

THE SOCIAL IMPACT ASSESSOR

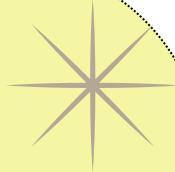
YOUR INSIGHT JOURNAL



December 2025

ICMAI Social Auditors Organisation

(A Section 8 Company promoted by The Institute of Cost Accountants of India)



Social Stock Exchange

SEBI vide its notification dated 25th July, 2022 has made amendments in the SEBI (ICDR) Regulations, 2018, and SEBI (LODR) Regulations, 2015. Copies of these amendments are being circulated with this communique. These amendments have been made to provide Social Enterprises with additional avenues to raise funds through the Social Stock Exchange (SSE), which is a novel concept in India. It provides eligibility of organizations to raise funds through Social Stock Exchange, eligibility of entities to be classified as “Not for Profit Organization”, eligibility of entities to be classified as “For Profit” Social Enterprises, means through which Social Enterprises can raise funds, and obligations of Social Enterprises.

Furthermore, to strengthen the governance framework in these entities, & provide better confidence to such investors, SEBI has introduced the concept of Annual Impact Report by a Social Auditor. The purpose of this Social Audit is to ascertain the impact made by the Social Enterprise through its activities, intervention, programs or projects implemented during the reporting period. The annual impact report shall be audited by a Social Auditor.

ICMAI Social Auditors Organisation (ICMAI SAO)

To enroll & regulate the Social Auditors and also to prescribe the Social Audit Standards, the Institute of Cost Accountants of India, in compliance with SEBI Regulations, has incorporated a section 8 company titled ICMAI Social Auditors Organization. The ICMAI SAO will enroll eligible CMAs & others as Social Auditors and focus on their capacity building through continuous professional advancement with emphasis on adherence to the highest ethical standards and compliance with the Social Stock Exchange requirements.



ICMAI Social Auditors Organisation

(A Section 8 Company promoted by The Institute of Cost Accountants of India)

THE SOCIAL IMPACT ASSESSOR



YOUR INSIGHT JOURNAL



ICMAI Social Auditors Organisation
(A Section 8 Company promoted by The Institute of Cost Accountants of India)

December 2025

GOVERNING BOARD

CHAIRMAN
CMA T C A Srinivasa Prasad

NOMINEE DIRECTORS

CMA Neeraj Dhananjay Joshi
CMA Rajendra Singh Bhati
CMA (Dr.) Ashish Prakash Thatte
CMA (Dr.) A S Durga Prasad
Smt. Jyotsna Sitling

CHIEF EXECUTIVE OFFICER
CMA (Dr.) S K Gupta

EDITOR & PUBLISHER

CMA (Dr.) S K Gupta
Mr. Nitin Singh Gusain

December 2025

IN THIS ISSUE...

<p>MESSAGE</p> <p>FROM THE CEO'S DESK</p> <p>PROFESSIONAL DEVELOPMENT PROGRAMS</p> <p>ARTICLES</p> <ul style="list-style-type: none"> • Social Equity : An imperative for building Viksit Bharat 5-8 • Assessing Social Impact in Education and Skill Development : Lessons for the Field 9-11 • Transforming Social Auditing in Urban Infrastructure Development 12-16 • Six Focus Areas Every Social Impact Assessor Must Keep in Mind 17-20 <p>OTHER READINGS</p> <ul style="list-style-type: none"> • CIRCULAR - Framework on Social Stock Exchange ("SSE") 22-26 <p>PROCEDURE FOR REGISTRATION OF A MEMBER WITH ICMAI SAO</p> <p>DETAILS REGARDING SOCIAL AUDITORS EXAMINATION CONDUCTED BY NISM</p> <ul style="list-style-type: none"> • Social Auditors Certification Examination 32 • Frequently Asked Questions (Social Auditors) 33-35 	<p>1</p> <p>2-3</p> <p>4</p> <p>5-8</p> <p>9-11</p> <p>12-16</p> <p>17-20</p> <p>21</p> <p>22-26</p> <p>27-30</p> <p>31</p> <p>32</p> <p>33-35</p>
--	--

FROM THE CEO's OF DESK, ICMAI SAO



CMA (Dr.) S K Gupta

Social impact is the lasting difference an organization, initiative, or movement creates in people's lives and the systems that shape opportunity, equity, and well-being—measured not by what you do, but by who benefits and for how long.

This matters because social impact isn't just a metric—it's the operating system for continuous learning. When impact workflows break, programs can't adapt quickly. Funders lose confidence. The voices of participants get buried under dashboard chaos. And organizations miss the most critical question: not what did we achieve, but who truly benefited—and what comes next?

True social impact operates across three interconnected dimensions: individual, organizational, and systemic. At the individual level, it improves lives through education, employment, or resource access. At the organizational level, it shapes how institutions embed purpose into culture, decision-

making, and accountability. At the systemic level, it redefines the structures that sustain inequity—policies, market incentives, information gaps.

Modern social impact practices fix these failures at the foundation. By centralizing clean data collection, maintaining unique participant identifiers, connecting quantitative metrics with qualitative evidence automatically, and building feedback loops that enable continuous learning—organizations shift from static storytelling to living insight.



PROFESSIONAL DEVELOPMENT PROGRAMS



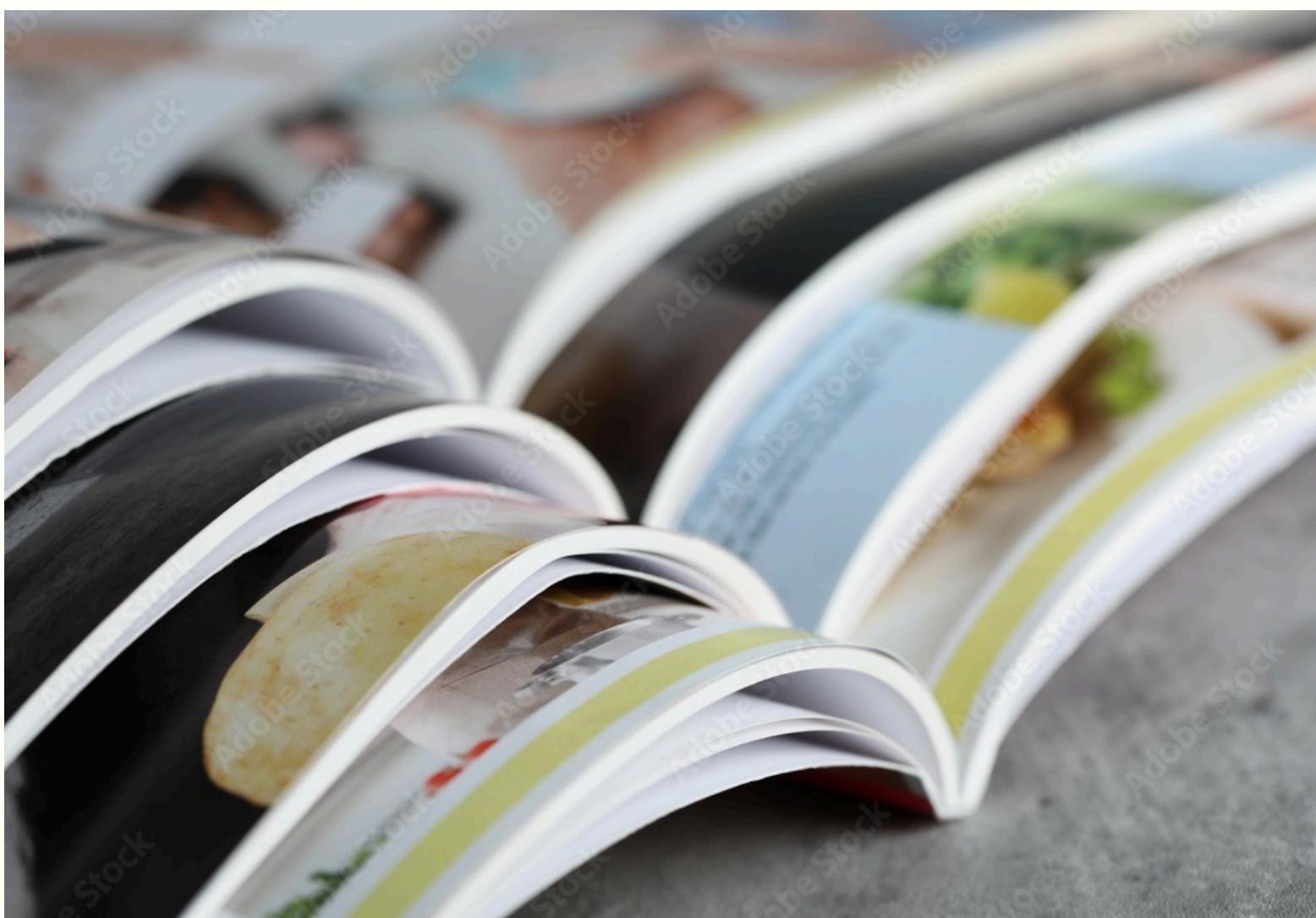
ICMAI Social Auditors Organisation

(A Section 8 Company promoted by The Institute of Cost Accountants of India)

PROFESSIONAL DEVELOPMENT PROGRAMS

UPCOMING PROGRAM

Date & Time	Topic of the Program
02nd Dec 2025 From 03.30 pm to 05.00 pm	Professional opportunities for CMAs - Social Stock Exchange and Social Impact Assessors
26th Dec 2025 From 10.30 am to 12.30 pm	Registration of Social Enterprises on Social Stock Exchange
29th Dec 2025 From 09.30 am to 01.00 pm	Social Stock Exchange Awareness Program [Bangalore]
03rd-04th Jan 2026 From 10.00 am to 05.00 pm	20th Online Batch Preparatory Course for Social Auditors Examination
06th Jan 2026 From 03.30 pm to 05.00 pm	Professional opportunities for CMAs - Social Stock Exchange and Social Impact Assessors
21st Jan 2026 From 09.30 am to 01.00 pm	Social Stock Exchange Awareness Program [Chhatrapati Sambhajinagar (Aurangabad)]



A R T I C L E S



ICMAI Social Auditors Organisation

(A Section 8 Company promoted by The Institute of Cost Accountants of India)

Social Equity : An imperative for building Viksit Bharat

CMA (Dr.) S K Gupta

Chief Executive Officer - ICMAI Social Auditors Organisation

The Perspective

India has set a national vision of becoming a developed nation by 2047, known as Viksit Bharat 2047. This dream cannot be achieved only through economic growth, industrial progress, or digital transformation. The true foundation of a developed India must rest on the strong pillars of social justice, equality, and inclusion. Without removing the deep-rooted inequalities in caste, class, gender, region, and religion, development will remain incomplete and unequal.

Social Equity and Viksit Bharat

The aspiration to be recognized as a developed nation is a significant milestone in a country's developmental trajectory. Defining a 'developed nation' involves considering a multitude of factors, ranging from economic prosperity to the overall quality of life enjoyed

by its citizens. Traditional economic indicators such as high per capita income and a substantial Gross Domestic Product (GDP) are often cited as primary criteria. However, the concept extends beyond mere economic metrics to encompass a high Human Development Index (HDI), signifying advancements in health, education, and standard of living.

India has set a national vision of becoming a developed nation by 2047, known as Viksit Bharat 2047. This dream cannot be achieved only through economic growth, industrial progress, or digital transformation. The true foundation of a developed India must rest on the strong pillars of social justice, equality, and inclusion. Without removing the deep-rooted inequalities in caste, class, gender, region, and religion, development will remain incomplete and unequal.



Equality and equity are two distinct concepts that are often used interchangeably but hold different meanings in the context of fairness and justice. Equality refers to the state of being equal, where everyone is treated the same and has access to the same resources, opportunities, and rights. It focuses on uniformity and sameness among individuals or groups.



On the other hand, equity goes beyond equality by recognizing and addressing the diverse needs and circumstances of individuals or groups. It involves ensuring fairness and justice by providing resources, opportunities, and support based on specific needs, challenges, and historical disadvantages. Equity acknowledges that not everyone starts from the same

place or has the same advantages, and therefore, it seeks to level the playing field by addressing systemic barriers and promoting inclusivity.

Social equity is fundamental to India's "Viksit Bharat" (Developed India) vision, aiming for inclusive growth by empowering marginalized groups, ensuring fair access to resources (health, education, jobs), reducing disparities (gender, regional), and promoting constitutional values like justice, equality, and fraternity for *Sab ka Saath, Sabka Vikas* (Together with all, for the development of all)

This ethos encapsulates the idea that everyone, regardless of gender, background, or identity, is interconnected and deserves equal opportunities and rights. By embracing this principle, Viksit Bharat endeavours to foster an inclusive environment where diversity is celebrated, and every individual's potential is harnessed for collective growth. This inclusive approach not only aligns with our cultural heritage but also propels us towards a more equitable and prosperous society where everyone contributes to and benefits from the nation's progress.

Human Development Index (HDI)

The Human Development Index (HDI) is the most well-known social development index. The HDI, a composite statistic of life expectancy, education, and per capita income ranks countries into four tiers of human development and is released annually by the UNDP. It views social and economic growth beyond economic success, including health, education, and living conditions as essential to human well-being. This chapter discusses Viksit Bharat from the Social Development Index perspective. This perspective emphasizes the importance of including social development indicators in the nation's SDI-related development narrative. Viksit Bharat believes SDI is essential to recognizing and addressing India's complex socioeconomic concerns, such as social inclusion, health, education, gender equality, and environmental sustainability. Viksit Bharat believes the Social Development Index redefines India's progress. It suggests measuring the welfare and standard of living of all citizens rather than GDP. From Viksit Bharat's

standpoint, the Social Development Index represents a paradigm shift toward fair, inclusive, and sustainable development. It is an all-encompassing plan that considers all aspects of societal advancement to create a society with social cohesiveness, environmental sustainability, and economic prosperity. This vision of Viksit Bharat aims to improve India's international status and ensure that its growth benefits all its citizens, laying the groundwork for a peaceful and fully realized society.

India's Current Standing

According to the UNDP Human Development Report 2025, India's HDI rank improved from 133 in 2022 to 130 in 2025. India's HDI improved from 0.447 in 1990 to 0.685 in 2023, while GNI per capita rose from \$2,167 to \$9,047. This indicates income expanded by over 300%, whereas HDI increased by just 53%. HDI of 0.685 keeps India in the medium human development category, just below the 0.700 threshold for high human development. Over the same period, life expectancy increased from 58.6 years in 1990 to 72 years in 2023, while expected years of schooling rose from 8.2 to 13 years (UNDP, 2025).

Barriers to Social Equity

The road to social justice and equality in India is not easy. Some of the major challenges include: Poverty and unemployment, which trap millions in cycles of deprivation, Caste-based discrimination, which still exists in rural and even some urban areas despite legal bans, Patriarchy and gender bias, which restrict women's opportunities, Corruption and weak implementation, which reduce the effectiveness of welfare schemes, Rural-urban migration, which creates slums and poor living conditions in cities, Environmental inequality, where the poor are more affected by climate change, pollution, and displacement. These barriers need to be tackled through multi-pronged approaches, combining law, policy, awareness, and social reform.

The imperative of social inclusion, intricately woven into the fabric of social welfare, underscores the necessity of integrating marginalized groups into the societal mainstream, thereby fostering their capabilities and

affirming their dignity. In India, where the motto "Unity in Diversity" resonates profoundly, systemic hierarchies rooted in caste, gender, and socio-economic disparities perpetuate exclusion, rendering certain identities—particularly among Scheduled Castes, Scheduled Tribes, and women—vulnerable to deprivation and marginalization.

Pathways to Achieving Justice and Equality by 2047

To ensure that social justice and equality become the real pillars of *Viksit Bharat 2047*, India must adopt certain strategies:

- Education for all – Universal access to quality education, with focus on rural schools, digital learning, skill-based education, and higher education for marginalized groups.
- Gender empowerment – Equal pay, more women in decision-making roles, safety for women, and breaking gender stereotypes through awareness campaigns.
- Economic equity – Progressive taxation, support for small businesses, fair wages, and targeted schemes for the poor and vulnerable
- Digital inclusion – Affordable internet, digital literacy programmes, and free access to online education and services for the underprivileged
- Social awareness – Campaigns to challenge casteism, communalism, and discrimination, promoting unity and fraternity.
- Good governance –Transparent, accountable, and corruption-free governance with citizen participation in decision-making.
- Environmental justice – Sustainable development policies that protect vulnerable communities from displacement, pollution, and climate disasters.

A Holistic Vision of *Viksit Bharat*

Viksit Bharat 2047 should not be seen as merely a goal of high GDP or becoming a global superpower. A truly developed nation is one where justice is accessible to all, equality is a lived reality, and no citizen feels excluded from progress. India has the opportunity to present to

the world a model of development that combines economic growth with social harmony and human dignity.

Conclusion

Human development plays a critical role in driving economic growth by enhancing the capabilities and productivity of individuals. The Human capital theory posits that education, skills, and health improve workforce efficiency and generate increasing returns through knowledge spill overs and innovation. Moreover, economic growth itself expedites human development by increasing the resources available for investments in health, education, and social infrastructure, creating a virtuous cycle of mutual reinforcement (Ranis, 2004; Bloom et al., 2022). This dynamic interplay implies the need for balanced focus on income growth and human development necessary for a truly prosperous and *Viksit* nation.

As India approaches its centenary of independence in 2047, the nation stands at a critical crossroads. The aspiration to become a "*Viksit Bharat*" (Developed India) by 2047 is not merely an economic or political goal—it is a social mission that must embody progress, inclusiveness, and empowerment for all citizens. It envisions a society with equitable access to education, healthcare, social security, and growth opportunities, where minimised social disparities ensure everyone contributes to and benefits from national progress. While this journey presents challenges, it is within reach through strategic actions, learning from global examples, and addressing the unique needs of India's diverse population.

References

- <https://aksharasurya.com/latest/article/view/1148>
- Ambedkar, B. R. (1949). *The Constitution of India*. Government of India.
- Government of India. (2023). *Viksit Bharat @2047: Strategy and Vision Document*. NITI Aayog.

- Dreze, J., & Sen, A. (2013). *An Uncertain Glory: India and its Contradictions*. Princeton University Press.
- Ministry of Social Justice and Empowerment. (2022). *Annual Report 2021–22*. Government of India
- <https://viksitindia.com/>
- <https://etedge-insights.com/featured-insights/economies/viksit-bharat-by-2047-a-vision-of-progress-inclusiveness-and-empowerment/>
- https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4807045
- G Chen , Z Yang , S Chen Measurement and convergence analysis of inclusive green growth in the Yangtze river economic belt cities *Sustainability* , volume 12 , issue 6
- <https://www.briefindia.com/viksit-bharat-indias-aspirations-and-challenges/>
- Chatterjee, S. (2024). *Inclusive economic growth in India: Inducing prosperity and ending deprivations*. Routledge.
- Vijayakumar, N. (2025). A study on Human Development Index in India. *International Journal for Multidisciplinary Research*, 7(2).
- Ranis, G. (2004). Human development and economic growth. *Center Discussion Paper No. 887*, Yale University.
- Rangarajan, C., & Shanmugam, K. R. (2025). Quantitative dimensions of Viksit Bharat. *Indian Public Policy Review*, 5(6), 1–19.
- United Nations Development Programme (UNDP). (2024). *Human Development Report 2024: Equality in an unequal world*. UNDP.
- United Nations Development Programme (UNDP). (2025). *Human Development Report 2025: Advancing human development in a changing world*. UNDP.

Assessing Social Impact in Education and Skill Development: Lessons for the Field

Satyalakshmi KV

Impact Assessor , Avasar Leadership Foundation; Director , SVI India Foundation

Education and skills development are two key factors for India's progress, yet ensuring their true social impact is complex. Social Impact Assessment is a structured way of understanding if a particular project or intervention has really impacted the lives of the beneficiary. Interventions like Education and skill development needs both qualitative and quantitative approaches to better understand the holistic impact of the interventions. Long term impact tracking and stakeholder participation is important to ensure these initiatives transcend into sustainable social value and contribute in India's progress. Here are few lessons from the field with my 10+ years of experience in Social sector focused on Education and Skill Development and the best practices of the same.

Lessons from the field - Education:

Educational interventions focus majorly on scale but depth, sometimes takes a back seat. It is very important to understand the depth of impact of any educational project. Here is why?

1. XYZ organization has conducted teacher training program, and 150 teachers attended the training. This is scale. But after 6 months number of teachers retain the knowledge gained in the training is 50, this is depth. Continuing mentoring, learning circles and follow up will improve the suitability of this project.
2. Under Inclusive education project building of ramps, assessable toilet , learning material , is needed , but at the same time equipping teachers with required knowledge in early identification and intervention , therapy support and sensitization of peers in the class will play a major role in inclusive education.

Similarly, school-based initiatives targeting enrolment often showed short-term success. But unless accompanied by interventions addressing retention and learning quality , dropout rates resurfaced . This reinforced the

need for SIAs to track not only numbers but also the continuity of learning outcomes and the well-being of learners over time.

Lessons from the field- Skill Development:

Skill Development projects a different kind of challenges. Many cases there will be high placement immediately after the sessions but many drop out of jobs within a month or two.

1. Market relevance or alignment with industry need is very important. ABC organization trained ladies in the village in tailoring as a skill for alternate income during non-crop season, but this village is a remote village in tribal dist. of Maharashtra. There is no market relevance for this project
2. Often youth will be provided with skill development training and role of soft skills is underestimated in these interventions. As a result, many drop out of jobs feel overwhelmed by the culture shift.

A robust impact assessment highlighted the value of tracking alumni over two to three years. Short-term metrics of "number trained" or "job placement percentage" did not reflect the true social return on investment. By following up on income growth, job stability, and aspirations, assessors were able to capture the deeper, long-term impact of skilling programs on individuals and their families.

Best Practices for Social Impact Assessment in Education and Skill Development

Here are few best practices from experiences in the field:

Participatory Approach : One of the best practices is to involve all stakeholders in the process of assessment. Talking to the students, parents, teachers will give a different perspective, and it will be easy to identify the

gaps and to assess the actual impact. This can be done through focus group discussions, personal interviews and surveys. This will also increase trust and ownership among the community.

Mixed Method Approach : Many times, quantitative data alone cannot not sufficient to get the full picture of the intervention at the same time purely qualitative data will lack scalability or comparability of the intervention. Effective SIA adopts mixed method approach to draw conclusions about the intervention.

Longitudinal Tracking : Particularly for the skill development initiatives, longitudinal tracking is very important to understand the sustainability of intervention. Example: tracking the progress of youth after 2 years, 5 years of placement, to ensure programmatic success. This will also help the SIA to distinguish between short term and long-term goals.

Validation of Theory of Changes : Many organizations have Theory of Change (ToC) to define the outputs and outcomes of the intervention and to measure the impact. SIA should be able to test the same in the field and verify the impact. SIA should be able to identify the unintended outcomes of the same. If ToC is not available for an organization SIA has to design their interview with the Management to draw the ToC.

Transparent and Actionable Reporting : Finally, the best assessment should go beyond compliance report. It should present the findings in clear and actionable format. It should contain recommendations for the better impact. It should also include the potential challenges. SIA report should reflect the initiative showing both success and challenges.

Common Gaps Observed in Field Assessments:

Despite progress, many education and skill development programs still reveal recurring gaps when subjected to social impact assessments. Recognizing these blind spots is crucial for strengthening both program design and evaluation.

Acknowledging these gaps will ensure effective measurement of social impact.

1. Output Vs Outcomes:

Most organizations report outputs in their annual report like number of trainings conducted, numbers of youth placed, students enrolled, etc. But it is important to measure what teacher practices have changed because of the training, are the youth continuing in the employment (has this changed the family income of the youth). This data will change the impact of the project.

2. Attribution Vs Contribution:

Isolating the impact created by that specific intervention is often a difficult task for any SIA. For example, if a student performance is improved, it can be because of the NGO intervention, parent involvement, teacher taking extra care or peer support. Isolating what part of the improvement is because of NGO intervention is a tricky task.

3. Displacement :

While assessing the impact we often look for the direct or indirect beneficiary and what difference did the intervention made, but the displacement effect is overlooked. Displacement is unintended negative consequences that arise alongside positive outcomes. For example, when skill training centres are established in urban hubs, rural youth may migrate to cities for training and jobs, inadvertently contributing to rural depopulation and loss of local talent. Addressing displacement effects ensures that impact is not just positive for a few but sustainable and equitable for all.

4. Ignoring Hidden Barriers

Transport challenges, social norms, parental resistance, employer discrimination, or lack of psychosocial support are rarely documented. These hidden factors significantly shape outcomes but remain unexamined in many assessments.

5. Data Gaps and weak Tracking Systems:

Many NGOS lack proper monitoring and evaluation systems to collect regular data. Many projects will be initiated without baseline analysis. Offer SIA should rely on what ever the team says as baseline data and this way the evidence will be incomplete.

6. Short Term Focus:

Donor / CSR agencies need immediate results, leading the assessments conducted immediately after program compl-

-etion, ignoring the long-term impact of the project.

Understanding and accepting these gaps is very important in any Social Impact Assessment .

Best Methods to adopt for stronger assessments :

Here are certain methods or practices in field based social impact assessments that can be implemented to address the gaps.

1. Stakeholder Mapping and Inclusion :

Identifying and listing out all stakeholders – students , teachers, community leaders, parents etc is important . Tis will give the diverse perspective.

2. Use of Logic Model and Theory of Change :

These models will help SIAs to track the progression for the inputs to outputs and outcomes , and then impact.

3. Social Return on Investment (SROI) Analysis:

Specially for interventions like skill development SROI analysis will give you monetary value of the inputs that have been invest in the project execution. This emphasis on the social benefits like increased family income , reduced healthcare cost etc.

4. Baseline and Endline survey:

Ideal way of beginning any intervention is to conduct a proper baseline analysis. Comparing the baseline data with midline and end line data provides the measurable progress of the intervention.

5. Mixed-Method and Triangulation:

No single method will give the full picture of the Impact . A combination of methods should be used. And also triangulating the data from multiple sources enhances reliability and credibility

6. Use of Technology and Digital Dashboards:

Using easily accessible data collection tools and MIS systems will help analyse the data easily. Geo tagging photos and digital feedback tools increase data integrity and transparency.

Conclusion :

- Field lessons show that intentions do not always equal

impact. Aperiodic evaluation is need to understand the sustainability of the project

- A good Social Impact Report should reveal both achievements and blind spots, enabling programs to adapt. The report is not just for showing off the success but for also understanding the gap areas for the better delivery of the program
- By adopting best methods—participatory, evidence-based, and long-term— education and skill development initiatives can create sustainable and meaningful social change.
- A good Social Auditor should be able to identify the best suited method for the Impact Assessment.

References:

1. National Education Policy Framework
2. Skill India NSDL standards
3. Social Value Internation SROI standards
4. SDG 4 goals
5. CSR Annual Reports

Transforming Social Auditing in Urban Infrastructure Development

CMA Jayashree Limaye

ACMA| CIPFA-UK | Social Auditor | Six Sigma -US | DISA |IIM certified PPP Projects
|IIM- Advanced Fin Management

Executive Summary

The Urban Infrastructure Development Fund (UIDF), launched by the Government of India as a pivotal urban development initiative, represents a paradigm shift in infrastructure financing that necessitates equally revolutionary approaches to social auditing. This article examines how UIDF projects, with their unique blend of sovereign backing and social objectives, necessitates transforming traditional social auditing methodologies. Through analysis of over ₹5000 crores worth of UIDF projects across multiple states, it proposes how specialized social auditing frameworks can enhance transparency, accountability, and social impact measurement in government-backed urban infrastructure schemes. The findings reveal that UIDF projects require hybrid auditing approaches that combine financial rigor with comprehensive social impact assessment, ultimately creating new benchmarks for public sector project evaluation and community benefit measurement.

Introduction : The ₹10,000 Crore Challenge

When Finance Minister Nirmala Sitharaman announced the Urban Infrastructure Development Fund (UIDF) with a ₹10,000 crore p.a. corpus in Union Budget 2023-24, it marked a paradigm shift in India's urban infrastructure financing. Designed for Tier-2 and Tier-3 cities, the fund addresses systematic urban infrastructure gaps while ensuring measurable social impact.

However, a critical challenge has emerged: how do we effectively measure and optimize the social transformation these massive infrastructure investments generate? While about 96% of urban areas have improved water source access and 54% have improved sanitation according to official statistics, ground reality reveals a complex picture where infrastructure access doesn't automatically translate to social transformation.

A striking example emerged from an old completed water supply project (prior to UIDF) showing approx. 95% household connectivity—a clear technical success. Yet follow-up revealed that around 30% of connected households intermittently couldn't afford water bills, limiting access during economic difficulties. Conversely,

areas with reliable access experienced unexpected benefits: about 25% increase in women's workforce participation due to time savings, and emergence of home-based businesses requiring consistent water supply.

This disconnect between technical completion and social impact represents a fundamental evaluation challenge, revealing that traditional social auditing frameworks prove inadequate for measuring transformational impact of large-scale government infrastructure investments.

Critical Measurement Challenges

The Attribution Problem

In urban areas, multiple government schemes operate simultaneously—UIDF water projects, Swachh Bharat sanitation facilities, Smart Cities digital infrastructure. When child mortality drops 15%, determining which intervention deserves credit becomes impossible with current tools struggling in multi-causal environments.

The Time Lag Challenge

In case of one existing Govt project, the project indicated minimal social impact in six-month post-completion audits. However, two years later, community feedback

revealed transformational changes: about 40% increase in women's workforce participation, 25% growth in small businesses, and approx. 60% reduction in water-related disputes. Traditional audit timelines miss these delayed but substantial outcomes.

The Scale Complexity

Projects impacting 200,000+ beneficiaries across diverse socio-economic segments rely on sample surveys potentially capturing vocal middle classes while missing silent transformation among marginalized populations—precisely those UIDF aims to serve.

Beyond Traditional Auditing: Capturing Invisible Benefits

Economic Empowerment Chains

Reliable water supply enabled a young mother to start home tailoring instead of spending three hours daily collecting water. Her success inspired five neighbouring women to launch similar enterprises. Within eighteen months, an informal women's cooperative emerged with twenty-three members earning ₹8,000-12,000 monthly. No conventional audit traces such economic empowerment chains back to water infrastructure.

Educational Transformation Pathways

School attendance among girls aged 12-16 increased around 35% in project areas, not from direct educational interventions, but because reliable home water supply eliminated their water collection responsibilities during school hours. This correlation emerged only through longitudinal community engagement beyond standard protocols.

Social Cohesion Dynamics

The most surprising outcome was community water user associations evolving into broader governance structures, leading to collective action on waste management, street lighting, and security. This social capital creation—key to sustainable urban development—remains invisible to current frameworks.

Practical Implementation Challenges

Stakeholder Complexity

UIDF projects involve multiple government levels central

through NHB and line ministries, state governments, urban local bodies, specialized agencies), each with different "social success" definitions and reporting requirements. Community heterogeneity spanning urban core areas, peri-urban settlements, slums, middle-class colonies, and commercial zones—each with distinct needs—presents enormous methodological challenges for meaningful impact aggregation.

Resource and Capacity Constraints

Finding social auditors with both technical infrastructure knowledge and community engagement skills proves nearly impossible. Most auditors come from either financial/technical or pure social development backgrounds, but UIDF requires hybrid expertise. Projects spanning diverse linguistic and cultural contexts need localized approaches that multiply costs and complexity.

Data Quality Issues

Communities often provide socially desirable responses to government-associated auditors. Developing trust-based relationships for honest feedback requires time investments that standard audit timelines don't accommodate. Water and sanitation benefits vary dramatically across seasons, yet project timelines rarely accommodate seasonal impact assessment cycles.

Scope Limitations: What Current Auditing Misses

Current social auditing approaches effectively measure approximately 60-70% of project social impact. The remaining 30-40% requires innovative approaches:

Intergenerational Impact : Water supply project effects on children's educational outcomes, health development, and future economic opportunities may not be measurable for a decade. Current timelines cannot capture these crucial long-term benefits.

Systemic Change Effects : UIDF projects often catalyze broader urban transformation beyond direct scope. Improved water supply may trigger private investment in housing, commercial development, and service sector growth—effects lying outside traditional audit boundaries.

Non-Beneficiary Impacts : Projects affect neighboring communities, businesses in construction zones, traffic patterns, and environmental conditions across broader urban areas. Comprehensive auditing would need to capture these spillover effects, dramatically expanding scope and complexity.

A Framework for Next-Generation UIDF Social Auditing

The Integrated Three-Tier Assessment Model

Tier 1: Immediate Impact Assessment (0-12 months)

- Quantitative indicators: access rates, utilization levels, basic satisfaction metrics
- Cost-benefit analysis using established methodologies
- Compliance verification against project design parameters

Tier 2: Transformation Impact Tracking (1-5 years)

- Longitudinal cohort studies focusing on education, health, economic outcomes
- Community-defined success indicators and participatory evaluation
- Systems-level change documentation including indirect and spillover effects

Tier 3: Intergenerational Legacy Evaluation (5-15 years)

- Long-term development outcome tracking
- Sustainability and resilience assessment under stress conditions
- Contribution to broader urban development goals and SDG achievement

Technology-Enabled Solutions

Digital Community Dashboards : Real-time platforms for community members to report service quality, suggest improvements, and track performance indicators across different literacy and technology comfort levels.

Blockchain-Based Impact Recording : Immutable record-keeping of social impact claims, community feedback, and project outcomes ensuring transparency and preventing manipulation.

AI-Powered Pattern Recognition : Machine learning sys-

-ems analyzing vast community feedback, service delivery data, and outcome indicators to identify patterns human auditors might miss.

Community-Led Innovation

The most successful social auditing innovation emerged organically in a water supply project where communities formed user committees for continuous impact assessment. These committees developed their own monitoring metrics, conducted monthly community meetings discussing service quality, and maintained detailed records including individual success stories, collective achievements, and ongoing challenges.

This community-led approach proved more effective than external auditing in capturing nuanced social impacts and generating actionable feedback for project improvement, demonstrating that communities are the most reliable long-term monitors of their own transformation.

The UN 2030 Deadline Challenge

With over half the world's population living in cities, and projections of 6 out of 10 people being urban dwellers by 2030, effective urban infrastructure delivery urgency cannot be overstated. India's SDG Index climb from 66 to 71 represents progress, but achieving 2030 targets requires accelerated improvements.

Based on current UIDF completion rates and social impact patterns, existing approaches can contribute significantly to SDG 6 and 11 targets but may fall short of transformational change envisioned in the 2030 Agenda. The gap lies not in project implementation but in optimizing social impact through effective measurement and feedback systems.

The Acceleration Imperative

With only six years until 2030, gradual methodological improvement isn't feasible. UIDF social auditing must rapidly evolve to:

- **Accelerate Learning Cycles :** Move from post-completion assessment to real-time learning systems adjusting project design during implementation based on ongoing social impact feedback.

- **Scale Successful Models :** Rapidly scale successful approaches across multiple projects and contexts through standardization without losing local context sensitivity
- **Integrate with National Monitoring :** Ensure UIDF social auditing contributes to national SDG monitoring systems, aggregating local impacts into meaningful national development progress

Economic Valuation Complexities

One of the most challenging aspects involves economically valuing social benefits for cost-benefit analysis. Projects regularly encounter clearly significant but difficult-to-monetize benefits:

Time Savings Value : When reliable water supply eliminates daily collection trips, valuing freed time proves complex—straightforward for employed individuals through productivity gains, but complicated for homemakers, unemployed, or elderly community members.

Health Impact Monetization : Reduced waterborne diseases generate healthcare cost savings, but valuing improved quality of life, reduced suffering, or enhanced dignity resists simple economic quantification despite being real and significant.

Social Cohesion Benefits : When improved infrastructure strengthens community bonds and collective action capacity, long-term economic benefits may be substantial but are nearly impossible to isolate and quantify using conventional economic analysis tools.

Lessons and Future Directions

The experience of evaluating over ₹5000 crores worth of UIDF investments reveals both immense potential and measurement limitations. While we've become sophisticated at tracking technical completion rates and basic utilization metrics, systematically capturing profound ripple effects that quality infrastructure generates across communities remains challenging.

Most critically, after 2-3 years of successful implementation, we witness organic expansion of commu-

-nity capability—what development professionals call "social capital creation"—representing exactly the transformational impact that traditional frameworks miss but comprehensive assessment must capture and optimize.

Conclusion : The Measurement Imperative

As UIDF projects continue expanding across India's Tier-2 and Tier-3 cities, measuring and maximizing their social impact becomes increasingly critical. With India's urban population projected to reach 590 million by 2030, and 500 children under five dying daily from water-related issues, getting UIDF social impact optimization right extends far beyond individual projects.

The path forward requires methodological courage: expanding "audit" definition from compliance verification to active participation in optimizing social outcomes. It demands technological innovation making continuous impact monitoring feasible and affordable at UIDF's operational scale. Most importantly, it requires institutional commitment to longitudinal assessment approaches capturing intergenerational benefits that quality urban infrastructure generates.

Effective UIDF social auditing creates feedback loops improving future project design while providing evidence-based justification for continued public investment. In an era where every public rupee faces scrutiny, demonstrating comprehensive social return on UIDF investments becomes not just professionally important but democratically essential.

The ₹10,000 crore question ultimately becomes about optimizing public resources for maximum community benefit. Our social auditing frameworks must rise to meet this challenge, ensuring every UIDF project contributes to creating inclusive, resilient, and sustainable urban communities across India.

The future of India's urban transformation depends not just on building better infrastructure, but on measuring, learning from, and optimizing the social transformation such infrastructure makes possible. This is UIDF social auditing's true promise : turning technical compliance

into community transformation, project completion into social empowerment, and infrastructure investment into expanded human possibility across India's rapidly evolving urban landscape.

References

1. Bebbington, J., Larrinaga, C., & Moneva, J.M. (2021). The pre-history of sustainability reporting : a constructivist reading. .
2. Government of India, Ministry of Housing and Urban Affairs. New Delhi: MOHUA Publications.
3. ICMAI Social Auditors Organisation. (2024). social impact assessment materials and guidance ICMAI Publications.
4. National Housing Bank. (2024). UIDF model guidelines (revised)
5. PIB press release: Establishment of Urban Infrastructure Development Fund (2023)
6. United Nations. (2015). Transforming Our World: The 2030 Agenda for Sustainable Development. New York: UN Publications

Six Focus Areas Every Social Impact Assessor Must Keep in Mind

Ms. Prajakta Mony

Social Impact Assessor | Co-founder of BlueSkyCSR

Introduction

Social audits are no longer quiet, back-office exercises. Today, with the Social Stock Exchange (SSE) in place and SEBI's Unified Framework for Social Impact Assessment (UFSIAS) becoming the standard, the work of social impact assessors is firmly in the spotlight. Investors, regulators, and communities all look to the assessor's report to answer a central question: *Is this initiative making a meaningful difference?*

The answer cannot be found in numbers alone. A program may report that 10,000 households were reached, but an assessor knows to ask: Did households change their behavior? Were vulnerable groups included? Did outcomes last?

This article distils lessons from practice into **six focus areas** that every assessor should prioritize when conducting and reporting on social impact. It also clarifies how Forms **1B**, **2.1 (A, B, C)**, and **3.1** under SEBI's framework fit into the assessment process.

Executive Summary

Social Impact Assessment (SIA) under the Social Stock Exchange framework is still evolving, but assessors already carry a heavy responsibility: balancing compliance with meaningful interpretation. This article highlights six focus areas for effective assessment of entities listed on the Social Stock Exchange (SSE):

1. Rigorous document review.
2. Alignment with SEBI's Unified Framework (UFSIAS).
3. Triangulation of evidence from multiple sources.
4. Contextual analysis of findings.
5. Professional and constructive reporting.

It further explains how Form 1B, Form 2.1 (A, B, C), and Form 3.1 function in practice. Form 1B offers governance and compliance context, Forms 2.1(A & B) provide enterprise self-reporting, Form 2.1(C) is authored by the assessor, and Form 3.1 consolidates independent findings, often becoming a credibility marker in the enterprise's next round of fundraising.

1. Begin with Rigorous Document Review

The assessor's first task is to anchor their work in documentary evidence. These documents form the audit trail of commitments, progress, and compliance.

Key Documents

- **Fund Raising Document** : Captures commitments made by the enterprise at the time of raising capital. It sets out the intended outcomes, number of beneficiaries, and resource allocation.
- **Solution Implementation Plan (SIP)** : Usually structured on a logic model, it outlines how inputs will translate into outputs, outcomes, and long-term impact.
- **Form 1B (Annual Self-Disclosure)** : Provides details on governance, risks, compliance, financial stewardship, and self-reported achievements. For the assessor, 1B is vital for checking whether reported activities align with governance structures and declared risks. It is also a way to detect early red flags in compliance.
- **Form 2.1 (Sections A & B)** : Prepared by the social enterprise. Section A contains organizational details and project design(objectives, target segment, and geographies). Section B records progress achieved during the year (outputs, outcomes, and initial evidence of impact).

For first-time listed enterprises , past 2.1 and 3.1 forms

may not exist, so reliance on the SIP, fundraising document, and 1B becomes especially important. The assessor must read these not only for factual claims but for consistency across documents.

2. Clarify the Role of Forms 2.1(C) and 3.1

Here lies the distinctive value that an assessor adds.

- **Form 2.1(C)** : Authored by the assessor, this section is an independent review of the content in 2.1(A) and 2.1(B). It goes beyond validation to comment on whether progress reported is credible, inclusive, and contextually sound. For instance, if Section B claims 60% of participants were women, the assessor should probe further: Did women have equal access to follow-on opportunities? Were cultural constraints acknowledged?
- **Form 3.1** : This is the assessor's full report. It consolidates quantitative validation, qualitative insights, and professional judgment. A well-written 3.1 should:
 - Confirm whether commitments were met.
 - Highlight achievements, such as geographic spread, gender inclusion, or innovative practices.
 - Note risks and unintended effects, such as attrition, migration, or over-reliance on donors.
 - Offer **two to three actionable recommendations** for improvement.

Importantly, Form 3.1 often gets quoted in the next fundraising document of the enterprise. That makes it a public-facing credibility marker, so language must be precise, balanced, and constructive.

3. Align with SEBI's Unified Framework (UFSIAS)

The UFSIAS, introduced in 2024, anchors assessments in the **Theory of Change / Logic Model**. Assessors should test whether the enterprise's design aligns with this framework.

Checklist for Assessors :

- Are inputs (funds, human resources, materials) clearly linked to activities?
- Do activities (training, service delivery, infrastructure creation) logically lead to outputs (quantifiable deliverables)?

- Are outputs tied to outcomes (changes in behavior, capacity, or conditions)?
- Are outcomes aligned with broader social impact goals (poverty reduction, health improvements, education continuity, environmental sustainability)?
- Are **KPIs** defined for reach, depth, and inclusion?

Cross-Sector Examples

- In **healthcare**, providing 10,000 vaccinations (output) should lead to increased immunization coverage (outcome) and reduced disease incidence (impact).
- In **agriculture**, distributing drought-resistant seeds (output) should improve crop yields (outcome) and enhance household resilience (impact).
- In **education**, deploying tablets (output) must show improved attendance and comprehension (outcome), leading to better graduation rates (impact).

Without such alignment, numbers remain isolated and cannot be meaningfully interpreted.

4. Triangulate Evidence: Numbers and Narratives

An assessor's role is to move beyond numbers on paper to evidence in practice. Triangulation ensures that findings are both robust and credible.

Methods of Triangulation:

- **Quantitative** : Surveys, randomized sampling, verification of attendance registers, or progress tracking on digital platforms.
- **Qualitative** : Key informant interviews with teachers, trainers, health workers, beneficiaries, or local leaders.
- **Observation & Digital Trails** : Usage data from apps, photos of activities, video testimonials, and site visits.

Cross-Sector Examples

- A livelihood program may report 5,000 micro-loans disbursed. Verification requires not only counting loans but also interviewing borrowers about how loans were used and whether businesses sustained.
- A health initiative may claim improved maternal health outcomes. Verification might include reviewing hospital records, conducting interviews with healthcare workers, and observing antenatal sessions.
- An education program could claim improved digital literacy. Verification might include observing actual

use of learning platforms and cross-checking with student feedback.

Numbers without narratives risk being superficial. Narratives without numbers risk being anecdotal. Triangulation brings balance.

5. Contextualize the Findings

Data never speaks in isolation. Social impact is shaped by context, and assessors must interpret findings accordingly.

Common Contextual Factors

- **Dropouts** : In education programs, dropouts may result not from program weakness but from seasonal migration of families.
- **Gender dynamics** : In livelihoods programs, women may attend training but family restrictions prevent them from pursuing jobs.
- **Infrastructure gaps** : In healthcare, vaccine stockouts or poor cold-chain infrastructure may explain lower coverage rates.
- **Market access** : In agriculture, farmers trained in sustainable practices may still struggle without access to fair markets.

Cross-Sector Examples

- A water conservation project may underperform in terms of wells constructed but if rainfall was unusually low, the real measure may be the efficiency of water usage rather than absolute numbers.
- A disability inclusion program may have low enrolment but the assessor should note whether this was due to lack of awareness or societal stigma, factors beyond the enterprise's immediate control.

Contextual analysis ensures reports are fair, realistic, and useful for funders and implementers alike.

6. Report with Professional Rigor and Constructive Tone

At the end of the process, what matters is how findings are communicated. A social impact assessment report should be professional, balanced, and constructive.

Best Practices for Reporting

1. **Clarity** : Use an executive summary, crisp tables, and avoid jargon.
2. **Balance** : Highlight both achievements and gaps. For example, note if a rural health program exceeded its vaccination targets but struggled with cold-chain maintenance.
3. **Selectivity in Recommendations** : Limit to 2–3 actionable points. A flood of recommendations risks overwhelming the enterprise and diluting focus.
4. **Constructive Tone** : Avoid inspection-style language. Instead of “failure to achieve targets,” write “progress was constrained by structural barriers such as market access and can be improved through stronger partnerships.”

Examples Across Programs

- In **education**, a recommendation may be to better align class schedules with agricultural calendars to reduce seasonal dropouts.
- In **livelihoods**, suggesting partnerships with local cooperatives may strengthen market access for micro-entrepreneurs.
- In **healthcare**, building referral linkages between community health workers and district hospitals may address gaps in maternal health care.

Forms 1B, 2.1, and 3.1 in Practice

Form 1B – Annual Self-Disclosure

Prepared by the social enterprise, Form 1B covers governance, compliance, finances, and risks. It is often overlooked but is essential for assessors:

- **Use by Assessor** : Cross-checks governance structures with reported activities, verifies donor reliance, and identifies risks (such as dependence on a single funder). For example, if 1B shows donor concentration, the assessor may highlight sustainability concerns in 3.1.

Form 2.1 (A & B)

- **Section A** : Contains enterprise and project basics—objectives, target geographies, intended beneficiaries.

- **Section B :** Records progress-number of beneficiaries reached, activities conducted, outputs achieved.

Form 2.1 (C)

- **Authored by the assessor.** It validates and comments on Sections A and B, adding independent judgment. For example, if B claims 70% adoption of new farming practices, 2.1(C) should clarify whether field observations support this claim and whether inclusion (e.g., smallholder women farmers) was achieved.

Form 3.1 – Social Impact Assessment Report

- **Fully authored by the assessor.**
- **Consolidates findings:** validation, contextual analysis, stakeholder perspectives, unintended effects, and concise recommendations.
- **Future Use :** Frequently quoted in the next fundraising document, serving as a credibility marker for investors. This makes precision and professionalism non-negotiable.

The Assessor's Lens

In closing, the role of the social impact assessor goes beyond compliance. It is about creating a bridge of trust between enterprises, funders, regulators, and communities. By focusing on rigorous document review, alignment with UFSIAS, triangulation of evidence, contextual interpretation, and professional reporting, assessors can ensure that their reports are both credible and constructive.

Ultimately, our work is about more than counting outcomes. It is about ensuring that outcomes count—for funders seeking accountability, for enterprises striving for credibility, and most importantly, for communities whose futures are at stake.

References

- SEBI, Unified Framework for Social Impact Assessment Standards (UFSIAS), May 2024.
- SEBI, Circular on Social Stock Exchange Framework, September 2022; December 2023.
- ICMAI Social Auditors Organisation, Guidance Notes on Social Audit.

OTHER READINGS



ICMAI Social Auditors Organisation

(A Section 8 Company promoted by The Institute of Cost Accountants of India)



CIRCULAR

SEBI/HO/CFD/CFD-PoD-1/P/CIR/2025/129

September 19, 2025

To,
All Recognized Stock Exchanges
All Recognized Depositories
All Merchant Bankers and Brokers registered with SEBI
All Social Enterprises
All Social Impact Fund registered with SEBI
All Social Impact Assessment Organizations
All Self-Regulatory Organizations

Sir / Madam,

Sub: Framework on Social Stock Exchange (“SSE”)

1. SEBI vide its circular SEBI/HO/CFD/PoD-1/P/CIR/2022/120 dated September 19, 2022 and subsequently vide circular SEBI/HO/CFD/PoD-1/P/CIR/2023/196 dated December 28, 2023 has notified the detailed framework on Social Stock Exchange.
2. Based on the recommendations of Social Stock Exchange Advisory Committee (SSEAC) and the feedback received through public consultation on the recommendations of SSEAC, the Board approved amendments to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (ICDR Regulations) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR Regulations).
3. Accordingly, the provisions of ICDR Regulations and LODR Regulations in this regard, have been amended vide Gazette Notification dated September 09, 2025 and September 08, 2025 respectively. The same is available at following links:

ICDR Amendment Notification – https://www.sebi.gov.in/legal/regulations/sept-2025/securities-and-exchange-board-of-india-issue-of-capital-and-disclosure-requirements-second-amendment-regulations-2025_96524.html



LODR Amendment Notification – https://www.sebi.gov.in/legal/regulations/sept-2025/securities-and-exchange-board-of-india-listing-obligations-and-disclosure-requirements-third-amendment-regulations-2025_96523.html

4. Partial modification to the circular SEBI/HO/CFD/PoD-1/P/CIR/2022/120 dated September 19, 2022 pursuant to the amendments to ICDR Regulations and LODR Regulations are as under-
 - 4.1. In paragraph 1, sub-paragraph A of the abovementioned circular, titled as “Minimum requirements to be met by a Not for Profit Organization (NPO) for registration with SSE in terms of Regulation 292F of the ICDR Regulations”, the third row from the top in the table shall be replaced with the following -

<p><i>Entity registered as an NPO</i></p>	<p><i>is</i></p> <p><i>Registration certificate valid at least for next 12 months at the time of seeking registration with SSE</i></p>	<p><i>Entities must be registered in India as one of the below:</i></p> <p><i>a) a charitable trust registered under the Indian Trusts Act, 1882</i></p> <p><i>b) a charitable trust registered under the public trust statute of the relevant State;</i></p> <p><i>c) a Trust registered under the Indian Registration Act, 1908 (16 of 1908) with the relevant Sub-Registrar in those States that have not enacted the law governing public trust;</i></p> <p><i>d) a charitable society registered under the Societies Registration Act, 1860;</i></p> <p><i>e) a charitable society registered under the Societies Registration Act of the relevant State;</i></p> <p><i>f) a company registered under section 8 of the Companies Act, 2013 (18 of 2013) including a company registered under section 25 of the repealed Companies Act, 1956.</i></p>
---	--	---



4.2. Paragraph 1, sub-paragraph C, of the abovementioned circular titled as “Annual disclosure by NPOs on SSE which have either raised funds through SSE or are registered with SSE in terms of Regulation 91C of the LODR Regulations” shall be read as under-

1. *The following disclosures would be made by the NPOs on an Annual Basis (i.e.) within 60 days from end of Financial year:*

a. *Disclosures on General aspects:*

- i. *Name of the organization (legal and popular name);*
- ii. *Location of headquarters and location of operations;*
- iii. *Vision / Mission / Purpose;*
- iv. *Organizational goals, activities, products and services;*
- v. *Scale of operations (Including Employee and Volunteer strength);*

b. *Disclosures on Governance aspects:*

- i. *Ownership and legal form;*
- ii. *Governance Structure (outlines board and management committee structures, mandates, membership, charters, policies and internal controls);*
- iii. *Details of governing body including names of the members of the body;*
- iv. *Executives with key responsibilities;*
- v. *Number of meetings by governing body and other committees formed by them along with attendance and the process of performance review;*
- vi. *Organisation level potential risks and mitigation plan;*
- vii. *Mechanisms for advice and concerns about ethics, along with conflict of interest and communicating other critical concerns*
- viii. *Remuneration Policies;*
- ix. *Stakeholder grievance, process of grievance redressal and number of grievance received and resolved;*
- x. *Organisation registration certificate and other licenses and certifications (12A, 80G, FCRA, GST, etc.).*



2. *The following disclosures would be made by the NPOs on an Annual Basis of the financial year by October 31st of each year or before the due date of filing the income tax return as prescribed under the provisions of the Income Tax Act, 1961, whichever is later:*
 - a. *Disclosures on General aspects:*
 - i. *Outreach of organization (Type and number of direct, indirect and institutional beneficiaries / stakeholders reached);*
 - ii. *Details of top donors or investors of organisation - List of Top 5 donors or investors (budget wise);*
 - iii. *Details of top 5 programs in disclosure period - List of Top 5 interventions/programs (budget wise).*
 - b. *Disclosures on Governance aspects:*
 - i. *Reporting of related party transactions;*
 - ii. *Compliance management process and statement of compliance from senior decision maker.*
 - c. *Disclosures on Financial aspects:*
 - i. *Financial Statement (Balance Sheet, Income statement and Cash Statement). Also program wise fund utilization for the year;*
 - ii. *Auditors report and auditor details.*
 3. A guidance note in respect of the above aspects is provided at **Annexure I.**
 4. SSE may specify additional parameters that may be required to be disclosed by NPO on annual basis.
- 4.3. Paragraph 1, sub-paragraph D, clause (1) of the abovementioned circular shall be read as under-
- "All Social Enterprises which have raised funds using SSE will have to provide duly assessed Annual Impact Report (AIR) to SSE by October 31st of each year or before the due date of filing the income tax return as prescribed under the provisions of the Income Tax Act, 1961, whichever is later."*
- 4.4. Paragraph 1, sub-paragraph D, clause (3) of the abovementioned circular shall be read as under-
- "In case an NPO is registered without listing any security, the AIR will be self-reported and must cover the NPO's significant activities, intervention,*



programs or projects during the year and the methodology for determination of significance must be explained. Additionally, if there is an activity, intervention, program or projects covered under a listed security, it will qualify as a significant activity, intervention, program or project. The annual impact report shall cover 67% of the program expenditure in the previous financial year.”

4.5. Paragraph 1, sub-paragraph D, clause (8) of the abovementioned circular shall be read as under-

“The AIR shall be assessed by Social Impact Assessors and the SEs shall disclose the report of Social Impact Assessors along with AIR.”

5. The Recognized Stock Exchanges and Depositories are directed to
 - a) bring the contents of this circular to the notice of all the stakeholders;
 - b) put in place necessary systems and infrastructure for monitoring and implementation of this circular;
 - c) make consequential changes, if any, to their respective bye-laws, rules and regulations and bidding portal;
6. The provisions of this circular shall come into effect immediately.
7. This Circular is being issued in exercise of the powers conferred under Section 11 and Section 11A of the Securities and Exchange Board of India Act, 1992 read with Regulation 299 of SEBI ICDR Regulations and Regulation 101 of LODR Regulations, to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.
8. A copy of this circular is available on SEBI website at www.sebi.gov.in under the categories “Legal → Circulars”.

Yours faithfully,

Vimal Bhatte
Deputy General Manager
Corporation Finance Department
Tel. No.: +91 22 2644 9386
Email id: vimalb@sebi.gov.in

PROCEDURE FOR REGISTRATION OF A MEMBER WITH ICMAI SAO



ICMAI Social Auditors Organisation

(A Section 8 Company promoted by The Institute of Cost Accountants of India)

PROCEDURE FOR REGISTRATION OF A MEMBER WITH ICMAI SAO

Eligibility Criteria for Social Auditor

- A. An Individual if he
 - holds the required qualification and experience;
 - have attended a course at the National Institute of Securities Markets (NISM) and received a certificate of completion after successfully passing the course examination; and
 - is registered with a Self-Regulatory Organisation (SRO) [e.g., ICMAI Social Auditors Organization]
- B. A Firm/Institution that has partners/employees who meet with the criteria for being a social auditor and has a track record of minimum three years for conducting social impact assessment.

Eligibility Qualification & Experience for Social Auditor

- Post-graduates from universities recognized by the University Grants Commission (UGC) with a minimum of 3 years of experience in the development sector, or
- Graduates from universities recognized by the UGC with a minimum of 6 years of experience in the development sector, or
- Cost and management Accountant, Chartered Accountant, or Company Secretary holding valid Certificate of Practice.

No individual shall be eligible to be registered as a Social Auditor if he:-

- is a minor;
 - is not a person resident in India;
 - does not have the qualification and experience specified in SEBI notification;
 - has been convicted by any competent court for an offence punishable with imprisonment for a term exceeding six months or for an offence involving moral turpitude, and a period of five years has not elapsed from the date of expiry of the sentence.
- Provided that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to be registered;
- he is an undischarged insolvent, or has applied to be adjudicated as an insolvent;
 - he has been declared to be of unsound mind; or
 - he is not a fit and proper person.

Explanation: For determining whether an individual is fit and proper ICMAI SAO may take account of any consideration as it deems fit, including but not limited to the following criteria-

- integrity, reputation and character,
- absence of convictions and restraint orders, and
- competence,

Procedure for Enrolment as a member

Entry of Application : Entry for application received for registration of social auditor is to be made in a register maintained by ICMAI SAO followed by stamping of application mentioning date of reception it.

Acknowledgement of Application : Every application received is to be acknowledged to the applicant within 7 working days of its receipt via mail.

One Time Enrolment fee : Rs. 3,000/- Plus GST @18%

Membership fees : Rs. 5,000 plus GST @18% for three years

Internal Verification of application along with fee and supporting documents as mentioned in enrolment Form.

- Registered form – duly completed
- Passport-size photo

- Copy of proof of residence
- Self – attested copy of Aadhar card, PAN card and Passport (if available).
- Copies of documents in support of educational qualifications, professional Qualification, Experience, and Social Auditors examination
- Copy of proof of payment of Admission/Enrolment Fee and Annual Fee
- Copy of Self Declaration, the format of the same is annexed with the Enrolment form (Annexure – 1).

Verifying Qualification and Experience

Copies of documents demonstrating qualification, employment and practice as –

- Cost and Management Accountant enrolled with the Institute of Cost Accountants of India.
- Company Secretary enrolled with the Institute of Company Secretaries of India,
- Chartered Accountant enrolled with the Institute of Chartered Accountants of India and/or empaneled with the Comptroller & Auditor General of India.
- Graduate / Post-Graduate from universities recognized by the University Grants Commission (UGC).
- Requisite experience of minimum of 3/6 years in the development sector
- Copies of certificate of employment from the employer(s), specifying the period of such employment.

Before registering a person as its Member ICMAI SAO is required to verify the following:

- Whether the applicant holds requisite qualifications & experience as indicated above.
- Whether the applicant holds valid Certificate of Practice if he is a Cost and management Accountant, Chartered Accountant, or Company Secretary.
- Whether the applicant have attended a course at the National Institute of Securities Markets (NISM) and received a certificate of completion after successfully passing the course examination.
- Whether the individual/firm/institution holds requisite social sector experience in providing assurance of non-financial information. (e.g., nutrition, education, health, water & sanitation, energy conservation, environment and climate change, etc.)
- Whether the firm/institution has required number of partners/employees meeting the criteria for being social auditor and has a track record of minimum three years for conducting social impact assessment.
- Whether any disciplinary proceedings are pending, or any disciplinary action has been taken at any time in the preceding three years against the professional member or firm/institution by the ICMAI, ICAI, ICSI, any SRO or any other regulator.
- Whether ICMAI, ICAI, ICSI, any SRO or any other regulator has initiated any criminal proceeding against the professional member or firm/institution and is pending for disposal?
- Whether the professional member/ person had an unblemished service with the last employer if he was in employment? The applicant must submit a conduct certificate from his last employer.

External Verification

The applicants' particulars are sent to verifying authority (ICMAI / ICAI/ICSI) to verify the following:

- Confirmation on verification of Membership Number provided by the Member
- Date of enrolment as member
- Number of years as member, whether he is continued to be member since his enrolment
- Information on whether the Member has ever been found Guilty of Misconduct. If his Membership was removed.
- COP Date
- COP Number
- Firm No.
- Firm Name

- **Years of Experience in Practice**
- **Whether the member is in full-time practice or part-time practice?**
- **Whether the Member has been in Practice continuously? If not, please mention the block of period during which the Member was in practice and the block of period for which Practice was discontinued**

(e) After examination of the application, ICMAI SAO shall give an opportunity to the applicant to remove the deficiencies, if any, in the application.

(f) ICMAI SAO may require an applicant to submit additional documents, information, or clarification that it deems fit, within reasonable time.

(g) ICMAI SAO may reject an application if the applicant does not satisfy the criteria for registration or does not remove the deficiencies or submit additional documents or information to its satisfaction, for reasons recorded in writing.

(h) The rejection of the application shall be communicated to the applicant stating the reasons for such rejection, within thirty days of the receipt of the application, excluding the time given for removing the deficiencies or presenting additional documents or clarification by the ICMAI SAO, as the case may be.

(i) The acceptance of the application shall be communicated to the applicant, along with the registration number.

Issuance of Certificate of Enrolment/Registration

Upon successful registration, Applicant is issued certificate of registration within 7 working days from the date of registration with ICMAI SAO (through courier and via mail)

Details regarding Social Auditors Examination conducted by NISM



ICMAI Social Auditors Organisation

(A Section 8 Company promoted by The Institute of Cost Accountants of India)

Social Auditors Certification Examination

The examination aims to create a pool of social auditors who would assess the impact of social interventions of various social enterprises who raise funds through the Social Stock Exchange platform.

Examination Objectives

On successful completion of the examination the candidate should:

- Know the basics of social auditing, Code of conduct of Social Auditors.
- Understand the general concepts related to social stock exchange, social audit and social impact assessment.
- Know the Social Impact Reporting disclosures and regulations.

Assessment Structure

The examination consists of 85 multiple-choice and 3 case-based/caselet questions (each case having 5 questions) totaling to 100 marks. The assessment structure is as follows:

Multiple Choice Questions[85 questions of 1 mark each]	85*1 = 85
Case-based Questions[3 cases (each cases with 5 questions of 1 mark each)]	3*5*1 = 15

The examination should be completed in 2 hours. The passing score for the examination is 60. There shall be negative marking of 25 percent of the marks assigned to a question.

Test Details

Name of Module: NISM Series XXIII: Social Auditors Certification Examination

~ 85 multiple-choice and 3 case-based/caselet questions (each case having 5 questions) totaling to 100 marks.

* Negative marking – 25% of the marks assigned to the question.

+ Payment Gateway Charges extra.

Passing Certificate will be issued only to those candidates who have furnished/ updated their Income Tax Permanent Account Number (PAN) in their registration details.

Frequently Asked Questions (Social Auditors)

1. Who can take NISM-Series-XXIII: Social Auditors Certification Examination?

The following persons can take NISM-Series-XXIII: Social Auditors Certification Examination:

- Individuals registered as social auditors
- Employees of Social audit firm
- Students pursuing social work and interested in gaining more knowledge in Social Audit

2. How can I register for NISM-Series-XXIII: Social Auditors Certification Examination?

Candidates can register at <https://certifications.nism.ac.in/nismaol/>

After successful registration, candidates may select a test centre, date and time slot of their choice on the Test Administrator website. Candidates are required to follow further instructions available on the Test Administrator websites.

3. What is the fee structure?

The fees for “NISM-Series-VIII: Social Auditors Certification Examination” is Rupees One Thousand Five Hundred only (Rs. 1500/-) plus applicable GST.

4. What is the assessment structure?

The examination will be of 100 marks, will have 100 questions, and should be completed in 2 hours. There will be negative marking of 25% of the marks assigned to a question. The passing score for the examination is 60%.

5. Is there a study material available for preparing for this examination?

You will receive a soft copy of the workbook/study material after enrolment for the examination. For non-receipt of a soft copy of the workbook/study material, you may contact NISM at: certification@nism.ac.in

6. Do I have to pay for the study material?

You will receive a soft copy of the workbook/study material free of cost after enrolment for the examination. Candidate can buy printed workbooks from Taxmann Publications Private Ltd.

Visit <https://www.taxmann.com/bookstore> to place your orders for NISM workbooks.

If you prefer to order by phone, please call your nearest store directly to place your order. Click here to get the details of your nearest store.

7. I have passed NISM Social Auditors Certification Examination, when will I receive the certificate?

Only the candidates who have produced their Income Tax Permanent Account Number (PAN) during registration would receive the NISM Certificate within two weeks of appearing for the examination.

Candidates who produced other identification proofs would not receive the NISM certificate. They would receive only the temporary mark sheet at the end of the examination.

8. I have not provided my PAN information at the time of taking the certification examination. How do I obtain the certificate?

Candidates who have not provided their PAN information during registration may upload the same from their candidate dashboard from NISM's portal. After receiving and verifying PAN details, the candidate will receive the certificate from the Test Administrator they have registered with. No additional payments are necessary for obtaining the certificate.

9. I have passed NISM Social Auditors Certification Examination and also provided PAN details, however I have not received a certificate. Whom should I contact?

For non-receipt of certificate contact: certification@nism.ac.in

10. What is the validity period of the certificate?

The certificate will be valid for 3 years from the date of the examination.

11. Can I request for re-evaluation of NISM Certification Examinations?

NISM Policy on Re-evaluation of performance of candidates appearing for Certification Examination and resolution of doubts about the questions forming part of such examination, if any.

“No re-evaluation of the performance of candidates appearing for Certification Examination conducted by NISM (Mandatory & Non-Mandatory examination) is permitted since the assessment of answers, with respect to Certification Examinations questions which are in the nature of the selection of only one correct answer from multiple choices offered, is carried out in an objective manner by in-built system architecture created for Certification Examination without any scope for human intervention and subjectivity element. Also, considering the examination structure, no disclosure of the questions and/or answers is permitted as it will violate the confidentiality of the question bank, which is the essence of the examination.

In view of the above, no communication regarding re-evaluation, etc. will be entertained/serviced by NISM.” Subject to the above request/s received from a candidate for resolution of doubts about a question forming part of such examination will be considered as per the following policy.

(1) Candidate’s request/s will be considered only when he/she specifically mentions particular question or two which he/she thinks contain errors. Claims/ to recheck more than two questions shall normally be not permitted unless substantive material is provided by the candidate as to why he/she considers errors in such questions. In no case, claim/s to recheck all the questions appeared in his/her question paper shall be entertained.

(2) No request/s to disclose/discuss question/s and/or their answers shall be entertained as disclosure of the question/s will violate the essence of the question bank viz. breach the confidentiality/secrecy of the Question bank.

(3) Only those request/s made on-the-spot (before leaving the test center) will be considered for verification.

(4) When a valid request is received from a candidate at the Test Centre, it shall be forwarded by the respective TA to NISM. NISM’s team will look into claim relating to the contested question/s to verify whether there is a mistake in the question or answer. If it is *prima facie* found that the question or answer contains a mistake, no score will be computed and consequently no score card will be issued then at the Test Centre.

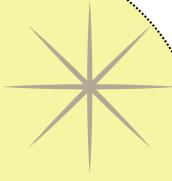
(5) Such matter will then be escalated with the question / answer to the Committee with the details of the nature of error, the correct version of the question or contested correct answer and system recognized correct answer. The Committee, after due diligence and proper scrutiny, will arrive at a conclusion whether the claim made by a candidate in relation to a question or answer is right. Such conclusion will be recorded in writing and put up for formal approval to the authority of NISM.

(6) Score computation, kept in abeyance as per point 4, shall be carried based on the approval as per point – 5. Such score card will then be issued to the candidate by TA/NISM.

(7) Even though NISM endeavours best efforts and has put in place a robust mechanism to review its question bank intermittently, attributable to continuous changes taking place emanating from dynamics of the market, encompassing products and features, and its regulatory framework, there is a possibility of inadvertently escaping some updation and/or escaping indirect impact on some question/answer. Therefore, to take care of such eventuality, the above process of entertaining request from the candidate in relation to the question/answer is put in place.

(8) The above policy and process will be subject to review from time to time and shall be binding and final in relation to any claim and/or matter when disposed off with the approval of the authority of NISM.

GUIDELINES FOR ARTICLES



The articles sent for publication in the journal “The Social Auditor” should conform to the following parameters,

which are crucial in selection of the article for publication:

- The article should be original, i.e. Not Published/ broadcasted/hosted elsewhere including any website.
- A declaration in this regard should be submitted to ICMAI-SAO in writing at the time of submission of article.
- The article should be topical and should discuss a matter of current interest to the professionals/readers.
- It should preferably expose the readers to new knowledge area and discuss a new or innovative idea that the professionals/readers should be aware of.
- The length of the article should not exceed 2500-3000 words.
- The article should also have an executive summary of around 100 words.
- The article should contain headings, which should be clear, short, catchy and interesting.
- The authors must provide the list of references, if any at the end of article.
- A brief profile of the author, e-mail ID, postal address and contact numbers and declaration regarding the originality of the article as mentioned above should be enclosed along with the article.
- In case the article is found not suitable for publication, the same shall be communicated to the members, by e-mail.

trainee@rvolcmail.in

Disclaimer:

The information contained in this document is intended for informational purposes only and does not constitute legal opinion, advice or any advertisement. This document is not intended to address the circumstances of any particular individual or corporate body. Readers should not act on the information provided herein without appropriate professional advice after a thorough examination of the facts and circumstances of a particular situation. There can be no assurance that the judicial/quasi-judicial authorities may not take a position contrary to the views mentioned herein.

trainee@rvolcmail.in



ICMAI Social Auditors Organisation

(A Section 8 Company promoted by The Institute of Cost Accountants of India)



ICMAI Social Auditors Organisation

(A Section 8 Company promoted by The Institute of Cost Accountants of India)

REGISTERED OFFICE

The Institute of Cost Accountants of India

CMA Bhawan 3, Institutional Area, Lodhi Road, New Delhi - 110003

CORPORATE OFFICE

The Institute of Cost Accountants of India

CMA Bhawan, C-42, Sector-62, Noida, Uttar Pradesh - 201309

CONTACT US

Email - ceo@saoicmai.in , sao@saoicmai.in

www.saoicmai.in