 1

## Social Stock Exchange - A Catalyst in the Impact Ecosystem

Proposed in the 2019 budgetary speech by the Finance Minister Nirmala Sitharaman to make capital markets more inclusive and responsive to societal needs, the Social Stock Exchange (SSE) has garnered significant attention in the development landscape. It has undergone rigorous deliberations and refinements over the past 2-3 years to shape its framework and operational modalities. The primary goal of this process has been to ensure transparency and efficiency, benefiting both social enterprises and investors.

These efforts reached a pivotal moment in February 2023, when the SSE received official approval from the Securities and Exchange Board of India (SEBI), solidifying its status as a regulated avenue for impactful and socially responsible investing. Operating under the regulatory oversight of the SEBI, the SSE finds its home on both the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE).

**Figure 1: Evolution of the Social Stock Exchange (2019- 2023)<sup>1</sup>**

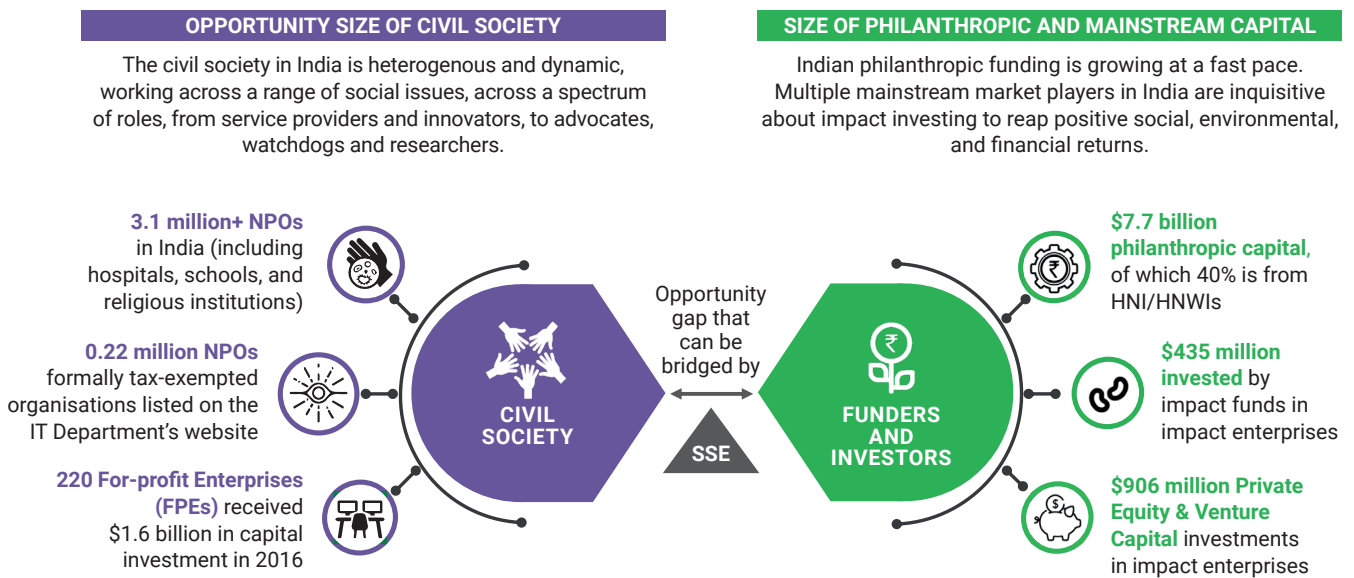


**With the growth of philanthropy and emergence of diverse players in the coming years, the SSE serves as a platform that brings together civil society and philanthropic capital to consolidate various funding efforts.**

There is a persistent need for funding within the vast landscape of the Indian civil society, which stands as one of the largest in the world. Parallely, over the years, the landscape of philanthropic capital in India has also transformed, especially with the introduction of the CSR mandate, contributing to the growth of philanthropic funds. Recent data anticipates that family philanthropy in India will achieve approximately an 18% CAGR from FY22-27.<sup>2</sup>

Despite these positive developments, the efficient convergence of these funding opportunities has yet to materialise. Fundraising remains a significant challenge for social enterprises, and philanthropy grapples with uncertainty regarding optimal fund allocation and impact tracking metrics. This is precisely where the opportunity for SSE to bridge the gap lies.

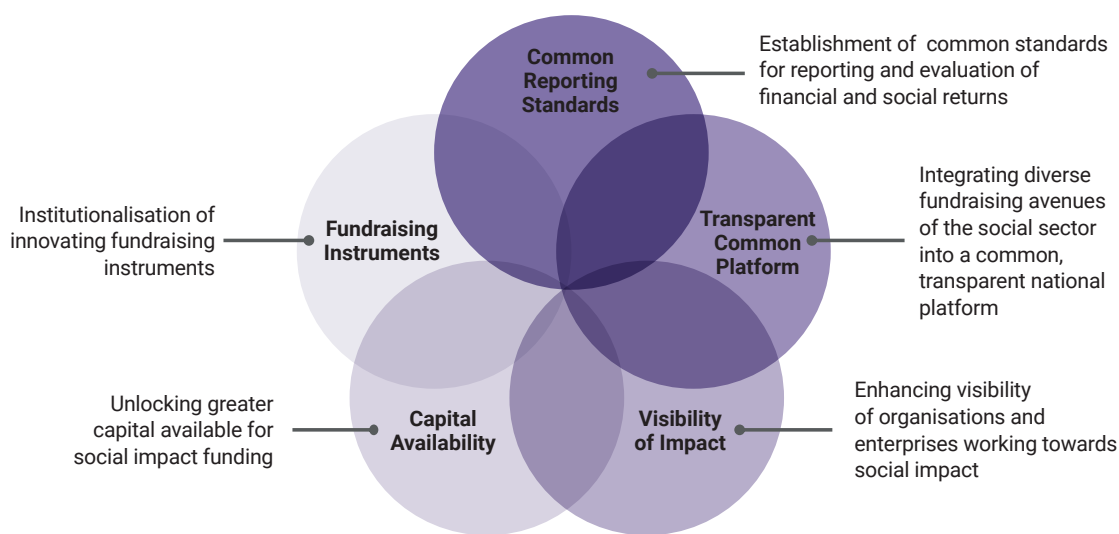
**Figure 2: Opportunity Gap Bridged by the Social Stock Exchange<sup>3</sup>**






**The SSE provides a unified platform for all capital types and demands, addressing the long-standing issue of fragmented efforts, and steering stakeholders towards a disclosure-driven approach, fostering transparency in the development sector.**

The exchange functions as a one-stop destination for directing resources to social enterprises and nurturing impactful development initiatives. This is achieved through the implementation of consistent frameworks for funding, utilisation, impact creation, measurement, disclosures, and reporting, thus fostering a culture of transparency, and driving the stakeholders towards a disclosure-driven ecosystem.

Figure 3: Value Unlocked by the Social Stock Exchange<sup>4</sup>



-  Brings interested NPOs and FPEs onto a common platform of legal requirements for the purposes of accessing the SSE.
-  Inculcates a cultural shift in NPOs and FPEs, and enables transition towards a disclosure-driven fundraising system.
-  Provides means for NPOs and FPEs (especially smaller organisations) to signal the primacy of social impact and the quality of their governance and transparency.

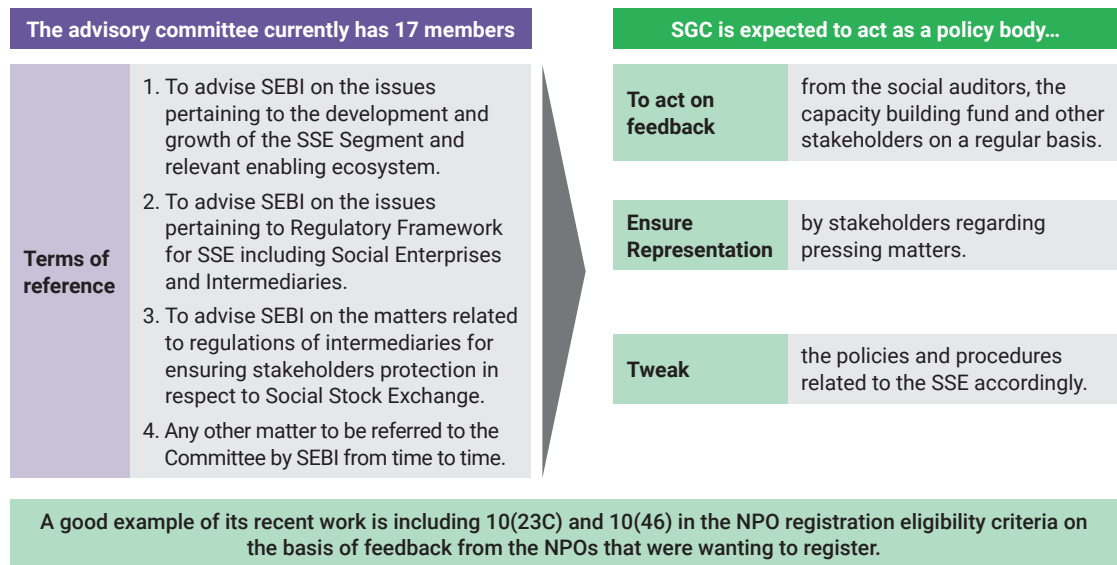
The exchange simultaneously unlocks diverse opportunities for stakeholders with streamlined funding, as illustrated in the table below.

Investors	NPOs	FPEs
<p><b>Financial Returns</b> Social enterprises and non-profits listed on a social stock exchange have the potential to generate greater revenue and profits, which can provide a return on investment.</p>	<p><b>Access to New Sources of Funding</b> NPOs often struggle to access traditional forms of financing. An SSE can help them expand their operations and increase their impact.</p>	<p><b>Competitive Advantage</b> SSE will help FPEs stand out in the marketplace, and attract customers looking for socially responsible products and services.</p>
<p><b>Aligning Investments with Values</b> Investing in an SSE provides an opportunity for investors to support organisations that are working for issues that they care about.</p>	<p><b>Increased Visibility and Credibility</b> A listing on the SSE would help attract new donors and investors while building trust among existing stakeholders.</p>	<p><b>Access to Impact Resources and Networks</b> An SSE listing comes with access to tools, programmes and the ability to network with other socially responsible organisations.</p>
<p><b>Tax Benefits</b> Investing in SSE-listed companies can provide investors with tax benefits, under Section 80G of the Income Tax Act.</p>	<p><b>Channelise Funding to Underfunded Areas</b> SSE can help channelise funding towards projects in underfunded thematic areas or geographies.</p>	<p><b>Access to Government Incentives and Programme</b> In order to support social enterprises on the SSE, the Government of India has plans to offer incentives which can provide additional funding and resources.</p>

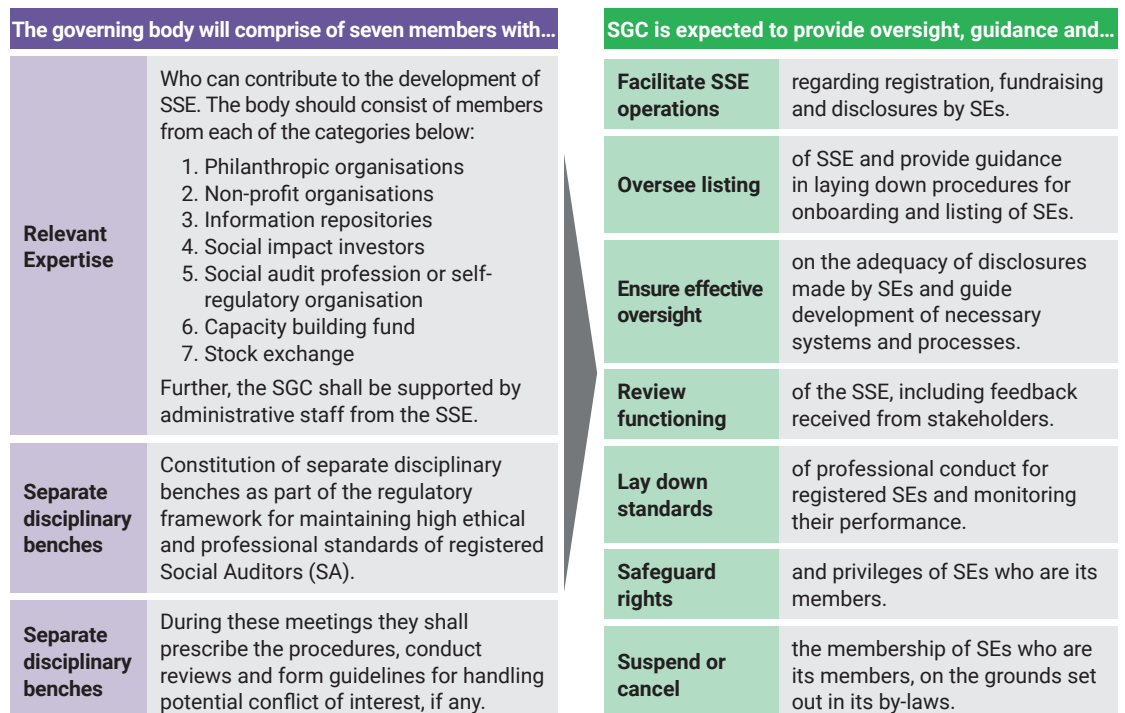
This mechanism is overseen by two governing bodies established by SEBI, comprising members who bring diverse expertise to supervise the operations of the Social Stock Exchange.

Figure 4: Governing Bodies of the Social Stock Exchange and their Functions<sup>5</sup>

At the topmost level, SEBI has formed a Social Stock Exchange Advisory Committee (SSEAC). his committee comprises members from both the public and private sectors who play crucial roles in India's development.



Further, a Social Stock Exchange Governing Council (SGC) has been constituted to have an oversight on its functioning.





## ELIGIBILITY CRITERIA

### Range of NPOs and Activities Permitted to Raise Funds through SSE

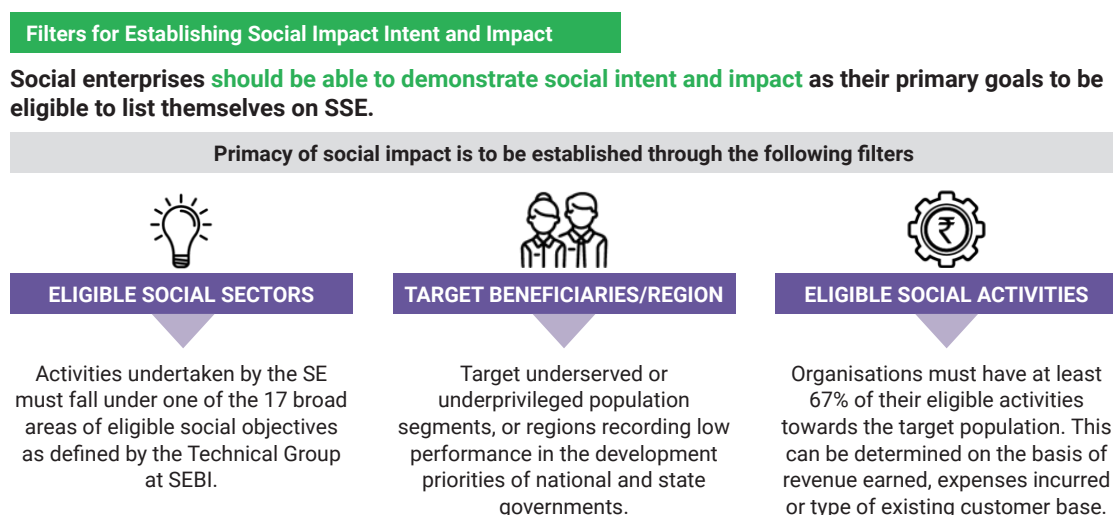
**When registering, it is crucial to understand SSE's definition of a 'Not-for-profit organisation' and determine if you meet the legal qualifications for that category.**

In India, entities working for social causes can opt for one of various legal forms such as Company (for-profit or Section 8 company), Society, Trust, Partnership, and so on. Legally, if you are an NPO registered as any of the following entities, you are eligible to register and list:

1. a charitable trust registered under the Indian Trusts Act, 1882 (2 of 1882);
2. a charitable trust registered under the public trust statute of the relevant state;
3. a charitable society registered under the Societies Registration Act, 1860 (21 of 1860);
4. a company incorporated under Section 8 of the Companies Act, 2013 (18 of 2013).

**In addition to meeting the legal entity criterion, NPOs must assess eligibility by aligning with sectors outlined in the ICDR Regulations, and meeting the specified criteria for target population, region, and impact proportion set by the SSE.**

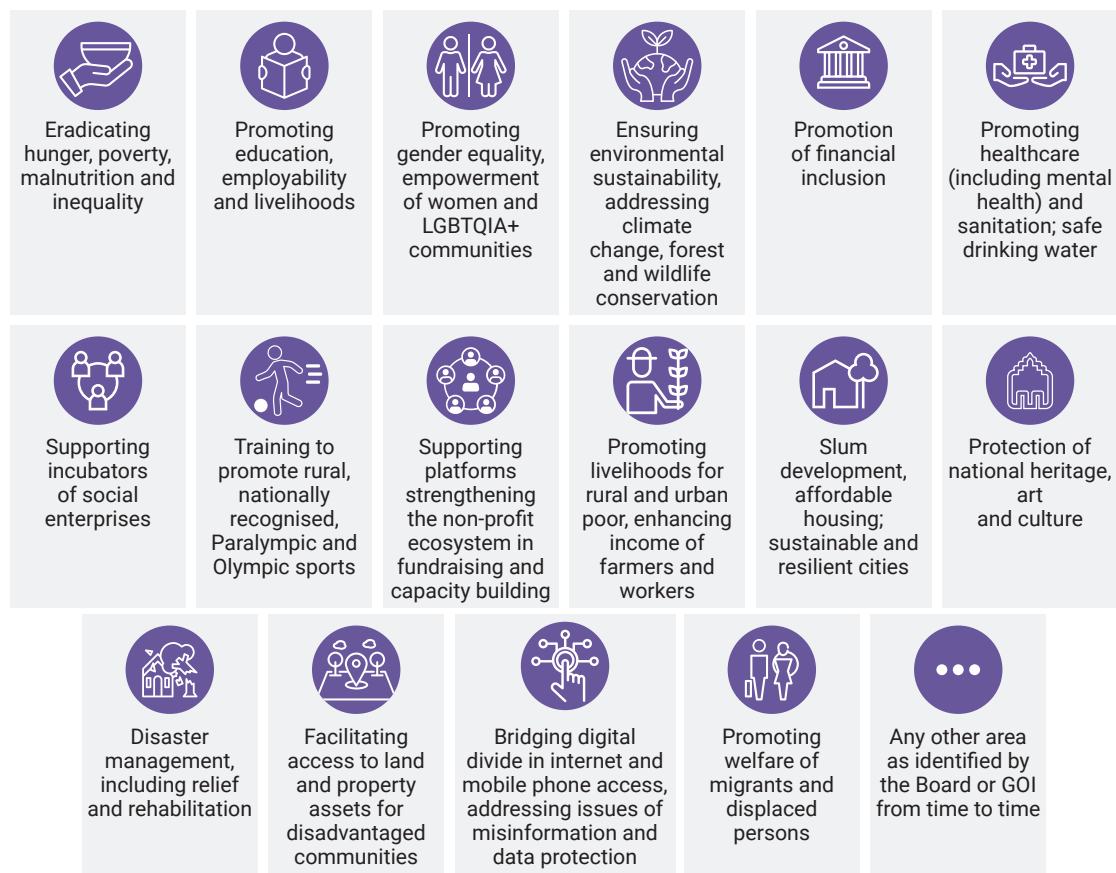
Figure 5: Eligible sectors for Fund-raising on the Social Stock Exchange<sup>6</sup>



Eligible social sectors are outlined in Clause (2) of Regulation 292E of the ICDR Regulations, which delineates a specific set of activities that an SE must be involved in.

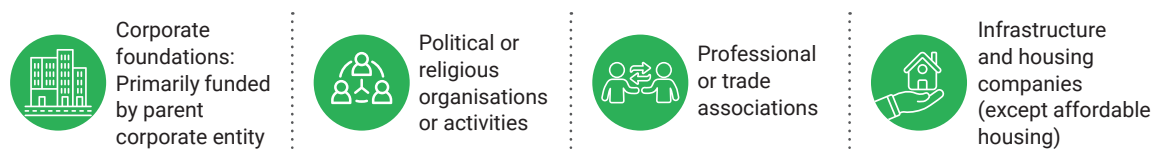
**Eligible Sectors**

SSE drew from sectors listed in Schedule VII of the Companies Act 2013, after which refinements were made, based on SDG imperatives and priority areas identified by the NITI Aayog.



Certain organisations and activities are ineligible for fund-raising through SSE mechanisms. It is advisable to ensure compliance with these criteria before proceeding with registrations and listings.

**Figure 6: Organisation and Activities Ineligible for Fund-raising on the Social Stock Exchange<sup>7</sup>**



Within the scope of this toolkit, our primary focus lies in streamlining the registration and listing process for NPOs. The emphasis on NPOs stems from our close collaboration with Unnati Foundation, leveraging insights from their listing journey as the first NPO to get listed. Unlike FPEs, the procedural aspect of listing is relatively new for NPOs. It is compounded by limited familiarity with industry jargon and documentation intricacies, impeding them from unlocking the benefits of the SSE. This toolkit aims to cater to the unique needs of NPOs and enable them to tackle potential challenges as they venture into this field.

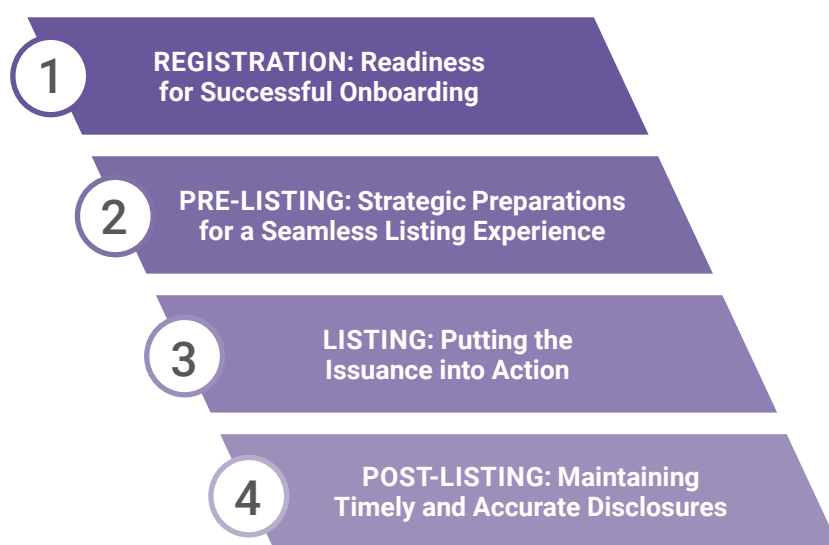
In the upcoming section, you will find a step-by-step guide to prepare for registration and successfully listing on the SSE. Towards the end, we also address potential pain points that NPOs might face, and offer recommendations to improve the ecosystem for both donors and recipients.

## SECTION 2

### A Not-for-Profits Organisation's SSE Journey- Four Phases of Preparedness

The SSE follows a well-defined process, outlined on the NSE and BSE websites. The following sections aim to elucidate both the theoretical and practical dimensions of this process, drawing insights from Unnati's journey.

**Figure 7: Four Phases to Complete for A Successful Listing and Fundraiser**



Each stage in this journey demands meticulous execution to ensure a seamless and successful listing process. In **Phase 1**, the focus is on verifying eligibility in accordance with the checklists provided by NSE and BSE. This includes determining the exchange(s) on which you wish to register and list, and appointing a Social Auditor to ensure necessary disclosures. In **Phase 2**, the pre-listing stage, NPOs – having completed registration – engage in an evaluation of internal governance mechanisms. This involves identifying a project which will be the fundraising cause, acquainting themselves with various financial instruments, determining minimum subscription thresholds, establishing an escrow account, enlisting intermediaries for documentation, and crafting the application form and the fund-raising document.

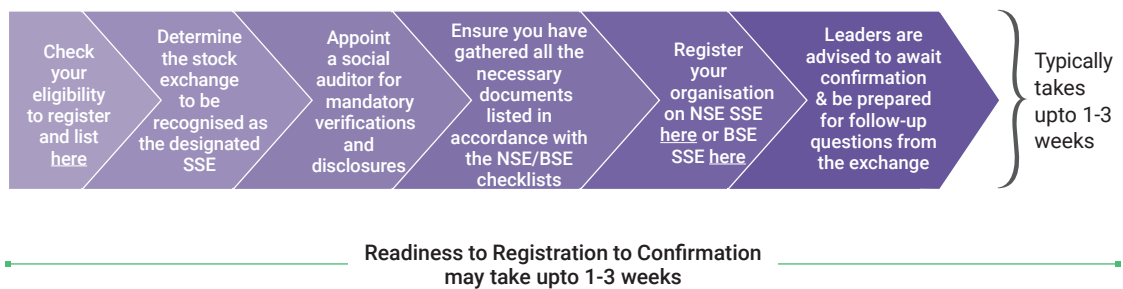
Upon acceptance of the in-principle and the fund-raising document, **Phase 3** involves the opening of the issue. This encompasses making application forms available on your website for investors, intermediary involvement for investor application scrutiny, and finalising the listing agreement to submit to the SSE. In **Phase 4**, after fund deployment, NPOs must maintain vigilant oversight during programme implementation for quarterly and annual disclosures required by the SSE, in collaboration with the Social Auditors. With this context, let us now delve into the procedures to be undertaken under each phase.

## PHASE 1: REGISTRATION

### Readiness for Successful Onboarding

NPOs in this phase are required to consider six key aspects to prepare themselves from registration initiation to completion, and equip themselves to handle any follow-ups that may arise from the exchange.

Figure 8: Six Steps to Undertake for Successful Registration



### Step 1 | Check Your Eligibility to Register and List

**It is essential for NPO leaders to understand the crucial preconditions for SSE registration. Key to this preparation is anticipating specific inquiries that may arise during registration.**

It is helpful to take the eligibility status assessment on BSE’s website beforehand. The assessment comprises 26 questions, covering aspects such as Entity Name, Intent Primacy, Legal Compliance, Registration Details, Financial Regulations, and Organisational Details. Although the assessment is optional, it plays a vital role in evaluating eligibility and serves as valuable preparation for subsequent registration stages. Furthermore, it offers insights and supports future readiness, particularly in case of ineligibility.

**Check your eligibility here.**

**Preparation Prompts for Registration Eligibility Assessment**

**Introduction**

1. Name of the Entity
2. Email

**Primacy of Intent**

3. Do you identify your organisation as a Non-Profit Organisation within the context of the Social Stock Exchange?
4. Do you operate in the eligible thematic areas? If yes, please specify. (Eligible Sectors mentioned above)

5. Does your work focus on underserved or less privileged population segments or regions with lower performance in the development priorities of central or state governments? (Eligible Target Beneficiaries and Regions mentioned above)
6. Do you associate with entities ineligible for fundraising in any form?
7. Are you connected in any way with the conditions/circumstances/legal matters listed below?

#### Legal Compliances

8. Are you registered as one of the entities mentioned below, and do you possess a relevant certificate of constitution/registration of the entity (valid for a further 12 months at the time of seeking registration)?
  - a. Charitable trust registered under the Indian Trusts Act, 1882 (2 of 1882)
  - b. Charitable trust registered under the public trust statute of the relevant state
  - c. Charitable society registered under the Societies Registration Act, 1860 (21 of 1860)
  - d. Company incorporated under section 8 of the Companies Act, 2013 (18 of 2013)
  - e. Any other entity as specified by the Board
9. Do you have proof of ownership and control (MOA/AOA/Trust Deed/Bye-Laws or any other, including all amendments thereof)?
10. Do you possess a valid Permanent Account Number (PAN), Tax Deduction and Collection Account Number (TAN), and Goods & Service Tax Number (or a declaration if GST is not applicable)?

#### Financial Regulations

11. Do you have Audited Financial Statements for the last three full financial years along with the Auditor's Report filed with Income Tax under Form 10(B)?
12. Do you have Income Tax Returns for the last three years?
13. Do you possess a valid 80G Registration under the Income Tax Act, 1961? (Valid for a further 12 months at the time of seeking registration.)
14. Do you have a certificate from a registered, practising Chartered Accountant (PCA) as per Annexure II available on the website?
15. Do you have a valid Registration Certificate under the Income Tax Act, 1961, under section 12AB (along with previous registrations under 12A/12AA, if applicable) and/or 10 (23C)? (Valid for a further 12 months at the time of seeking registration.)
16. Did your annual spending in the past financial year amount to Rs 50 lakhs or more?
17. Did your annual funding for the past financial year amount to Rs 10 lakhs or more?

#### Organisational Details

18. Do you have a well-defined vision and mission statement along with proof of address?
19. Do you possess an NGO Darpan screenshot with ID or an email from Darpan?
20. Do you have details of the governing board along with member details?
21. Do you have details of the number of staff – Permanent/Contractual/Volunteers? (Average for the last three years.)

## REGISTRATION | PRE-LISTING | LISTING | POST-LISTING

22. Do you have details of the Statutory Auditor(s)/Social Auditor(s)?
23. Do you have details about Certificates/Awards conferred in the past three years?
24. Do you possess an authority letter for representatives?
25. Do you have details of key projects for the last three years as per annexures mentioned on the website?
  - a. This involves details of past social impact based on the existing practice of NPOs. The past social impact should highlight trends in key metrics/ parameters relevant to the NPO (as may be determined by the Exchanges) for which it seeks to raise funds on SSE, number of beneficiaries, cost per beneficiary and administrative overheads.
26. Do you have Social Audit/Impact Assessment Reports for projects (if any)?

**Upon finishing this assessment, you will obtain an eligibility result, including reasons for ineligibility if applicable.**

- In the event of eligibility, the subsequent steps involve assembling the necessary documents for registration according to the provided checklist. This critical phase marks the commencement of the formal registration process with the SSE. Ensure that all required information is accurate, up-to-date, and in compliance with the specified guidelines. Thoroughly review the detailed checklist enclosed under Step 4 of Phase 1 to guarantee that nothing is overlooked during the submission process. Timely and accurate submission of the required documents will contribute to a smooth registration process and position your NPO for potential inclusion on the SSE.

In addition, following eligibility confirmation, your organisation can then make informed decisions about which SSE to register with. Evaluate the options available and consider factors such as the exchange's mission alignment, visibility, and the specific benefits it offers to NPOs.

- Conversely, if the assessment results indicate ineligibility, it is important to carefully examine the provided reasons for this outcome. Commonly, it may be due to your NPO's activities not aligning with SSE's eligible sectors. Additionally, accuracy and comprehensiveness of the information provided during the assessment are also key factors. Use the feedback to understand SSE's specific criteria for potential inclusions and ensure better preparedness. If everything checks out, consider evaluating whether SSE is even a viable option at this juncture.

#### Step 2 | Determine the Stock Exchange to be Recognised as the Designated SSE

**An NPO has the option to register and list on either the NSE, BSE, or both. However, before proceeding with registration, the NPO should decide on the SSE where they intend to list their securities.** This decision is crucial because, later in the listing process, they will need to obtain in-principle approval from the chosen SSE.

According to SEBI provisions, if the entity intends to list its securities on more than one stock exchange with nationwide terminals, it must designate one of them as the **Designated Stock Exchange**. It is important to note that separate documentation must be submitted to each exchange. Queries from both SSEs will be handled separately, their processing fees differ, and agreements with each exchange will be distinct.

Investing in both exchanges involves significant operational and financial commitments, including documentation, agreements, registration fees, listing fees, fees to third parties, and renewal fees. NPOs should thoroughly assess their capacity to undertake these commitments when considering registration and listing on one or both exchanges.

If feasible, NPOs are advised to pursue listing on both exchanges. This approach streamlines paperwork, enhancing operational efficiency. Moreover, dual listing offers greater visibility and access to a broader investor base.

#### Step 3 | Appoint a Social Auditor for Mandatory Verifications and Disclosures

**Before registering, NPOs should appoint a Social Auditor or a Social Impact Assessor, who play a critical role in making disclosures in the SSE. These assessors, who can work independently or as part of a social impact agency, must have completed a certification programme offered by the National Institute of Securities Market and hold a valid certificate.** They are required to be registered with a self-regulatory organisation such as the Institute of Social Auditors of India (ISAI), which operates as a separate Sustainability Directorate under Institute of Chartered Accountants of India (ICAI), or an agency specified by SEBI.

**A social impact agency must have a minimum three-year track record in conducting social impact assessments, and adhere to a specified code of conduct, ensuring professionalism and ethical behaviour.** You can find a List of Social Auditors enrolled with Institute of Social Auditors of India (ISAI) [here](#).

**Social auditing encompasses both financial and non-financial audits.** Social auditors may need to assess the NPO's compliance with specific eligibility criteria, and confirm their annual spending and project details. Throughout the registration and listing phases, social auditors are tasked with conducting independent verification of both pre- and post-listing reporting



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and disclosures. They provide assurance on impact reporting conducted by the exchange(s) and perform financial audits following Engagement and Quality Control Standards set by ICAI. Furthermore, they conduct Impact Reporting Audits (non-financial audits) according to standards issued by the Sustainability Reporting Standards Board of ICAI. These standards cover various aspects of assurance – including scope, engagement acceptance, basic principles, audit procedures, assurance reports, and documentation.

**Their role becomes particularly crucial during the filing of the Annual Impact Report, discussed in detail in Phase 4.** This report, disclosed annually by registered and listed NPOs in accordance with SEBI and SSE guidelines, mandates that impact interventions specified are audited by Social Auditors. They ensure that project-specific activities align with social audit reporting standards and the SSE framework.

**Step 4 | Ensure You have Gathered all the Necessary Documents Listed in Accordance with the NSE/BSE Checklists**

**Once you have decided on which exchange to register and list, and appointed a Social Auditor, it is time to begin preparing organisational-level compliance documents and obtaining resolutions from NPO leaders to register on the SSE.** It is essential to maintain a well-defined checklist of required documents. Although there is an overlap in the documents needed for both NSE and BSE, the NSE may require additional documents. The following checklist helps you organise all documents in accordance with the SSE you want to register on.

**Note that the documents required for the registration of the NPO must be submitted by the CEO, Managing Trustee, Statutory Auditor, or any authorised signatories from the governing body as per the Annexures being filed.**

Documents to be Submitted to the Exchange	Reference Links
1. Application Form for Registration (NSE)/Registration Agreement as per Annexure IV (BSE)	NSE: <a href="#">Annexure I</a> under Checklist for Registration. BSE: Annexure IV <a href="#">here</a>
2. Registration certificate of the NPO under one of the categories mentioned in Point 8, Legal Compliances, under Registration Eligibility Assessment. (Note: The registration certificate must be valid for at least the next 12 months from the date of application and the NPO must have been registered at least 3 years before the date of application.)	
3. Proof of Ownership and Control i.e. the Governing document of the NPO seeking registration (MOA/AOA/Trust Deed/Bye-Laws or any other, including all amendments thereof)	

Documents to be Submitted to the Exchange	Reference Links
<p>4. Copy for:</p> <ul style="list-style-type: none"> <li>i) Permanent Account Number (PAN)</li> <li>ii) Tax Deduction and Collection Account Number (TAN)</li> <li>iii) Goods &amp; Service Tax Number (or declaration if GST is not applicable)</li> </ul> <p><b>Additionally, NSE may also require the following information based on the type of entity:</b></p> <p>In case of Section 8 Company-</p> <ul style="list-style-type: none"> <li>i) Names and PANs of Promoter/s, promoter group</li> <li>ii) Names and PANs of directors of the Company</li> <li>iii) Names and PANs of the Companies or Social Enterprises in which the promoter(s) or director(s) of the Company are promoter(s) or Director(s) or Trustee(s).</li> </ul> <p>In case of others-</p> <ul style="list-style-type: none"> <li>i) Names and PANs of trustees/members of the governing body of the Social Enterprise</li> <li>ii) Names and PANs of the Companies/Social Enterprises in which the trustees or governing body members of the Entity are promoter(s) or Director(s) or Trustee(s). (Refer to General Instructions for details)</li> </ul>	<p>Find the meaning of Promoter and Promoter Group under Checklist's General Instructions <a href="#">here</a></p>
<p>5. Audited Financial Statements, including the Auditor's Report filed with Income Tax under Form 10(B), for the last three financial years, along with the Fund Flow Statement. If the entity is a Section 8 Company, also submit Annual Reports for the same period.</p>	
<p>6. Income Tax Returns for the last 3 years</p>	
<p>7. Valid 80G Registration under the Income Tax Act, 1961 (Note: Valid for a further period of 12 months at the time of seeking registration)</p>	
<p>8. Registration Certificate under the Income Tax Act, 1961 under section 12AB (along with previous registrations under 12A/12AA, if applicable) and/or 10 (23C) (Note: Valid for a further period of 12 months at the time of seeking registration)</p> <p><i>*Entities registered under sec 10 (46) of IT Act are eligible as well as per SEBI Dec 2023 SSE framework amendment.</i></p> <p>In the original SEBI SSE Framework dated September 2022, it has been stipulated under Minimum requirements for registration with SSE, as per Regulation 292F of the ICDR Regulations, that NPOs should not be under notice or ongoing scrutiny by the Income Tax authorities. The subsequent December amendment has provided further clarification:</p>	

REGISTRATION | PRE-LISTING | LISTING | POST-LISTING

Documents to be Submitted to the Exchange	Reference Links
<i>"Applicants must disclose details of any pending notices or scrutiny cases from all regulatory and statutory authorities at the time of submitting the registration application. Any fines or penalties imposed must be disclosed along with whether they have been paid or appealed within 7 days. The Stock Exchanges reserve the right to reject registration for those applicants if the notices or scrutiny cases are deemed serious enough to jeopardise the NPO's registration under the Income-tax Act, 1961, or other relevant laws.9"</i>	
9. Confirmations from the Practising Chartered Accountant (PCA) on CA letterhead	BSE: Annexure II <a href="#">here</a>
10. Confirmation of eligibility criteria for being identified as a Social Enterprise as specified under Regulation 292E of Chapter X-A of SEBI (ICDR) Regulations, 2018 (Note: Kindly confirm which criteria are met along with supporting documents)	BSE: <a href="#">Annexure III</a> NSE: <a href="#">Annexure I</a> under checklist for registration
11. Non-Refundable Registration fees i) Processing Fees ii) Applicable Tax (Amount) iii) TDS iv) Net Fees Payable v) Payment Details (RTGS details)	
<b>In addition to the aforementioned documents, NSE also mandates the submission of the following documents</b>	
Confirmation from the Social Auditor/Statutory Auditor in the format prescribed as per Annexure III	NSE: <a href="#">Annexure III</a> under checklist for registration
Resolution from the Governing body of NPO for registration on the Social Stock Exchange.	NSE: <a href="#">Here</a>
Confirmation from NPO in the format prescribed as per Annexure-II	NSE: <a href="#">Annexure II</a> under checklist for registration

### Step 5 | Register Your Organisation on the NSE /BSE SSE Websites

Once you have the required documents in place, the next step is to register on the website(s) of the SSE(s) you have opted for.

- Visit the [NSE website](#) and the [BSE website](#).
- Look for the registration or sign-up section.
- Fill in the necessary details accurately, ensuring alignment with the information in your documents.
- Submit the form.

#### Step 6 | Leaders are Advised to Await Confirmation and Be Prepared for Follow-up Questions from the Exchange

After submitting your registration details on the respective websites, anticipate a confirmation email. While waiting, be prepared for potential queries or requests for additional information.

- Familiarise yourself with the details in your submitted documents, as this knowledge may be crucial in responding promptly to any questions that may arise during confirmation.
- Monitor your email inbox regularly for updates and follow any instructions provided. This proactive approach guarantees a streamlined and efficient registration experience, allowing you to simultaneously initiate preparations for SSE listing.

#### Key Timelines to Remember<sup>10</sup>

- Based on Unnati's experience, the confirmation process may extend up to three weeks.
- **Following successful registration, your NPO's status remains valid for one year.** Your NPO has the flexibility to register on the SSE without having to list themselves for fundraising through it, allowing you to continue raising funds through alternative channels. However, if you want to list and raise funds, registration is mandatory.
- **Renewal is an option after the initial year, especially if your NPO has not generated any funds via SSE in the preceding year.** The renewal process is subject to completion of all required disclosures as per the regulatory guidelines.
- **Application for renewal must be made 30 days prior to the expiry of the registration.**
- However, if the final fundraising document for listing securities (as outlined in Step 1 under Listing) is submitted before the registration expiration, automatic renewal occurs. In this case, the renewal extends from the expiration date until the date of listing the securities mentioned in the fundraising document.

## PHASE 2: PRE-LISTING

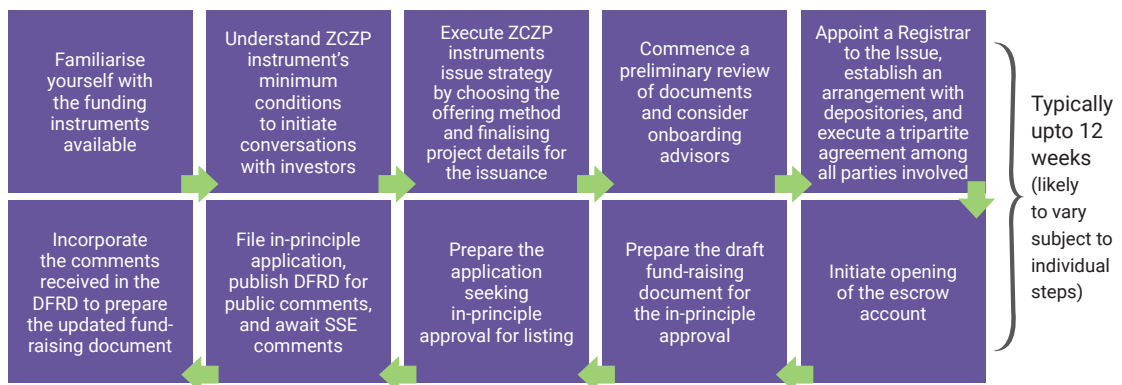
### Strategic Preparations for Listing

**Pre-listing serves as a crucial preparatory phase.** It involves several key tasks, including understanding financial instruments, selecting appropriate ones, determining the fundraising amount, establishing an escrow account, and revisiting organisational, financial, and impact-related aspects to draft one of the most important elaborate documents of the listing process – the Fund-raising document or the Offer document. Filing the in-principle approval application form is also essential during this phase.

NPOs must also establish partnerships with intermediaries, maintain meticulous paperwork for filing, and incorporate updates as per SSE's comments. We have segmented the entire pre-listing process into 10 different stages. You can ensure thoroughness by assessing the checklist provided under some of the steps that involve documentation.

**As you familiarise yourself with differing funding instruments, the steps we are discussing are specific to one of them – Zero Coupon Zero Principal (ZCZP) instruments.** This toolkit primarily focuses on explaining how to raise funds using ZCZP instruments, given Unnati's efforts in listing through this instrument, and our understanding derived from their experience.

**Figure 9: Ten Essential Steps for Effective Listing Preparedness**



### Step 1 | Familiarise Yourself with the Funding Instruments Available

According to the latest regulations, there are three ways in which NPOs can raise funds through the SSE:

- 1. Issuance of Zero Coupon Zero Principal (ZCZP) Instruments:** ZCZP instruments, as the name suggests, neither offer “coupons” (interest) during the tenure, nor the “principal repayment” on redemption. Therefore, these are purely donations, with no financial returns attached to them.

### Key Timelines to Remember

- Funds raised through ZCZP instruments function essentially as grants, similar to donations to a charitable organisation. However, there is increased transparency regarding the objectives of the NPO, since fund utilisation is monitored. NPOs are obligated to disclose comprehensive details about expenditures and the remaining balance to the Exchanges, enhancing accountability and transparency in their financial operations.
- Funds raised through ZCZP instruments can be used only for the projects or activities specified under 'Eligible Sectors' defined as per regulation 292 E of SEBI ICDR 2018.
- ZCZP instruments are not available for trading in the secondary market, but they can be transferred to legal heirs, since they are issued in dematerialised (electronic, and not paper-based) form.<sup>11</sup>
- The listing of such instruments terminates on the happening of either of the following as specified under Reg 292P of the ICDR Regulations:
  - › The object for which the funds were raised has been achieved and a certificate to this effect is submitted to the SSE, or
  - › The tenure to achieve the object for which the funds were raised, which is 12 months from the allotment, has expired.
- Only institutional and non-institutional investors are allowed to invest in ZCZP instruments.
  - › Foreign investors are currently not permitted to invest in ZCZP instruments, as clarified by the Exchange.<sup>12</sup>

2. **Donations through Mutual Fund Schemes (as shall be specified by SEBI):** An asset management company could offer closed-end mutual fund units to investors. The units could be redeemable in principal terms, but all of the returns could be channelled towards suitably chosen NPOs by the fund which acts as the intermediary.
3. **Development Impact Bonds (DIB):** The basic principle of a DIB structure is that a grant is made to an NPO after it delivers on pre-agreed social metrics at pre-agreed costs/ rates. The donor who makes the grant when the social metrics are achieved is called an 'Outcome Funder'. The outcome funder makes the payment on a post facto basis. The NPO also needs to raise funds to finance its operations. These funds can be provided by a 'Risk Funder'. A risk funder not only enables the financing of operations on a prepayment basis, but also undertakes the risk of non-delivery of social metrics by the NPO. To compensate for this risk, the risk funder typically earns a small return if the social metrics are delivered.

This list will evolve as and when SEBI introduces additional instruments in the future. As mentioned earlier, this toolkit will focus on detailing the aspects of fund-raising through the issuance of ZCZP instruments.

## Step 2 | Understand ZCZP Instrument’s Minimum Conditions to Initiate Conversations with Investors

As per SSE guidelines, NPOs must secure a **Minimum Subscription Amount (minimum amount that must be subscribed by an investor) after issue closure for listing eligibility**. This crucial step demands proactive engagement. Acknowledging the time-intensive nature of investor persuasion, it is advisable for NPOs to also commence dialogues with funders, addressing the minimum application size per investor and their contributions to meet the subscription threshold.

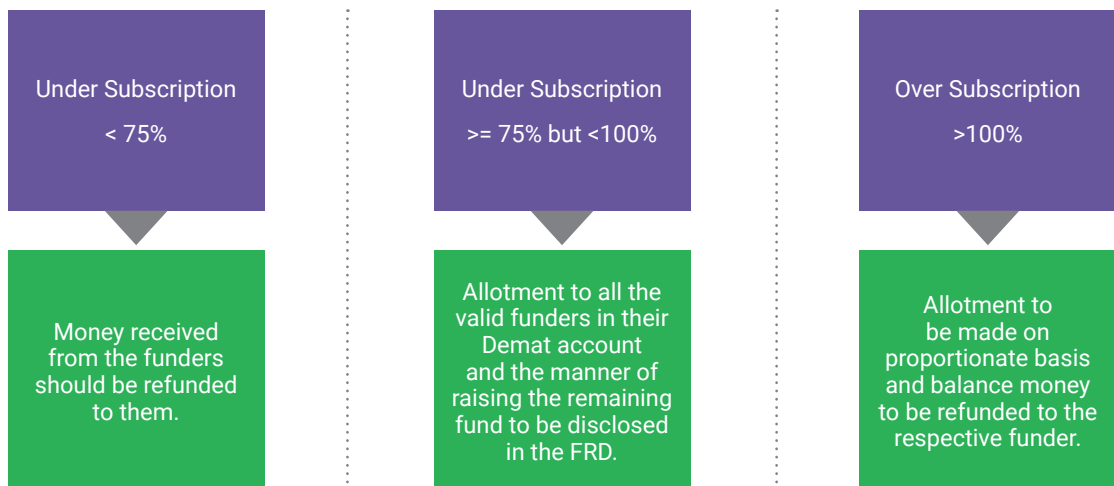
SSE specifies the minimum listing requirements under Regulation 292N of ICDR Regulations, as outlined below:

1. The minimum issue size shall be ₹50 lakhs.
2. Each investor is required to have a minimum application size of ₹10,000.
3. The minimum subscription requirement is set at 75% of the issue size.
4. ZCZP instruments must be issued in dematerialised form.
5. ZCZP instruments are assigned a specific tenure.

**If the subscription share of issue size is less than 75%, it will be considered a failure to fully subscribe or meet the specified conditions, necessitating a refund. However, if the subscription is greater than 75% but less than 100%, the fund-raising document (components of which are explained in Step 5) must include relevant disclosures.** While filing the fund-raising document, the NPO must ensure the following disclosures:

- a. The method for raising the remaining capital in case of under-subscription between 75% and 100%, and
- b. The potential impact on achieving social objectives if such under-subscription is not addressed.

**Figure 10: Methodology of Allocation of Securities<sup>13</sup>**





### **Unnati, highlighted these risk factors in their fund-raising document:**

“There is no guarantee that the Issue will be successful and we will be able to achieve the Objects or the ZCZP Instruments will be listed on the Stock Exchanges in a timely manner or at all, or that such listing will remain listed on the Stock Exchanges:

If our Company does not receive 75% subscription in the Issue, the Issue would be deemed to be unsuccessful, and we will have to refund the entire subscription amount, in accordance with applicable law, within 8 working days of Issue Closing Date. For details, see “Terms of the Issue” beginning on page 112 of this Final Fundraising Document. We will also not be able to achieve the object of training up to 10,000 graduating youth from government colleges to assist in employment placement through our UNXT programme, in case of non-receipt of minimum subscription. In case of subscription above 75% of the Issue Size but below 100% of the Issue Size, the number of youth trained will get reduced on a pro rata basis.”

## **Step 3 | Execute ZCZP Instruments Issue Strategy by Choosing the Offering Method and Finalising Project Details for the Issuance**

### **3a. Decide the Issue Strategy: Public or Private**

ZCZP instruments offer flexibility in their issuance, allowing NPOs to choose between a public offer, open to any investor, or a private placement, targeting a specific group of investors. In a public offering, the ZCZP instruments are available for application and contribution by any interested investor in the Exchange. On the other hand, private placement confines the offer to a predefined set of investors.

Note that the process of applying for both the Public Issue and Private Placement is mostly identical. The primary difference lies in the target group.

### **3b. Decide on the Project Specifications and the Issue Size**

Given the 12-month validity of the ZCZP instruments, NPOs must prioritise defining key objects of the issue, including the purpose for fund utilisation, target demographics, and project specifics such as the number of beneficiaries and geographical scope. Collaborative efforts between the Board and the team are essential to determine the fundraising goal based on project scale, beneficiary scope, and execution timeline.

Articulating detailed project specifications is vital. This is not only necessary for disclosing the purpose of the issue in the Fund-raising Document to donors, but also to comply with SEBI regulations. The social impact report, a post-listing requirement, must include transparent fund deployment details to meet compliance obligations and ensure accountability.

### 3c. Decide on The Issue Size

NPOs have the flexibility to determine the fund-raising amount, provided it meets the minimum threshold of ₹50,000. This ensures that the fundraising goal is substantial enough to support the envisioned project activities and meet the organisation's financial needs. The decision on the specific amount should consider the project's scale, objectives, and the financial resources necessary to achieve the desired impact.

Based on Unnati's experience, it is advisable to assess your current investor pool and network before determining the issue size, as this provides insight into the potential funds the NPO can raise. Additionally, with the minimum issue size reduced to ₹50 lakhs, it is essential to identify potential donors capable of contributing at least ₹37.5 lakhs, which constitutes 75% of the minimum required.

Estimating available funds helps in gauging the issue size and determining the project in which the raised amount can have maximum impact. Subsequently, the allocation of funds follows a pro rata basis, as outlined in the fund-raising document.

It is important to note that deciding on the issue size and project allocation is subjective. While Unnati provides this perspective, the strategy may vary, depending on what is best suited for each NPO.

## Step 4 | Commence a Preliminary Review of Documents and Consider Onboarding Advisors

**After acquainting yourself with the conditions of the instrument, finalising project specifications, and determining the issue size, you must review the documents needed for listing.** Note that detailed checklists under each will guide you through the subsequent process.

1. **Admission of ZCZP Instruments by NPO with the Depository**
2. **Formulation of Draft Fund-raising Document**
3. **Application for seeking In-principle approval from SSE(s) for raising funds by NPO**

Understanding these documents and the associated regulations, particularly those governed by SEBI, can be a challenge. It involves interpreting circulars in detail, orchestrating stakeholder collaborations, seeking clarifications from exchanges, and conducting audits, among various other tasks. If the NPO can internally decipher these complexities, it is an asset; otherwise, seeking advisor assistance is wise.

**Due to the compliance-intensive nature of listing ZCZP instruments, considering advisors is recommended to navigate and ensure adherence to SEBI regulations and SSE norms.** If you choose this route, it is imperative to transparently **disclose their role in the fund-raising document** to ensure ethical standards.

During the listing process, the exchange emphasised the importance of obtaining details about Unnati's Company Secretary. While not obligatory, it is recommended to fill this position before proceeding. The Company Secretary, an internal appointment, manages all compliance matters, including addressing investor inquiries.



Unnati forged a strategic collaboration with Unitus Capital, a prominent investment bank to navigate through intricate regulatory reforms by leveraging the specialised experience offered by them.



Simultaneously, Unnati partnered with Trilegal, a legal advisory firm, to leverage their expertise in the precise drafting of the Fund-Raising Document in accordance with legal language.

**This dual collaboration ensured a comprehensive and well-informed strategy, combining financial acumen with legal precision, to navigate the complexities of the fundraising process.**

## Step 5 | Appoint a Registrar to the Issue (RTI), establish an arrangement with Depositories, and execute a tripartite agreement among all parties involved

The listing process necessitates the NPO to strategically collaborate with financial intermediaries. This is crucial for ensuring a smooth procedure and hence, familiarity with these entities becomes vital. To list your ZCZP instruments, NPOs are mandated to enter into a tripartite agreement with the Depository and Registrar to the Issue for overseeing the listing process.

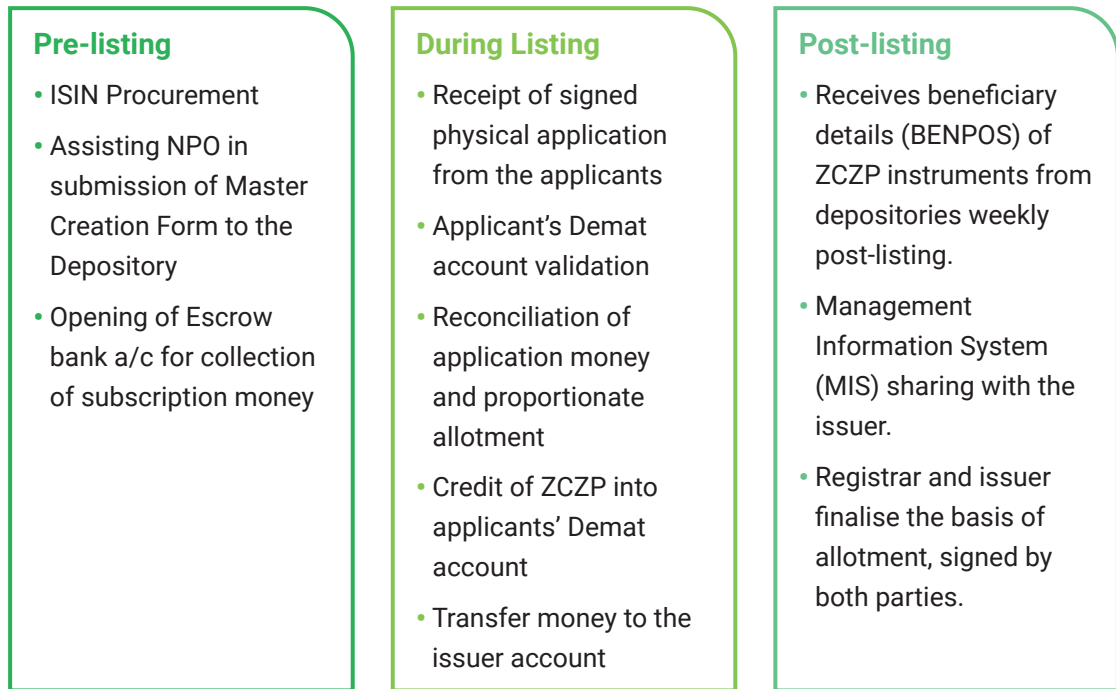
### 5a. Appoint a Registrar to the Issue

NPOs listing through ZCZP instruments have to appoint a Registrar to the Issue, registered with SEBI, which has established connectivity with all the depositories, at an early stage. This is to ensure that the necessary procedures related to document verification, record-keeping, and coordination with depositories can be initiated promptly.

List of CDSL-registered Registrars	<a href="#">Link</a>
List of NSDL-registered Registrars	<a href="#">Link</a>
List of all SEBI-registered Registrars	<a href="#">Link</a>

The Registrar, as per the SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 199314, is your go-to for the entire listing process. They wear multiple hats, starting with collecting applications and monies received from interested investors. From finalising the list of persons entitled to the allotment, to issuing allotment letters and refund orders, your Registrar ensures that everything reaches the right hands on time.

Figure 11: A Registrar's Duties Throughout the Listing Journey



### 5b. Formulate an Arrangement with the Depositories for Admission of ZCZP Instruments

Chapter X-A of the SEBI (ICDR) Regulations specifically outlines a significant guideline:

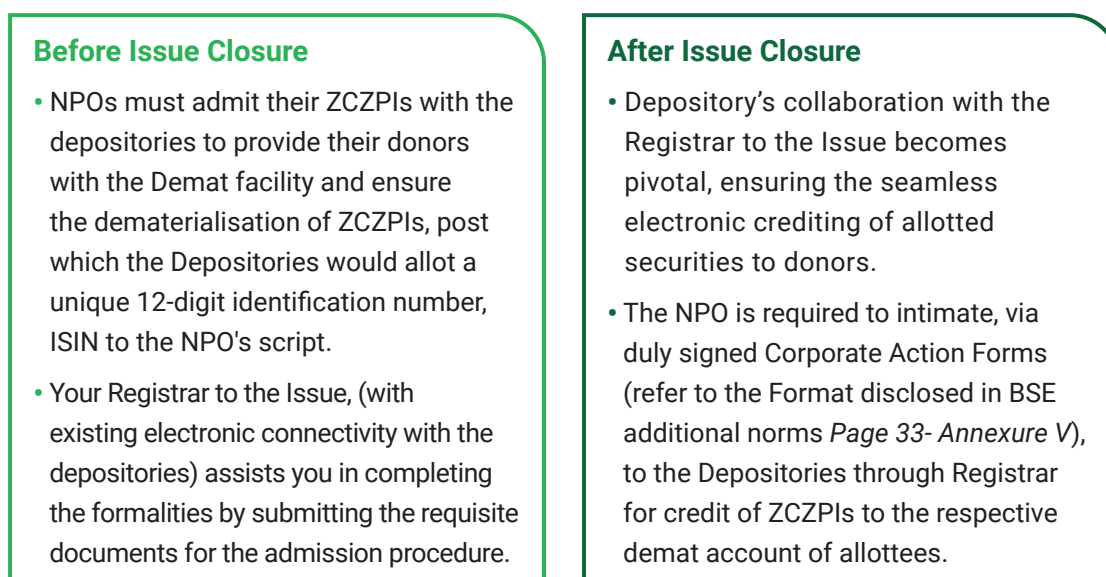
**ZCZP instruments must be exclusively issued in dematerialised form i.e. they should be in electronic format rather than traditional paper certificates.** Depositories play a crucial role in this context, as they facilitate the procedure of dematerialisation of ZCZPs.

Currently, two depositories are functioning in India – **National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL)**, governed by the **Depositories Act, 1996**. These SEBI-registered institutions specialise in holding securities, such as ZCZP instruments, in electronic form.

For better understanding, try to compare their role to a bank. Much like a bank safeguards funds and facilitates their transfer, depository institutions hold securities on behalf of investors – in this case, donors (Beneficial Owners) in a fiduciary capacity – ensuring their secure storage and facilitating seamless transfer.<sup>15</sup>

Therefore, NPOs must enter into an arrangement with both depositories i.e., NSDL and CDSL by the provisions of the Depositories Act 1996 for smooth crediting of securities. It is desirable to admit securities on both the depositories, so that donors having accounts with any of the depositories can acquire the allotted securities. The following checklist encompasses all necessary documents for facilitating arrangements with both depositories concerning ZCZP instruments.

**Figure 12: Depository’s Involvement Pre and Post the Closure of Issue**



Admission of ZCZP instruments by NPO with the Depository	
Documents to be Submitted by NPO	Reference Links
<b>Admission of ZCZP instruments by NPO with the Depository</b>	
Application for admission as Issuer of Eligible Securities (Annexure I (A) in case of NSDL/ Annexure II in case of CDSL).	NSDL: <a href="#">Annexure I (A)</a> CDSL: <a href="#">Annexure II</a>
Master Creation Form (“MCF”) Part A & Part B duly filled, signed and stamped on every page of the MCF (Annexure I (B) in case of NSDL, Annexure II in case of CDSL)	NSDL: Refer to <a href="#">BSE Additional Norms Page 22 Annexure I (B)</a> CDSL: <a href="#">Annexure II</a>
Certified copy of annual financial statement of the latest financial year, if applicable,	
Net worth Certificate from a Practicing Chartered Accountant (applicable only if the NPO is a company incorporated under Companies Act).	Refer to <a href="#">BSE Additional Norms Page 31</a>
Certified copy of Memorandum and Articles of Association, if applicable.	
Certified copy of the Certificate of Incorporation/ Certificate of registration, if applicable.	
Certified copy of Trust Deed, if applicable.	

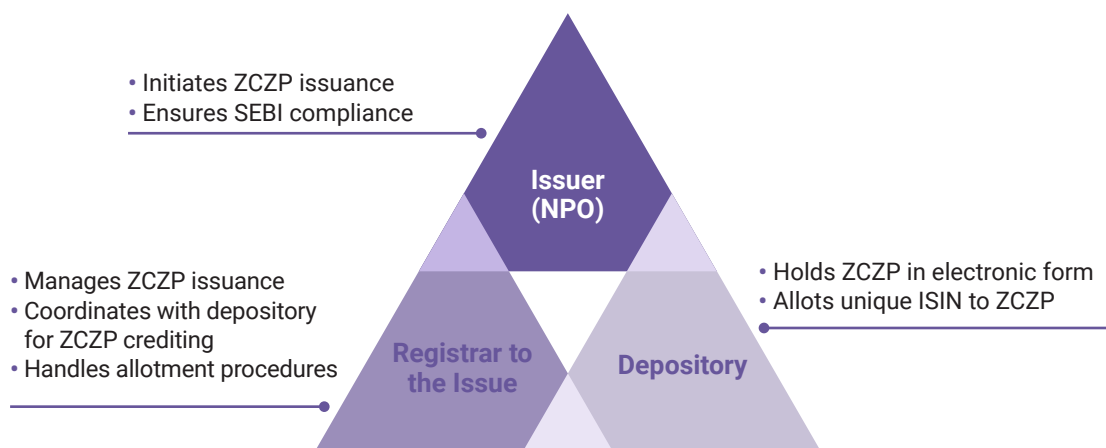
Admission of ZCZP instruments by NPO with the Depository	
Documents to be Submitted by NPO	Reference Links
Certified copy of Board Resolution for admission of securities with the depository mentioning the details about authorised signatory(ies) and appointment of the Registrar to the Issue, if any.	
Certified true copy of the Registrar on Certificate received from the Social Stock Exchange.	
Certified true copy of fundraising document/Informa on Memorandum, if any.	
The Security details in excel format as a soft copy.	
Tripartite agreement between NPO, Registrar to the Issue and the Depository.	
Confirmation letter from Registrar & Transfer Agent (R&T Agent) (Annexure IV).	<a href="#">Model Format by NSDL</a>
II. For Subsequent issuance of Zero Coupon Zero Principal Instruments	
Master Creation Form (MCF) Part B duly filled, signed and stamped on every page of the MCF.	
Certified true Copy of Board Resolution/Allotment Resolution.	
Certified true copy of the Registration Certificate received from the Social Stock Exchange.	
Certified true copy of the Fund-Raising Document/ Information Memorandum, if any.	
The Security details in excel format as a soft copy.	
Confirmation issued by Social Stock Exchange for issuance in additional tranche.	

### 5c. Execute a Tripartite Agreement Between the Issuer, Registrar And Depository

After the securities are admitted to both depositories, the NPO (Issuer), Registrar, and respective depositories enter into a tripartite agreement that harmonises their roles for the forthcoming steps in the process. The importance of this agreement becomes apparent, especially during the allotment process of the securities among the allottees. The flow of information between the Registrar and the Depository, particularly concerning the verification of PAN and Demat account details of the applicants, facilitates seamless dematerialisation and the subsequent allotment of the securities that comes in Phase 3.

You can refer to a model format of this agreement provided by NSDL [here](#).

**Figure 13: The Tripartite and their Duties**



### Step 6 | Initiate Opening of the Escrow Account

**Once the RTA is assigned, the designated Registrar will be responsible for opening an Escrow account at a commercial bank (escrow collection bank).** Its purpose is to securely hold and manage funds raised from investors until the conclusion of the subscription period or the fulfilment of specific conditions. All subscription funds will be held in this temporary account until the completion of the allotment process.

**While not mandatory, NPOs are advised to open an escrow account to consolidate the funds raised through SSE.** This facilitates better monitoring and provides transparency to both the exchange and investors, as it simplifies referencing and disclosure processes.

### Step 7 | Prepare the Draft Fund-raising Document for the In-principle Approval

**Once your ZCZP instruments are admitted to the depository, prepare the Draft Fund-raising Document (DFRD).** DFRD is a document filed with the SSE in relation to a proposal for a public issue of ZCZP instruments by the NPO. This document is an integral part of your application for seeking in-principle approval from SSE(s). It includes crucial details about your organisation, target segment, management, financial statements, registration documents, risk disclosures, and the objective of the issue among other particulars.

To ensure comprehensive coverage, we have outlined the specific disclosures to be made based on checklists from both NSE and BSE, aligning with SSE guidelines for your reference.

- [NSE Checklist](#)
- [BSE Checklist](#)



Essential Disclosures to be made in the DFRD	
Particulars	Details
Cover pages	<p>The cover pages shall be white in colour with no patterns.</p> <p>(I) Front cover pages:</p> <ol style="list-style-type: none"> <li>a. Front cover page on the inside shall be kept blank.</li> <li>b. Front cover page on the outside shall contain only the following issue details:                             <ol style="list-style-type: none"> <li>i. Type of document (Shelf/Tranche/Single), draft fund-raising document or final fund-raising document.</li> <li>ii. Date of the draft fund-raising document or fund-raising document</li> <li>iii. Name of the enterprise, Address, Type of entity, the Act under which the entity is registered, Registration Number of the entity, Period of validity of registration certificate, website, if any.</li> <li>iv. Details of the securities to be issued - Pricing, terms of the issue, minimum issue size, minimum application size, minimum subscription required, etc.</li> <li>v. Details of the key management of the social enterprise including their contact details.</li> <li>vi. Details of the project for which fund is raised.</li> <li>vii. Risks: When disclosing risks related to specific projects for which funding is being raised, it's important to focus on the following points                                     <ol style="list-style-type: none"> <li>1. risks that the social enterprise sees to its work and how it proposes to mitigate these</li> <li>2. unintended consequences that the social enterprise sees from its work and how it proposes to mitigate these.</li> </ol> </li> <li>viii. Name, logo and address of the Registrar to the Issue, along with its telephone number, website address and email address.</li> <li>ix. Name(s) of the stock Exchanges where the specified securities are proposed to be listed and the details of their in principle approval for listing obtained from these Stock Exchange(s).</li> </ol> </li> </ol>
Table of Contents	The table of contents shall appear immediately after the front cover page on the inside.
Definitions and abbreviations	Conventional terms, Issue related terms, Industry related terms and Abbreviations used.

Essential Disclosures to be made in the DFRD	
Particulars	Details
Issuer's Absolute Responsibility	<p>The following clause on 'Issuer's Absolute Responsibility' shall be incorporated in a box format:</p> <p>"The issuer ('social enterprise'), having made all reasonable inquiries, accepts responsibility for and confirms that this fund-raising document contains all information with regard to the issuer and the issue which is material in the context of the issue, that the information contained in the fund-raising document is true and correct in all material aspects and is not misleading, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading."</p>
Introduction	<p>(I) Issue details in brief.</p> <p>(II) Summary regarding details of the programme and the social impact the enterprise is going to make from the proceeds of the issue.</p>
General Information about the Enterprise	<p>Name and address of the registered office of the NPO.</p> <p>(I) For Section 8 Companies: Name, designation, address of each member of the board or key management of the NPO including details of the compliance officer.</p> <p>(II) For Other Entities: Name, designation, address of each member of the Office Bearers or key management of the NPO including details of the designated person.</p> <p>i) Names, addresses, telephone numbers, contact person, website addresses and email addresses of the Registrar to the issue etc.</p> <p>ii) Names, addresses, telephone numbers, firm registration number and e-mail addresses of the auditor of the social enterprise. Details of change in the auditor during the last three years (if any).</p> <p>iii) Brief about the Social enterprise, Type of entity, the Act under which the entity is registered.</p> <p>iv) Registration Number of the entity, Period of validity of Registration Certificate, PAN, Website, History and Background of the NPO.</p> <p>v) For Section 8 Companies: Capital structure, Details of any Subsidiary or Group Companies and for Other Entities: Details of any Group Companies. Subsidiary or Group Companies: As defined under the Companies Act, 2013.</p>

Essential Disclosures to be made in the DFRD	
Particulars	Details
	<ul style="list-style-type: none"> <li>vi) In case of Section 8 Company, following details regarding capital structure of the Section 8 Company shall also be given: Details of the existing share capital of the Issuer in a tabular form, indicating therein with regard to each allotment, the date of allotment, the name of allottee, nature of allotment, the number of shares allotted, the face value of the shares, the issue price and the form of consideration.</li> <li>vii) A statement which states that “all the instruments offered through the issue are without coupon/interest and no principal amount is payable at its maturity.”</li> <li>viii) Primary activities of the social enterprise: Details of the past project or activities undertaken and handled by the social enterprise for a minimum of the past three financial years.</li> <li>ix) Intellectual Property Rights: If the social enterprise is entitled to certain intellectual property rights such as trademark, brand names etc. A confirmation from the enterprise that the intellectual property rights has been held in the name of the social enterprise and all the formalities with respect to the same has been complied with.</li> <li>x) Details of the valid registration on the SSE platform of the Stock Exchange.</li> <li>xi) Details of the top five donors of the social enterprise.</li> </ul>
Particulars of the Issue	<ul style="list-style-type: none"> <li>i) Object of the issue.</li> <li>ii) Details of the securities issued: Pricing, terms of the issue, minimum issue size, minimum application size, minimum subscription required, etc.</li> <li>iii) Programme(s)/project(s) under which funds raised shall be utilised.</li> <li>iv) Vision: Organisation’s activities, interventions and programmes are in line with aims and objects stated in its constitution.</li> <li>v) Target Segment: Organisation has defined its target segment and reach to accomplish its planned activities. Clear identification and understanding of the target segment (those affected by the problem and how are they affected) The social enterprise must disclose how its approach intends to improve Inclusion for its customers/recipients. It shall also disclose the Brief of activities or projects undertaken by the entity in the past 3 years i.e. track record of the last three years.*</li> </ul>

Essential Disclosures to be made in the DFRD	
Particulars	Details
	<p>*This involves details of past social impact based on the existing practice of NPOs. The past social impact should highlight trends in key metrics/parameters relevant to the NPO (as may be determined by the Exchanges) for which it seeks to raise funds on SSE, number of beneficiaries, cost per beneficiary and administrative overheads.</p> <p>vi) Strategy: Strategy formulation towards accomplishing vision should take into account capabilities and learning from challenges.</p> <p>vii) Requirement of funds:</p> <ol style="list-style-type: none"> <li>a. Where the social enterprise proposes to undertake more than one activity or project, the total project cost activity-wise or project-wise, as the case may be.</li> <li>b. Where the social enterprise is implementing the project in a phased manner, the cost of each phase, including the phase, if any, which has already been implemented, shall be separately given.</li> </ol> <p>viii) Schedule of implementation: Schedule of implementation of the project in a tabular form and the progress made so far and other relevant details.</p> <p>ix) Expenses of the Issue: Expenses of the issue along with a break up for each item of expense.</p> <p>x) Details of any past issuances made by the Social Enterprise on Social Stock Exchange during the last 3 years, if any.</p> <p>xi) Declaration by the Social Enterprise of the Past Social Impact made, if any, relevant to the current issue.</p>
Governance	<p>Organisation has a governing body and details of its governing body, composition, dates of board meetings held (key items covered), name and contact details of the trustee/compliance officer (in case of Section 8 Company), statutory auditors.</p> <p>Details of compensation being offered to the members of the governing body, if any.</p>
Management	<p>Details of key managerial staff such as those in charge of Programmes, Fund-raising, Marketing, Communication, Finance, Human Resources. Organisation discloses whether it provides letters to staff and volunteers defining roles and responsibilities, has a periodic performance appraisal process etc.</p>
Operations	<p>NPO should have a physical existence. Details of the operations of the NPO, including details of its corporate office and all the locations from where the Social Enterprise operates.</p>

Essential Disclosures to be made in the DFRD	
Particulars	Details
Finance	<p>Disclosure of financial statements for last three Financial Years in accordance with guidelines for NPOs issued by Institute of Chartered Accountants of India (ICAI). Also, related party transactions entered into by the social enterprise with Directors, key managerial personnel etc. (If any) during the last three financial years shall also require to be given along with the financial statements.</p> <p>Disclosure of related party and related party transactions shall be in accordance with the Accounting Standard (AS) 18 - Related Party Disclosures.</p> <p>Also, details of past track record of social activities/ programmes by the enterprise shall be given.</p>
Legal and other information	<p>i) In case of Section 8 Company: Details of material litigations, involving the Social Enterprise, its promoters &amp; Directors.</p> <p>In case of other entities:</p> <p>Civil Litigations – All matters of NGO to be covered. Criminal Litigations – All office-bearers and NGO to be covered.</p> <p>ii) Details of default and non-payment of statutory dues, if any.</p> <p>iii) Details of pending proceedings initiated against the social enterprise for economic offences.</p> <p>iv) Details of variation in the utilisation of the fund, previously raised by the social enterprise, if any.</p> <p>v) All government and other approvals which are material and necessary for carrying out the operations of the social enterprise.</p>
Compliance	<p>Organisation makes available, annual accounts duly audited for the latest three financial years and there are no material qualifications or material irregularities reported by its auditor. Additionally, the NPO ensures compliance with income tax regulations, making efforts to resolve any outstanding tax notices. This includes addressing demands or notices received by the organisation where KMP, Directors, and Trustees hold similar positions</p> <p>Kindly note that audited statements for the previous financial year is required, regardless of which month the ZCZP application is made.</p> <p><i>Eg.: If the NPO files Fund-Raising Document in the month of April 23 to March 24, then audited financials for the FY 2022-23 would be required.</i></p>
Credibility	<p>Documents such as Registration, Registered Trust Deed/ MoA and AoA, Address Proof, ITPAN, 12A/12AA/12AB Certificate, FCRA certificate and returns, remuneration to governing members.</p>

Essential Disclosures to be made in the DFRD	
Particulars	Details
Risks	<p>Disclose</p> <ul style="list-style-type: none"> <li>i) risks that the social enterprise sees to its work and how it proposes to mitigate these</li> <li>ii) unintended consequences that the social enterprise sees from its work and how it proposes to mitigate these.</li> </ul>
Offering information	<ol style="list-style-type: none"> <li>1. RTA details</li> <li>2. Name of the Exchange where it is proposed to be listed and the details of their in-principle approval for listing obtained from these Stock Exchange(s).</li> <li>3. Issue opening and closing date, Pay-in date, Allotment date etc.</li> <li>4. Terms of the Issue</li> <li>5. Basis of allotment</li> <li>6. Grounds for technical rejection</li> <li>7. Categories of investors and reservation, if any</li> <li>8. Manner of allocation (Allocation will be on proportionate basis), if any.</li> <li>9. Issue and Application procedure</li> <li>10. Mode of payment, payment instructions etc.</li> <li>11. Listing details including timelines.</li> <li>12. Confirmation on signing with both the depositories for credit of ZCZP instrument</li> <li>13. Details related to lot size for application</li> </ol>
Disclosures with respect to under subscription	<ol style="list-style-type: none"> <li>1. Manner of raising balance capital in case of under-subscription between 75% and 100%,</li> <li>2. Possible impact on achieving the social objective(s) in case such under subscription is not arranged: Provided that the funds shall be refunded in case the subscription is less than 75% of the issue size.</li> </ol>
Disclosures with respect to oversubscription	Manner of allocation in case of oversubscription, spill over etc.

Essential Disclosures to be made in the DFRD	
Particulars	Details
Material Contracts and Documents for Inspection	<p>The copies of all the material contracts which have been entered or are to be entered into by the NPO (not being contracts entered into in the ordinary course of activities carried on by the organisation which are or may be deemed material will be attached to the copy of the fund-raising document. Copies of the material contracts and documents, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of the fund-raising document until the Offer Closing Date. Copies of the documents for inspection referred to hereunder, will also be available on the website of the NPO at (website address to be mentioned) from the date of the fund-raising document until the Offer Closing Date (except for such agreements executed after the Offer Closing Date).</p> <p>For this purpose, "material" means anything which is likely to impact an investor's informed investment decision.</p>
Confirmation from the Issuer	<ol style="list-style-type: none"> <li>1. Of compliance with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time and circular issued thereunder related to eligibility and issue of ZCZP instruments.</li> <li>2. The issue is in compliance with Regulation 292K of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and requirements of the Exchange which are included in the Draft Fund-Raising document (The NPO shall mention pointwise compliance in the Draft Fund-Raising Document).</li> <li>3. Of compliance with SSE requirements of the Stock Exchange, as may be prescribed by the Exchange from time to time.</li> <li>4. That the fund-raising document contains all material disclosures which are true and adequate to enable the applicants to take an informed decision.</li> </ol>
In case of NPO, the statement that the securities shall not be made available for trading in the secondary market.	
Any other material disclosures, as deemed necessary.	

**It is advisable to consult your legal team at this stage for the drafting. However, if you have a legal advisor, they can assist in drafting this document too.** Furthermore, gaining insights from the draft fund-raising documents of other NPOs on the SSE website can provide valuable perspectives and enhance the effectiveness of your own DFRD. You can find Unnati's final fund-raising document [here](#).



**Key Pointers to Remember**

- Ensure that your draft includes all material disclosures that are true and sufficient, aligning with the specifications outlined by SEBI and SSE(s). This ensures that applicants receive the necessary information to make an informed decision.
- Keep all information relevant and up-to-date. Disclose the source and basis of all statements and claims in a transparent manner.
- Use simple English to facilitate easy comprehension of the document. Clarify any technical terms related to the operations of the social enterprise in a straightforward language.
- Cross-reference details mentioned elsewhere in the document by indicating the paragraph heading and page number.
- Maintain consistency in currency presentation, using only one standard financial unit throughout the document.
- If you have appointed consultants/advisors, in relation to an issue of ZCZP instruments, the same should be disclosed in the fund-raising document.

**Step 8 | Prepare the Application Seeking In-principle Approval for Listing**

**Obtaining in-principle approval requires the NPO to submit a list of documents including a Draft Fund-raising Document.** The detailed checklist of these documents can be found on the respective websites of NSE and BSE. The checklist might vary, depending on whether the NPO is going for a private placement of the security or public issue, and the Stock Exchange where it seeks listing.

**In-principle Approval Checklist for Fundraising by NPOs through Public Issue**

**Documents to be uploaded on the Listing Centre**

1. Certified true copy of the appropriate authority approving the fund-raising through the issue of ZCZP
2. Draft fund-raising documents as per SEBI and Exchange requirement (along with 2 hard copies)
3. Confirmation from the Issuer that:
  - i. We are eligible to raise funds by issuing and listing ZCZP in terms of Chapter X-A of SEBI (ICDR) Regulations, 2018 read with Regulation 292H of said Regulations.
  - ii. We are registered with the SSE platform of the Stock Exchange and said registration is valid as on date of filing of the Draft fund-raising document with the SSE platform of the Stock Exchange.

**In-principle Approval Checklist for Fundraising by NPOs through Public Issue**

**Documents to be uploaded on the Listing Centre**

- iii. The draft fund-raising document is in compliance with SEBI and Exchange requirements including disclosure requirements as prescribed by the Exchange.
- iv. The issue is in compliance with Regulation 292K of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and requirements of the Exchange which are included in the Draft Fund-Raising document (Issuer to mention pointwise compliance in the Draft Fund-Raising Document).

4. Confirmation from the Social Auditor/Statutory Auditor that the issuer is registered with SSE platform of the Stock Exchange and is eligible to issue ZCZP in terms of Chapter X-A of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, applicable SEBI Circulars and other requirements as prescribed by the Exchange.

5. Confirmation from the issuer that it is in compliance with any applicable laws and regulations in force in relation to acceptance of donations by way of issuance of ZCZP including but not limited to RBI requirement, Companies Act, 2013 requirement, Prevention of Money Laundering Act, 2002, Foreign Account Tax Compliance Act, etc. and no statutory authority has restrained the issuer from raising fund through present mode.

6. Processing fees (SSE/LO Teams to fill)

Particulars	Amount (Rs.)
Amount	
Add: GST (Rs.)	
Less: TDS (Rs.)	
Total Net Amount	

**Additional Documents required by BSE**

- 7. i. Undertaking from issuer as per Annexure I
  - ii. Certified true copy of all material contracts and documents mentioned in the Fund-raising document
  - iii. Name, email ID and mobile number of contact person along with designation
- Open [BSE SSE Website](#) -> Click on 'Get Listed' -> Click 'In Principle and Listing Checklist ZCZP' -> Find Annexure I, the title 'Public Issuance of ZCZP Instruments by an NPO'

### Step 9 | File In-principle Application, Publish Draft Fund-raising Document for Public Comments, and Await SSE's Comments

After submitting the application for in-principle approval and completing the filing of the DFRD along with the requisite fees, the DFRD shall be hosted and be made available on the website of the SSE for a period of at least 21 days for public comments. The NPO is also supposed to put the DFRD on their website.

Subsequently, anticipate a response from SSE. The Exchange will assess the DFRD submitted by the NPO, and deliver its reply within 30 days from the filing date, or upon receipt of any requested clarifications, whichever is later.

### Step 10 | Incorporate Comments Received in the DFRD to Prepare the Updated Fund-raising Document

The NPO must incorporate any observations offered by the SSE into the DFRD. It is advisable for NPOs to promptly include these observations, as delays may prolong the approval process. Subsequently, the updated fund-raising document should be submitted to the SSE after addressing public comments, if any.

Details to be Submitted at the Time of Filing of Updated Fund-raising document	
<b>BSE</b>	
1.	Updated Fund-raising Document
2.	Confirmation from the issuer that all the changes suggested by the Exchange have been incorporated in the Updated Fund-raising
<b>NSE</b>	
3.	Confirmation from the Issuer and RTA with respect to the following – <ul style="list-style-type: none"> <li>i. All public comments (if any) will be suitably addressed before filing the final offer document with ROC, or</li> <li>ii. No public comments have been received on the draft offer document.</li> </ul>

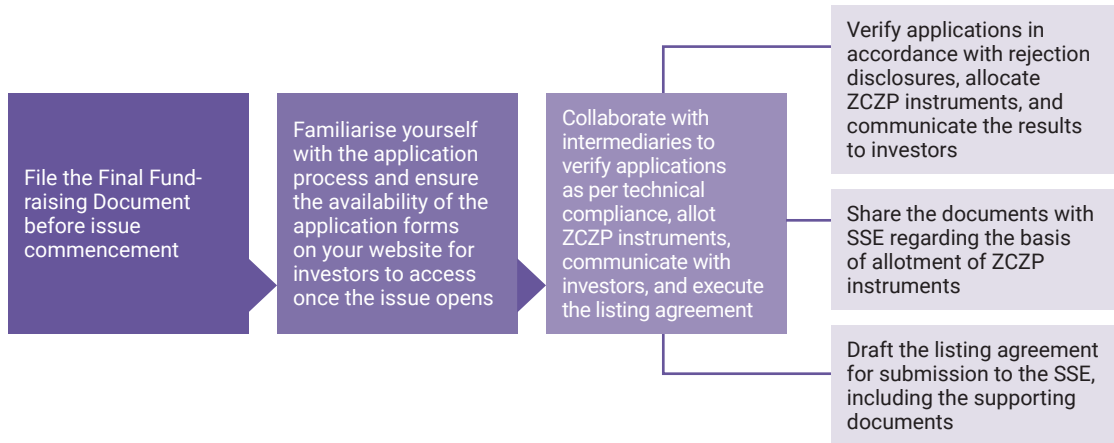
## PHASE 3: LISTING

### Putting the Issuance into Action

Before the commencement date of the issue, NPOs should file the Final Fund-raising Document with the SSE. The process of listing begins six months after approval has been granted. This waiting period allows NPOs to familiarise themselves with the application process, and prepare application forms, which they can then make available on their website with the Final Fund-raising Document.

Once the issue opens, listing requires close coordination with intermediaries to vet applications, maintain communication with investors, allot ZCZP instruments, and inform SSE about the listing agreement. At the culmination of this step, the allotment of ZCZP instruments is completed, and the funds are received by the NPO. You can navigate through the listing process by undertaking three broad steps defined below.

**Figure 14: Three Steps Towards Successful Listing**



### Step 1 | File the Final Fund-raising Document Before Issue Commencement

**To commence listing, NPOs are expected to submit the duly approved Final Fund-raising Document to the respective SSE(s). The Final FRD is filed with the SSE pursuant to incorporation of observations issued in respect of the DFRD by the SSE. Additionally, in conformity with Section 26 of the Companies Act, 2013, Section 8 companies are obligated to file a copy of the Final FRD with the Registrar of Companies (RoC) as well. This requirement must be explicitly disclosed within the Final FRD. This would include all the changes as suggested by SSE and updated information about**

- Issue dates (opening and closing)
- Public offering for ZCZP instruments should remain open for a minimum of 3 days and a maximum of 10 days (with an option for a further 10-day extension)
- Intermediary expenses,
- Administrative and advertising costs,
- Escrow bank account details,
- The application process,
- General instructions for investors,
- Accepted payment methods,
- Withdrawal options,
- Registrar’s demographic information,
- Complaint redressal mechanism, and
- Any significant changes since the approval of the updated fundraising document.

**Ensure that the filing of the Final FRD is completed before the proposed issue opening date. Also note that the Final FRD is to be made available for download at the websites of respective SSE(s).**

**The process of listing begins six months after approval has been granted.** This means that once the necessary approvals and requirements have been met, there is a waiting period of six months before the security can be officially listed and traded on the exchange.

### **Step 2 | Familiarise Yourself with the Application Process, and Ensure the Availability of the Application Forms on Your Website for Investors to Access Once the Issue Opens**

**After the submission of the Final FRD, the offering officially commences on the predetermined date and remains active in accordance with the timelines outlined in the FRD.**

During this phase, attention shifts to the duties of the Designated Intermediaries, namely the Registrar to the Issue and the Depositories. **As the NPO, your role encompasses understanding the application process facilitated by these intermediaries and ensuring easy access to application forms for potential investors on your website.**

#### **Key Pointers to Remember Regarding the Application Process**

- Eligible investors, interested in the Issue, should submit a duly filled Application Form to the Registrar to the Issue appointed by the NPO.
- Copies of the Application Forms are available on the websites of the NPO, Registrar to the Issue, as well as on the Stock Exchange where the securities are listed, allowing investors to download them.
- A Unique Application Number (UAN) is generated for each Application Form downloaded from the NPO, Registrar to the Issue, and Stock Exchanges' websites.
- The completed Application Form, including the investor's bid, bank details, PAN, DP ID (Depository Participant Identification), and Client ID, must be submitted to the Designated Intermediary/Registrar to the Issue.
- Application amounts should be paid through NEFT/RTGS or by issuing a cheque/demand draft to the escrow bank account (with bank details in the FRD). Alternatively, applicants can submit signed applications to the Registrar to the Issue along with a cheque related to the issuance.
- Investor applications are to be submitted physically by sending a signed Application Form via email/post to the appointed Registrar as disclosed in the FRD.
- In case an investor wants to withdraw their application, they can do so until the Issue Closing Date by submitting a request for the same to the Registrar through whom the application had been placed. If an applicant wishes to withdraw the application after the Issue Closing Date, the same can be done by submitting a withdrawal request to the Registrar to the Issue before the finalisation of the Basis of Allotment.

### Step 3 | Collaborate with Intermediaries to Verify Applications as per Technical Compliance, Allot ZCZP Instruments, Communicate with Investors, and Execute the Listing Agreement

After the issue closure and upon receiving the application forms, the majority of the work falls under the purview of the Registrar. This includes reviewing applications, ensuring accuracy, allocating ZCZP instruments to investors/allottees, and communicating the outcomes. Concurrently, the Registrar is responsible for drafting the listing agreement and obtaining SSE approval for issuing securities through the depository. Throughout this process, the NPO maintains close communication with the intermediaries, giving necessary approvals for various aspects.

**This step is divided into three parts. It is crucial to note that the listing of ZCZP instruments should be finalised within T+10 trading days, with T representing the issue closure.**

#### 3a: Verify applications in Accordance with Rejection Disclosures, Allocate ZCZP Instruments, and Communicate the Results to Investors

##### Key Pointers Regarding the Verification of Applications and Subsequent Allotment of ZCZP Instruments

- The appointed Registrar manages the collection of applications and verifies the accuracy of details provided by the applicants (DP ID, Client ID, and PAN). These details are also shared with the Depository for validating the applicants' Demat account and PAN details.
- The Depository validates the details and sends a response to the Registrar for corrections, if any. The Registrar then cross-verifies this information.

*\*Note that the NPO retains the absolute right to reject an application on one or more technical grounds. These grounds may include inaccurate details provided, the applicant falling into an ineligible category, being debarred from accessing the market by SEBI or any other regulatory authority, or the application being received after the issue closure date, among other reasons as disclosed in the Fund-raising Document (Refer Pre-Listing, Step 6) under the section outlining grounds for rejection.*

- Following verification, the NPO initiates the allotment of ZCZP instruments based on advice and details received from the Registrar, on the basis of the predetermined allocation methodology with the issuer.
- After allotment, the NPO ensures communication with investors/allottees, aligning with demographic details received from the Depositories.
- The Registrar is responsible for communicating with the 'Allotment Advice', that is, intimating allottees through email or post regarding the completion of the allotment process and the crediting of securities to their Demat account, as reflected in the statement issued by the Depository.
- Applicants may contact the Registrar for any pre-issue or post-issue-related concerns, such as non-receipt of Allotment Advice or non-credit of ZCZP instruments in the depository's beneficiary account.

### 3b: Share the Documents with SSE Regarding the Basis of Allotment of ZCZP instruments

The NPO is required to submit the documents mentioned in the checklist below to notify the SSE about the selected allottees, details of issue allocations, and declarations regarding compliance with the rules and regulations.

Checklist for Basis of Allotment of ZCZP Instruments
Documents to be submitted to SSE
1. Minutes of meetings between Registrar and NPO along with the reasons for exception to rejection cases.
2. Fund-raising document as per SEBI Circular and amendment thereto, if any along with reasons for the same.
3. A statement of computation of the quantum of ZCZP available for allotment to the Institutional Bidders and Non-Institutional Bidders, along with Category wise breakup of the total applications received, allotted and rejected on technical grounds.
4. Confirmation of fund received for valid bids.
5. Copy of the proposed basis of allotment.
6. Declaration from NPO that <ul style="list-style-type: none"> <li>i. The issue has received minimum subscription as specified under Regulation 292N of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.</li> <li>ii. Basis of allotment has been made in compliance with the requirement of SEBI (ICDR) Regulations, 2018 circular issued thereunder and other applicable statutes.</li> </ul>
7. Declaration from the NPO that there is no injunction / prohibition order of a competent court of law on the issue or on a part of any particular category of the issue.
8. Certified true copy of all material contracts and documents mentioned in the Fund-raising Document along with the statement containing particulars of, dates of, and parties thereto.

### 3c: Draft the Listing Agreement for Submission to the SSE, including the Supporting Documents

After the completion of the issue allotment, the NPO is additionally mandated to submit a final set of documents, including the Listing Agreement, based on the checklist provided below.



Checklist for ZCZP Instruments – Listing and Trading	
Documents to be submitted to SSE	Relevant Links
1. Listing Application as per the format prescribed by the exchange	
2. Listing Agreement duly executed on non-judicial stamp paper(for new NPOs)	BSE: Page 5 and 6 of the <a href="#">Listing Checklist</a>
3. Confirmation from NPO as per Annexure-I	Link to Annexure-I NSE: Refer to Page 5 of the <a href="#">link</a> BSE: Refer to Page 3 of Listing Checklist of the <a href="#">file</a>
4. Certified true copy of the resolution passed by the Governing Body for allotment of securities (the resolution should specifically make a mention of the total number of Securities allotted/ allocated by the NPO)	
5. ISIN Activation letters from both the Depositories	
6. Trust Deed	
7. Confirmation from Registrar regarding: <ul style="list-style-type: none"> <li>i. The allotment of securities made in terms of approved basis of allotment and fund being made</li> <li>ii. Allotment made only in demat form</li> <li>iii. Completion of all formalities except Demat credit</li> </ul>	
8. Credit Confirmation from the Depositories	
9. List of Allottees along with number of ZCZP applied and allotted, amount paid, bank account details, PAN number, Demat account details etc.	
10. Initial Listing fees and Annual Listing fees plus applicable taxes	

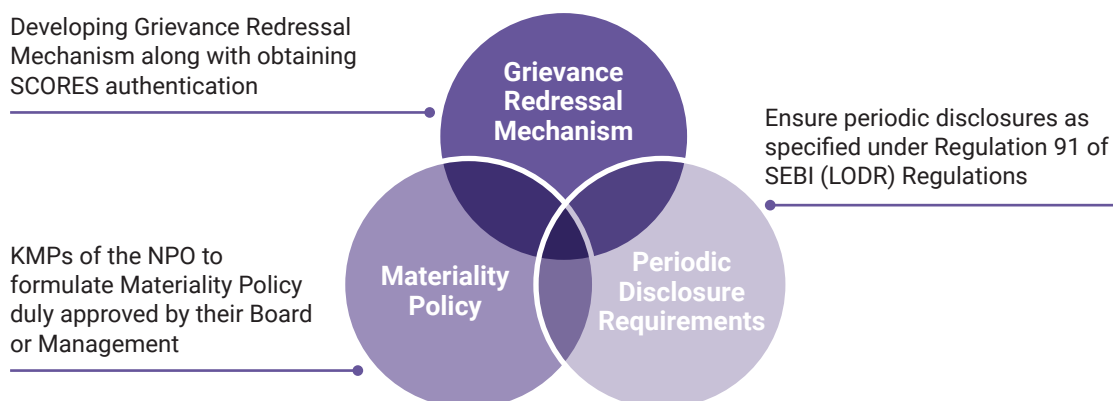
## PHASE 4: POST-LISTING

### Timely and Accurate Disclosures

Following a successful listing, NPOs are recommended to establish a grievance redressal mechanism and have a materiality policy in place for addressing grievances, redressals, or emergencies. Simultaneously, as a listed Social Entity, strict adherence to SEBI (Listing Obligations and Disclosure Requirements) 2015 is required, involving periodic filings of reports, statements, and documents. These disclosures enable investors to track your NPO's performance at regular intervals, and provide adequate information for allottees to assess the current status of the subscribed ZCZP instruments' project.

*Note that all the confirmation should be given on the letterhead of the NPO, and the Exchange reserves the right to ask for documents other than those mentioned in the checklist.*

**Figure 15: Periodic Filings of Disclosures under Regulation 91 of SEBI (LODR) (FIFTH AMENDMENT) REGULATIONS, 2022**



Regulation 91C	Regulation 91E	Regulation 91F	Regulation 91D (1)	Regulation 91D (3) & (4)
<b>Annual</b>	<b>Annual</b>	<b>Quarterly</b>	<b>Upon Listing</b>	<b>Event Based</b>
Disclosures on General aspects, Governance aspects, Financial aspects to be filed within 60 days from the end of FY	Duly Audited Annual Impact Report (AIR) by NISM certified Social Impact Assessors within 90 days from the end of FY	Statement of utilisation of funds to be filed within 45 days from the end of the quarter	Formation of materiality policy to be disclosed on the Social Stock Exchange(s) upon listing and thereafter when amended	Disclosure to be made on occurrence of a 'material' event as soon as possible and not later than 7 days

## Grievance Redressal Mechanism and SCORES Registration

**The NPOs must have a robust Grievance Redressal Mechanism in place, obtaining authentication on the SCORES platform.** SCORES is an online platform designed to assist complainants in lodging their complaints related to the securities market online with SEBI against listed companies and SEBI registered intermediaries. This authentication is provided by SEBI to enable the handling of investor complaints electronically, following the procedures and timelines specified by the Board. The NPO is responsible for ensuring that it takes adequate steps for the swift redressal of investor complaints, and this information must be disclosed in the Final Fund-raising Document.

### Key Pointers to Remember regarding Redressal of Complaints lodged on SCORES<sup>16</sup>

- Any complaints lodged on the platform against the listed SE are directly routed to them. They have the liberty to process the received complaints in-house, or through their Registrar to Issue.
- The NPO must ensure that the complaint is promptly resolved within 21 days of receiving it, and should upload an Action Taken Report (ATR) on SCORES. The ATR will be automatically routed to the complainant.
- Simultaneously, the complaint against the entity will be forwarded through SCORES to the relevant SSEs. The SSE monitors ATRs submitted by entities under its domain and advises improvement in grievance redressal quality when necessary. SEBI may also concurrently monitor the grievance redressal process by both entities and SSEs.
- If the complaints are processed by the RTI on behalf of the listed entity, any failure on the part of the RTI to redress the complaint or failure to update ATR in SCORES will be treated as a failure of the listed entity to furnish information to SEBI and non-redressal of investor complaints by the listed entity.
- Should the complainant remain dissatisfied and apply for a review within 15 days of receiving the ATR, the NPO must be prepared for the first review by SSE and the second review by SEBI. In case SEBI or SSE seeks clarification on the ATR submitted, the entity is obligated to promptly provide the necessary clarification within the specified timeline, and submit a revised ATR through SCORES, ensuring compliance with the review process.

## Materiality Policy

**Alongside the above mechanism, the NPO is required to develop a Materiality Policy, duly approved by their Board or Management, and share it on the SSE(s).** To determine the "materiality" of an event (defined as any occurrence with a substantial impact on an NPO's operations), the board and management should designate one or more Key Managerial Personnel (KMP). These individuals will be responsible for assessing the significance of events or information and ensuring the disclosure of details to the SSE(s).

### What is Materiality?

An indicative list of events that may have a material impact on the planned achievement of outputs or outcomes –

- Change in key members of the governing body
- Disruption in operations of the SE due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.
- Litigation(s)/dispute(s)/regulatory action(s) etc.
- Withdrawal, surrender, cancellation or suspension of key licences or regulatory approvals.

### Who constitutes a KMP?

KMP is defined under Reg 2(1)(o) of the LODR Regulations, with reference to Section 2(51) of the Companies Act, 2013. Section 2(54) of the Companies Act, 2013 defines KMP as – "key managerial personnel", in relation to a company, means–

- the Chief Executive Officer or the managing director or the manager;
- the company secretary;
- the whole-time director;
- the Chief Financial Officer;
- such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
- such other officers as may be prescribed.

**Having said that, the term KMP may be interpreted in a wider sense to mean such personnel who are responsible for ensuring compliance with applicable laws, look after the finances of the NPO, or are handling other important roles and positions in the NPO.**

### Periodic Disclosure Requirements

Refer to the table below for a comprehensive list of disclosures that the listed NPO is required to make periodically, in accordance with SEBI (LODR) (5th Amendment) Regulations, 2022.

Periodic Disclosures by NPOs on SSE which have either raised funds through SSE or are registered with SSE <sup>17</sup>			
Regulation details	Frequency	Compliance Requirement	Submission Deadline
Regulation 91C	Annual	<p><b>Disclosures on General aspects:</b></p> <ul style="list-style-type: none"> <li>i. Name of the organisation (legal and popular name)</li> <li>ii. Location of headquarters and location of operations</li> <li>iii. Vision / Mission / Purpose</li> <li>iv. Organisational goals, activities, products and services</li> <li>v. Outreach of organisation (Type and number of direct, indirect and institutional beneficiaries/ stakeholders reached)</li> <li>vi. Scale of operations (including Employee and Volunteer strength)</li> <li>vii. Details of top donors or investors of organisation - List of Top 5 donors or investors (budget-wise)</li> <li>viii. Details of top 5 programs in disclosure period - List of Top 5 interventions/ programmes (budget-wise)</li> </ul> <p><b>Disclosures on Governance aspects:</b></p> <ul style="list-style-type: none"> <li>i. Ownership and legal form</li> <li>ii. Governance Structure (outlines board and management committee structures, mandates, membership, charters, policies and internal controls)</li> <li>iii. Details of governing body including names of the members of the body</li> <li>iv. Executives with key responsibilities</li> <li>v. Number of meetings by governing body and other committees formed by them along with attendance and the process of performance review</li> <li>vi. Organisation level potential risks and mitigation plan</li> <li>vii. Reporting of related party transactions</li> <li>viii. Mechanisms for advice and concerns about ethics, along with conflict of interest and communicating other critical concerns</li> </ul>	Within 60 days from the end of the financial year

Periodic Disclosures by NPOs on SSE which have either raised funds through SSE or are registered with SSE <sup>17</sup>			
Regulation details	Frequency	Compliance Requirement	Submission Deadline
		<ul style="list-style-type: none"> <li>ix. Remuneration Policies</li> <li>x. Stakeholder grievance, process of grievance redressal and number of grievance received and resolved</li> <li>xi. Compliance management process and statement of compliance from senior decision maker</li> <li>xii. Organisation registration certificate and other licences and certifications (12A, 80G, FCRA, GST, etc.)</li> </ul> <p><b>Disclosures on Financial aspects:</b></p> <ul style="list-style-type: none"> <li>i. Financial Statement (Balance Sheet, Income statement and Cash Statement). Also programme-wise fund utilisation for the year</li> <li>ii. Auditors report and auditor details</li> </ul> <p><i>*SSE may specify additional parameters that may be required to be disclosed by NPO on an annual basis.</i></p>	
Regulation 91E	Annual	<p><b>Duly Audited Annual Impact Report (AIR)</b></p> <ul style="list-style-type: none"> <li>i. The AIR shall capture the qualitative and quantitative aspects of the social impact generated by the entity and where applicable, the impact that is generated by the project or solution for which funds have been raised on SSE.</li> <li>ii. In case an NPO is only registered without listing any security, the AIR must cover the NPO’s significant activities, intervention, programmes or projects during the year, and the methodology for determination of significance must be explained. Additionally, if there is an activity, intervention, programme or project covered under a listed security, it will qualify as a significant activity, intervention, programme or project.</li> </ul>	Within 90 days from the end of Financial Year

Periodic Disclosures by NPOs on SSE which have either raised funds through SSE or are registered with SSE <sup>17</sup>			
Regulation details	Frequency	Compliance Requirement	Submission Deadline
		<p>iii. The AIR should, at a minimum, cover the aspects described below.</p> <ul style="list-style-type: none"> <li>a. Strategic Intent and Planning</li> <li>b. Approach</li> <li>c. Impact Score Card</li> </ul> <p>iv. The AIR shall be audited by Social Impact Assessors (an individual registered with a self-regulatory organisation under the Institute of Chartered Accountants of India (ICAI) or such other agency, as may be specified by the Board, who has qualified for a certification programme conducted by National Institute of Securities Market (NISM) and holds a valid certificate, and the SEs shall disclose the report of the Social Impact Assessor along with AIR.</p>	
Regulation 91F	Quarterly	<p><b>Statement of utilisation of funds</b></p> <ul style="list-style-type: none"> <li>i. Category-wise amount of monies raised;</li> <li>ii. Category-wise amount of monies utilised;</li> <li>iii. Balance amount remaining unutilised.</li> </ul> <p>The unutilised amount shall be kept in a separate bank account and shall not be co-mingled with other funds.</p> <p>The statement is to be given till the time the issue proceeds have been fully utilised or the purpose for which they were raised, has been achieved.</p>	Within 45 days from the end of quarter
Regulation 91D (1)	Upon listing and thereafter when amended	<p><b>Formation of materiality policy</b></p> <ul style="list-style-type: none"> <li>i. The listed SE shall frame a policy for determination of materiality, duly approved by its board or management, as the case may be, which shall be disclosed on the Social Stock Exchange(s).</li> </ul>	Upon listing and thereafter when amended



Periodic Disclosures by NPOs on SSE which have either raised funds through SSE or are registered with SSE <sup>17</sup>			
Regulation details	Frequency	Compliance Requirement	Submission Deadline
		<p>ii. The board and management of the Social Enterprise shall authorise one or more of its Key Managerial Personnel for the purpose of determining materiality of an event or information and for the purpose of making disclosures to the Social Stock Exchange(s).</p>	
Regulation 91D (3) & (4)	Event Based	<p>i. Any event that may have a ‘material impact’ on the planned achievement of outputs or outcomes.</p> <p>ii. The disclosure shall comprise details of the event, including the potential impact of the event, and the steps being taken by the Social Enterprise to address the same.</p> <p>iii. The listed Social Enterprise needs to also provide updates on a regular basis along with relevant explanations in respect of the disclosure</p> <p>iv. The Social Enterprise shall provide specific and adequate reply to all queries raised by the Social Stock Exchange(s), with respect to any events or information.</p> <p>v. The Social Enterprise shall disclose on its website all such events or information which have been disclosed to the Social Stock Exchange(s) or the Stock Exchange(s), as the case may be, under this regulation.</p>	As soon as reasonably possible but not later than 7 days or within such period as may be specified by the Board, from the occurrence of the event
<p>NPOs are advised to go through the Guidance note provided by SEBI under Annexure I of this Circular which provides specifications pertaining to the format to be followed and details to be mentioned on annual disclosures of general, governance and financial aspects.</p>			

**Upon non-compliance with the continuous listing requirements by the SSE(s), the NPO, being a listed entity, is subject to SEBI's power to initiate enforcement actions.** These actions may include the issuance of administrative warnings, the imposition of penalties under Chapter VIA of the SEBI Act, or actions under section 11 of the SEBI Act, involving debarment and/or penalties.

**With these mechanisms now in place, NPOs can proceed with their objectives, ensuring timely goal attainment and disclosures. If additional funds are required for the same project, listed NPOs can utilise another ZCZP instruments, necessitating the attraction of more investors for the new minimum subscription amount.**

**Furthermore, if a listed NPO aims to secure funds for multiple projects, they can issue separate ZCZP instruments for each initiative, providing flexibility in fund-raising for diverse projects.** Essentially, while each ZCZP instrument is designated for a specific project, the NPO has the option to issue multiple ZCZP instruments for a single project.

## SECTION 3

### The Road Ahead – Pain points and Ecosystem Improvements

**As we conclude this toolkit, it is crucial to acknowledge the unique challenges that come with India being only the fourth country with a functioning SSE.**

Transitioning to SSE poses a distinct challenge for NPOs accustomed to simpler fund-raising methods. The primary hurdle lies in adapting to stricter compliance regulations, and establishing the SSE as a sustainable and habitual haven for funders. Another challenge involves attracting enough investors before the listing even begins, to meet the minimum subscription amount.

- **Stricter compliance requirements, regular disclosures, and costs of onboarding intermediaries can be daunting, as can navigating the complex regulatory landscape involving SSE, MCA, ICAI, and the SEBI itself.** Unnati faced similar hurdles, particularly in the form of ambiguities in applying specific norms, like conversion to Indian Accounting Standard and formation of committees such as Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee as prescribed under LODR regulations applicable to listed entities. While they secured exemptions, the uncertainty surrounding future exemptions deters potential entrants.
- **Given SSE's early stage and limited market awareness, attracting investors, particularly to meet the minimum subscription amount, is challenging.** While Unnati initially gained support from high-net-worth individuals, convincing broader institutional and non-institutional investors remains difficult. The exclusion of CSR foundations narrows the donor pool, hindering the SSE's full potential.

This prompts the question: **Why opt for listing?** While it may not be suitable for everyone due to varying capacities and diverse goals, those seeking inspiration can turn to NPOs like Unnati. Trust gaps between funders and NPOs often impede funding in the current system. However, embracing stricter compliance for increased transparency, governance, and accountability can boost investor confidence and ultimately benefit nonprofits seeking funding.

**Aligned with the outlined challenges, NPOs can gain valuable insights from Unnati's journey, serving as a roadmap for future entries, fostering increased confidence and readiness for the SSE.**

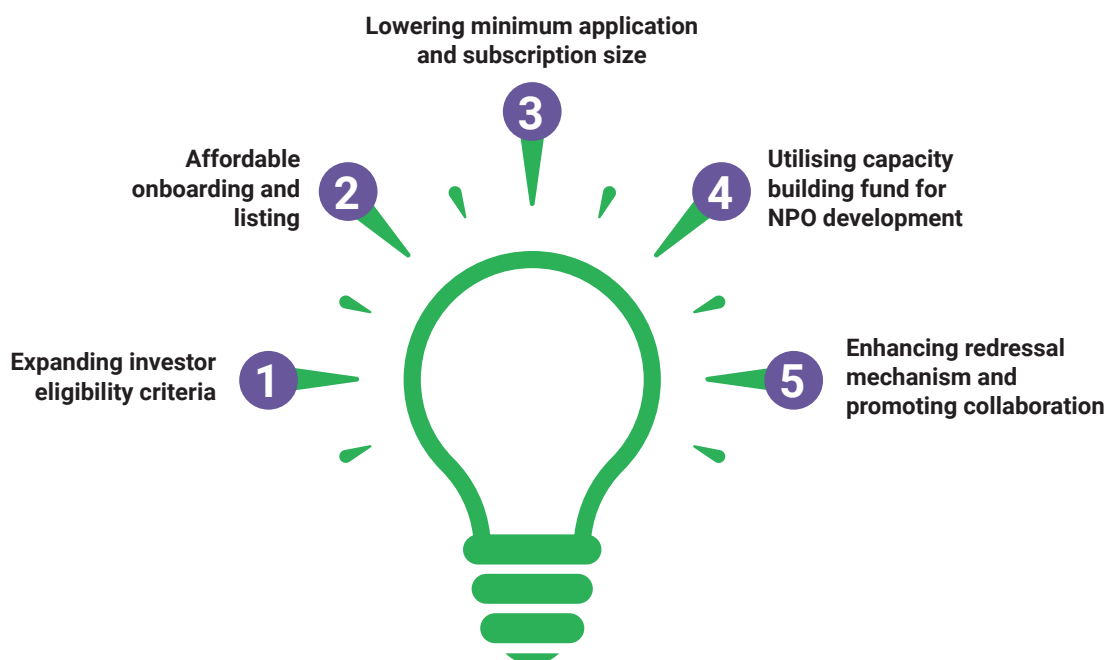
### Key Insights from Unnati's Listing Journey

- **Understand the SSE landscape thoroughly and engage in self-reflection on readiness:** NPOs must prioritise thorough feasibility assessments, evaluating their preparedness to meet stringent SSE compliance requirements and navigate regulatory complexities. Introspection on whether listing is a viable option ensures informed decision-making and helps sidestep potential pitfalls.
- **Clear dues timely and be cognisant of third-party interventions:** It is very important to clear tax or notice dues that the NPO might have as soon as possible, since that can be a major point of interjection, further halting the process. There could also be close scrutiny on parties related to the NPOs as a hygiene check, so the NPO is advised to make a judgement to list or not according to that.
- **Be open to collaboration:** Unnati's journey highlights the invaluable role of partnering with experts and intermediaries from onboarding to regulatory navigation. Active engagement with the SSE Council, known for responsiveness and support, facilitates a smoother integration process.
- **Develop a funder pipeline prior to listing:** Targeted outreach to diverse investor segments, including high-net-worth individuals and philanthropists was one of the reasons for Unnati's success. NPOs should proactively initiate conversations with funders and not wait until the listing begins.
- **Committed and proactive leadership:** Active involvement of key decision-makers at every strategic step is essential for SSE participation. Their time commitment ensures strategic oversight and timely decision-making, contributing to the organisation's seamless onboarding on the platform.

### For the SSE ecosystem to thrive, continuous reassessment and potential refinement of rules and regulations are crucial for its evolution.

Addressing existing norms and regulatory overlaps can encourage broader participation without jeopardising investor confidence. Based on discussions with NPOs and feedback from our webinar (available [here](#)), we offer specific recommendations for regulatory refinement which aim to enhance the SSE, making it a favourable platform for both investors and nonprofits.

Figure 16: Recommendations for Evolving the Social Stock Exchange Framework



**1 Expanding investor eligibility criteria:** Diversifying the funding base and promoting inclusive participation can be achieved by broadening eligibility criteria to include CSR foundations. To prevent misuse, it is essential to engage in open dialogue with the Ministry of Corporate Affairs, establishing a responsible investment cap for CSR foundations to ensure that the SSE serves as a meaningful tool beyond mandatory CSR obligations.

**2 Affordable onboarding and listing:** Offering financial subsidies and assistance for the initial years, particularly for small and emerging NPOs, can facilitate the onboarding process. Collaborating with SSE and SEBI to devise an affordable fee structure for registration and listing on the SSE contributes to a more accessible platform.

**3 Lowering minimum application and subscription size:** Recognising that investors often have limited funds, we suggest reducing the minimum application size or reassessing the required subscription percentage from the current 75%. This adjustment can broaden accessibility for investors with limited funds. Caution is necessary to avoid excessive reductions that could compromise the system's integrity.

**4 Utilising capacity building fund for NPO development:** Employing the current Capacity Building Fund to craft customised programmes for NPOs and potential investors is imperative. This approach ensures that NPOs acquire the requisite knowledge for effective SSE navigation, while investors gain a deeper understanding of the unique ecosystem and its impact potential.

**5 Enhancing redressal mechanism and promoting collaboration:** While the current redressal mechanism has proven efficient for the current number of registered NPOs, it is crucial to anticipate an increase in the number of NPOs in the listing process. Establishing regular dialogue platforms among NPOs, investors, regulators, and stakeholders will be pivotal. Open communication and collaboration will help reimagine the mechanism, address emerging challenges, refine structures, and ensure that SSE remains a truly accessible and impactful platform for all.

### References

1. Agarwal, P and Reddy, PL 2023, *Investing for impact: Social Stock Exchange in India*, Sattva Consulting Pvt. Ltd.
2. Sheth, A, Batabyal, J, Nundy, N, Misra A, and Pal P 2023, *India Philanthropy Report 2023*, viewed on 15 November 2023
3. Ibid, 1
4. Ibid, 1
5. Ibid, 1
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7. *BSE Social Stock Exchange FAQ*, viewed on 16 November 2023
8. *BSE Website*
9. Framework on Social Stock Exchange 2023, *SEBI Circular*, viewed on 13 February 2023
10. Ibid, 7
11. *SEBI FAQ Dematerialisation*, viewed on 17 January 2024
12. NSE, *FAQ on Social Stock Exchange*, viewed on 17 January 2024
13. BSE, *Listing Checklist Additional Norms*, viewed on 18 January 2024
14. SEBI 2021, *(Registrars to an Issue and Share Transfer Agents) Regulations, 1993*
15. Ibid, 11
16. SEBI, *Redressal of investor grievances through the SEBI Complaint Redressal (SCORES) Platform and linking it to Online Dispute Resolution platform*
17. SEBI 2022, *Listing Obligations and Disclosures*
18. Ibid, 12

## Appendix

1. List of Documents filed by Unnati for their Registration Process (accessible on their website)

NSE & BSE Registration Documents	
I. NSE Registration Documents	
Document	Reference Link
1. Application form for registration	Unnati's <a href="#">Application Form</a>
2. Information of social enterprise	Unnati's <a href="#">Format link</a>
3. Certificate of incorporation	Unnati's <a href="#">Format link</a>
4. Memorandum of Association	<a href="#">MoA</a>
5. Article of Association	<a href="#">AoA</a>
6. Registration Certificate under 12A	<a href="#">Format link</a>
7. 80G Registration	<a href="#">Format link</a>
8. Audit report of preceding three financial years	<a href="#">Mar 31 2022</a> <a href="#">Mar 31 2021</a> <a href="#">Mar 31 2020</a>
9. Annexure II - Confirmation from NPO NSE	Unnati's Annexure II <a href="#">Format link</a>
10. Annexure III - Confirmation from Statutory Auditor	Unnati's Annexure III <a href="#">Format link</a>
11. Board of Director Details - Annexure A	<a href="#">Annexure A</a>
12. History and Background (vision and target segment)	<a href="#">Annexure B</a>
13. Confirmations from the Practicing Chartered Accountant (PCA) on CA letterhead	Unnati's <a href="#">ANNEXURE III</a> by Statutory Auditor
14. Board resolution	<a href="#">Copy of Unnati's Board Resolution</a>
15. Checklist	Unnati's <a href="#">Checklist</a>
16. NSE agreement	Unnati's duly signed <a href="#">NSE Agreement</a>
17. NSE CERTIFICATE	Unnati's Registration <a href="#">Certificate (NSE)</a>



## TOOLKIT NAVIGATING SOCIAL STOCK EXCHANGE

NSE & BSE Registration Documents	
II. BSE Registration Documents	
Document	Reference Link
1. Certificate of Constitution/Registration of Entity (Annexure I)	Unnati's <a href="#">Annexure I</a>
2. Certificate from Chartered Accountant in Practice (Annexure II)	Unnati's <a href="#">Annexure II</a>
3. Confirmation of eligibility criteria for being identified as Social Enterprise as specified under Regulation 292E of Chapter X-A of SEBI (ICDR) Regulations, 2018	Unnati's <a href="#">Annexure III</a>
4. Additional Disclosures as per Annexure IV	Unnati's <a href="#">Annexure IV</a>
5. Vision/Mission Statement	Unnati's <a href="#">Vision/Mission statement</a>
6. Address Proof	Unnati's <a href="#">Address proof</a>
7. Niti Aayog- Darpan Certificate	Unnati's <a href="#">Darpan certificate</a>
8. Directors Details	Unnati's <a href="#">Directors' details</a>
9. Social Auditor's Details	Unnati's <a href="#">Social Auditor details</a>
10. Awards Annexures	Unnati's <a href="#">Awards Annexure</a>
11. Board Resolution	Unnati's <a href="#">Board Resolution</a>
12. Annual Reports of preceding three financial years	<a href="#">FY 2021-22</a> <a href="#">FY 2020-21</a> <a href="#">FY 2019-20</a>
13. Newsletter	Unnati's <a href="#">newsletter Oct-Dec 2022</a>
14. Checklist for Registration- Annexure A	Unnati's <a href="#">Annexure A</a>
15. Incorporation Certificate	Unnati's <a href="#">Incorporation Certificate</a>
16. Article of Association (AoA)	Unnati's <a href="#">AoA</a>
17. Memorandum of Association (MoA)	Unnati's <a href="#">MoA</a>
18. Copy for Goods & Service Tax Number	Unnati's <a href="#">GST Certificate</a>
19. Copy of PAN Card	Unnati's <a href="#">PAN copy</a>

NSE & BSE Registration Documents	
II. BSE Registration Documents	
Document	Reference Link
20. Copy of TAN	<a href="#">Unnati's TAN copy</a>
21. Audit Report of preceding three financial years	<a href="#">March 2020</a> <a href="#">March 2021</a> <a href="#">March 2022</a>
22. Copy of Form 10(B) for last 3 financial years	<a href="#">FY 2019-20</a> <a href="#">FY 2020-21</a> <a href="#">FY 2021-22</a>
23. Income Tax Returns for last 3 years	<a href="#">AY 2020-21 ITR 7</a> <a href="#">AY 2021-22 ITR 7</a> <a href="#">AY 2022-23 ITR 7</a>
24. Valid 80G Registration under Income Tax Act, 1961	<a href="#">Unnati's 80G</a>
25. Registration Certificate under the Income Tax Act, 1961 under section 12AB	<a href="#">Unnati's registration certificate</a>
26. Approval Letter	<a href="#">Unnati's Approval Letter</a>

2. List of Documents filed by Unnati for their Listing Process

NSE & BSE Listing Documents	
I. NSE Listing Documents	
Document	Reference Link
1. NSE Listing Agreement	<a href="#">Unnati's Listing Agreement</a>
2. Agreement with Depositories	<a href="#">CDSL</a>
3. ISIN Activation Letter	<a href="#">NSDL</a>
4. Master Creation Form	<a href="#">CDSL</a>
5. Undertaking w.r.t the non-appointment of Merchant Banker	<a href="#">Unnati's Format</a>
6. Response to NSE's observation	<a href="#">Unnati's response to NSE Observations</a>
7. Agreement with Registrar to the Issue	<a href="#">Copy of Unnati's RTA Agreement</a>

## TOOLKIT NAVIGATING SOCIAL STOCK EXCHANGE

NSE & BSE Listing Documents	
I. NSE Listing Documents	
Document	Reference Link
8. Confirmation from NPO as per Annexure – I	Unnati's copy of <a href="#">Annexure -1</a>
9. Confirmation from the RTA w.r.t. the public comments	Unnati's <a href="#">RTA Format</a>
10. Copy of NSE Checklist for in-principle approval	Unnati's <a href="#">Checklist</a>
11. Confirmation from the issuer including that the issue is in compliance with regulation 292N of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and requirements of the Exchange	Unnati's copy of <a href="#">confirmation letter</a>
12. Confirmation from the Issuer that it is in compliance with any applicable laws and regulations in force in relation to donors/donations including but not limited to Prevention of Money Laundering Act, 2002, Foreign Account Tax Compliance Act, etc.	Unnati's copy of <a href="#">confirmation letter</a>
13. Declaration from NPO that the issue has received minimum subscription as specified under Regulation 292N of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.	Copy of Unnati's <a href="#">Declaration</a>
14. In-principle approval by NSE	NSE <a href="#">In-principle</a> approval to Unnati
15. Confirmation from the Issuer w.r.t. the public comments	Unnati's <a href="#">Confirmation Letter</a>
16. NSE's observation on Draft Fund-raising Document	NSE'S <a href="#">comments</a>
17. List of Exemptions	Exemption <a href="#">List</a>
18. Listing Application	Unnati's <a href="#">Listing Application</a>
19. Addendum cum Corrigendum	Project Unnati - <a href="#">Addendum cum Corrigendum</a>
20. Corrigendum to the Final Fund-raising Documents	Copy of Unnati's <a href="#">Corrigendum</a>
21. NSE Cover Letter (Extension for Issue Closing Date)	Copy of Unnati's <a href="#">Cover Letter</a>

NSE & BSE Listing Documents	
I. NSE Listing Documents	
Document	Reference Link
22. Reconciling of Total ZCZP Instruments Allotted	Copy of Unnati's <a href="#">statement</a>
23. Reply to clarifications sought by NSE	Copy of Unnati's <a href="#">response</a>
24. Basis of Allotment	Copy of Unnati's ZCZPs <a href="#">basis of allotment</a>
25. Confirmation of Dispatch of ZCZP Instrument	Unnati's registrar <a href="#">Confirmation Letter</a>
26. Final Fund-raising Documents	Unnati's <a href="#">Final Fund Raising Document</a>
27. ZCZP Application form	Unnati's <a href="#">Application Form</a>
28. Confirmation letter for appointment of RTA	Unnati's Copy of <a href="#">RTA Appointment</a>
29. NSDL Debt Instruments - Allotment Annexure	NSDL: <a href="#">Annexure</a>
30. Masterfile Creation Form	Form <a href="#">link</a>
31. Corporate Action Information Form	NSDL <a href="#">Annexure I</a>
32. Non applicability (PAS-3) letter	Unnati's <a href="#">letter</a>
33. Credit Confirmation of ZCZP by NSDL	Unnati's <a href="#">Credit confirmation letter</a>
34. NSDL-Corporate Action Information	Corporate Action Information <a href="#">Form</a>
35. Issuer Details under Application for admission as Issuers of eligible securities	Unnati's <a href="#">Issuer Details</a>
36. Tripartite Agreement	Unnati's <a href="#">Tripartite Agreement</a>

NSE & BSE Listing Documents	
II. BSE Listing Documents	
Document	Reference Link
1. Listing Agreement Corrigendum-Extension of its ZCZP	Unnati's <a href="#">Listing Agreement</a>
2. Tripartite Agreement	Unnati's <a href="#">Tripartite Agreement with CDSL</a>
3. ISIN Activation Letter	<a href="#">NSDL</a>
4. Corporate Action of SGBS Unnati Foundation	<a href="#">RTA Letter</a>
5. Master Creation Form	Letter of Intent <a href="#">CDSL</a>
6. Undertaking w.r.t the non-appointment of Merchant Banker	Unnati's <a href="#">Format</a>
7. Confirmation from Issuer as per Annexure-I	<a href="#">Annexure-I</a>
8. Confirmation from Issuer as per point 4 of in-principle approval Checklist	Unnati's <a href="#">Confirmation letter</a>
9. Confirmation from Issuer as per point 6 of in-principle approval Checklist	Unnati's <a href="#">Confirmation Letter</a>
10. Listing Application	BSE Listing <a href="#">Application</a>
11. Cover Letter	Unnati's <a href="#">Cover Letter</a> Format
12. Unnati's Response to BSE's comments on covering letter	Copy of Unnati's <a href="#">Response</a>
13. Consent letter	<a href="#">Consent letter</a>
14. In-principle approval	BSE In-principle approval <a href="#">letter</a> to Unnati
15. List of Exemptions	Exemption <a href="#">list</a>
16. ZCZP IPO Application	<a href="#">Application Form</a>
17. Masterfile Creation Form-Annexure 2	NSDL: <a href="#">Annexure 2</a>
18. NSDL Debt Instruments - Allotment Annexure	NSDL: <a href="#">Annexure</a>
19. Addendum cum Corrigendum	Project Unnati - <a href="#">Addendum cum Corrigendum</a>
20. Final Fund Raising Document	Unnati's <a href="#">Final FRD</a>

NSE & BSE Listing Documents	
II. BSE Listing Documents	
Document	Reference Link
21. Confirmation letter for appointment of RTA	Unnati's Copy of <a href="#">RTA Appointment</a>
22. Credit Confirmation of ZCZP by NSDL	Unnati's <a href="#">Credit confirmation letter</a>
23. NSDL-Corporate Action Information	Corporate Action Information <a href="#">Form</a>
24. Reconciling of Total ZCZP Instruments Allotted	Copy of Unnati's <a href="#">statement</a>
25. Confirmation of Dispatch of ZCZP Instrument	Unnati's registrar <a href="#">Confirmation Letter</a>
26. Non applicability (PAS-3) letter	Unnati's <a href="#">letter</a>
27. Issuer Details under Application for admission as Issuers of eligible securities	Unnati's <a href="#">Issuer Details</a>

