

Fast Track Webinar Series

RACE *for* SACE

Day 4

SEBI - NiSM Social Auditor Certification Exam

**4th
Batch**



The image is a promotional poster for a webinar series. It features a blue background with white and yellow text. At the top left, there is a logo for '3S PRO ACADEMY' with the text 'SATTA SIDDHA SANTHA' and '3S PRO ACADEMY'. At the top right, there is a logo for the 'CHARTERED ACCOUNTANTS ASSOCIATION OF INDIA' with the text 'भारतीय वित्त मंत्रालय' and 'CHARTERED ACCOUNTANTS ASSOCIATION OF INDIA'. The main text in the center reads 'RACE for SACE - Batch IV' followed by 'FAST TRACK' in large yellow letters. Below this, it says 'Webinar Series for SEBI - NISM - SACE' and 'Social Auditor Certification Exam' in yellow. The title 'Social Auditors' is written in large white letters. At the bottom, it says 'FREE COURSE TO CRACK THE EXAM'. On the right side, there is a circular portrait of a man with a mustache, wearing a grey vest over a white shirt.



Thursday ♦ 6th June 2024 ♦ 08:30 AM to 09:30 AM ♦ www.3spro.blogspot.com

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SACE - Assessment Structure

- The examination consists of 85 multiple choice questions and 3 case-based questions (each case having 5 sub-questions) adding upto 100 marks.
- The assessment structure is as follows:

Multiple Choice Questions	MCQ	85 questions x 1 mark each	85
Case Based Questions	CBQ	3 cases x 5 questions x 1 mark each	15
		Total Marks	100

To register and to take the examination

visit www.nism.ac.in

SACE - Assessment Structure

- The examination should be completed in 2 hours.
- The passing score for the examination is 60.
- *There shall be negative marking of 25% of the marks assigned to a question.
- **Name of Module:** NISM Series XXIII: Social Auditors Certification Examination

Fees (Rs.)	1770+
Test Duration (in minutes)	120
No. of Questions	100~
Maximum Marks	100
Pass Marks (%)	60*
Certificate Validity (in years)	3#

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

SACE - Syllabus

#	Chapter Description	Questions	Marks
1	Introduction to Social Sector and Indian Financial Markets	4 + 4	8
2	Introduction to Trading, Clearing Settlement and Risk Management	4	4
3	Introduction to Social Stock Exchange	10	10
4	Registration and Listing on Social Stock Exchanges	5	5
5	Social Audit and Social Auditors	12	12
6	Social Audit Techniques and Standards	13	13
7	Social Impact Assessment	15	15
8	Social Impact Assessment - Case Studies	3	15
9	Disclosure Norms, Reporting Requirements by Social Auditors and Penalties	10	10
10	Taxation	4	4
11	Key Regulations	4	4
		88	100

Chapter 9: Disclosure Norms, Reporting Requirements by Social Auditors and Penalties

9.1 Understand Disclosures as per SEBI ICDR Regulations

9.1.1 Disclosure for NPOs on SSE

9.2 Understand Disclosures norms under SEBI LODR Regulations

9.2.1 Know the Disclosures by For Profit Social Enterprises (FPSEs)

9.2.2 Know the Disclosures for Not for Profit Organization (NPOs)

9.2.3 Learn about Intimations and disclosures by Social enterprises of events or information to Social Stock Exchange(s) (SSE)

9.2.4 Learn about Disclosures of Annual Impact Report for Social Enterprises

9.2.5 Learn about Statement of Utilisation of funds in terms of Regulation 91F of the LODR Regulations

9.3 Know about Penalties as per the SEBI Act, 1992

9.4 List different books to be maintained as per SC(R)R, 1957

Chapter 11: Key Regulations

- 11.1 Know about The Securities Contracts Regulation Act (SCRA 1956)
- 11.2 Know about The SEBI Act 1992
- 11.3 Know about The Depositories Act, 1996
- 11.4 Know about SEBI (Stock Brokers) Regulation, 1992
- 11.5 Know about SEBI (Prevention of Insider Trading) Regulations, 2015
- 11.6 Know about The Prevention of Money-laundering Act, 2002
- 11.7 Know about SEBI Prevention of Fraudulent and Unfair Trade Practices Regulations, 2003

Chapter 9

Disclosure Norms

Reporting Requirements by Social Auditors & Penalties

1. Once the FPSE or the NPO has listed its security and has clearly been demarcated by the exchange to be an SE (or once the NPO has registered on any of the exchanges but has chosen not to list any security), it

- a) may comply with a set of minimum disclosure and reporting requirements to continue to remain listed/registered.
- b) needs to comply with a set of minimum disclosure and reporting requirements to continue to remain listed/registered
- c) may comply with a set of minimum disclosure to continue to remain listed/registered
- d) needs to comply with a set of minimum disclosure to continue to remain listed/registered

2. A NPO **registered on the Social Stock Exchange(s), including a NPO whose designated securities are **listed** on the Social Stock Exchange(s), shall be required to make annual disclosures to the Social Stock Exchange(s) on matters specified by the SEBI, from the end of the financial year.**

- a) Within 30 days
- b) Within 45 Days
- c) Within 60 days
- d) Within 75 days

3. A NPO registered on the Social Stock Exchange(s), including a NPO whose designated securities are listed on the Social Stock Exchange(s), shall be required to make **following annual disclosures to the Social Stock Exchange(s) on matters specified by the SEBI; **except****

- a) General
- b) Governance
- c) Financial
- d) Impact

The TG recommends that for all NPOs registered on SSE, whether they have chosen to list securities or not, there be a set of minimum standards for disclosures on general, governance and financial aspects which can be reviewed and enhanced over time. These are to be applicable to any form of NPO (Section 8 Company, Trust or Society) and are to be on an annual basis on the aspects described in Table 4.1 below.

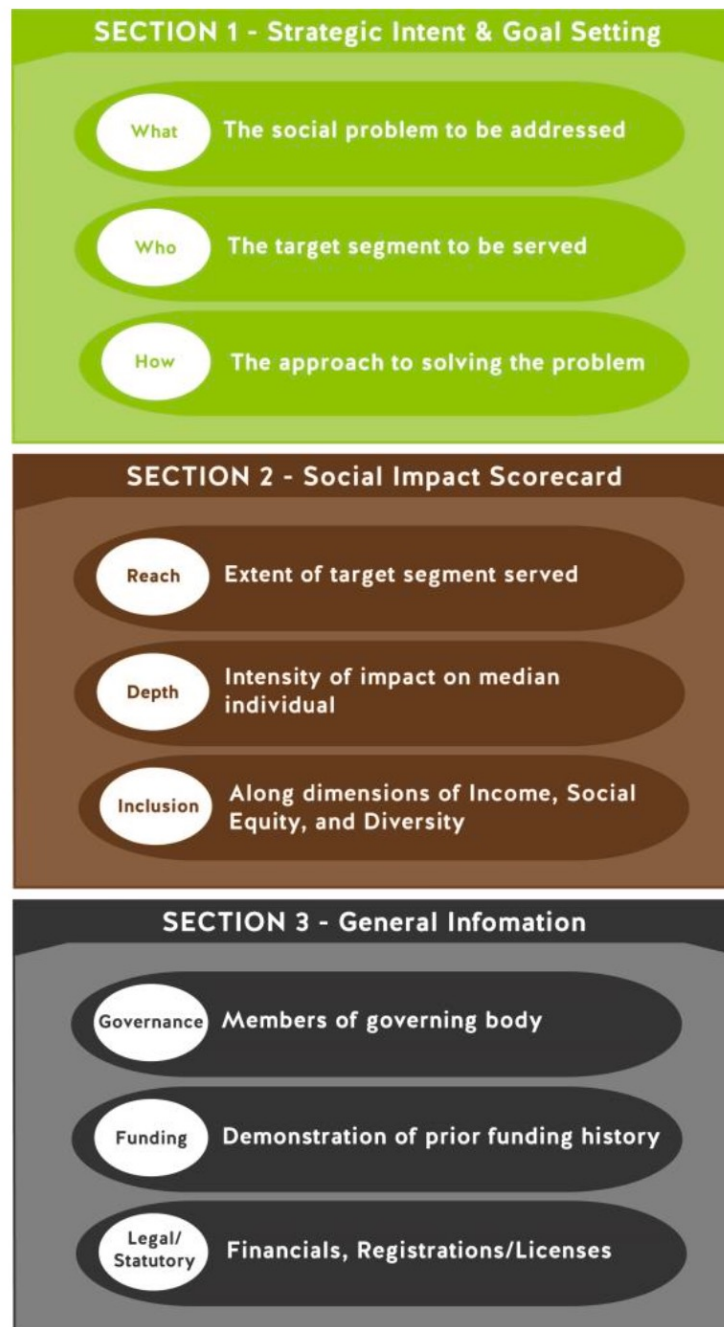
Table 4.1 Annual disclosures for NPOs (listed/registered)

General	Vision, mission, activities, and scale of operations
Governance	Legal form, board and management, org-level risks and mitigation, related party transactions and other ethical concerns, remuneration policies, stakeholder redressal, compliance, and certifications
Financial	Balance sheet, income statement and cash statement, program-wise fund utilization for the year, auditor's report and auditor details

4. A Social Enterprise, which is either **registered with or has **raised funds** through a Social Stock Exchange or a Stock Exchange, **shall** be required to submit a/an to the Social Stock Exchange or the Stock Exchange in the format specified by SEBI from time to time.**

- a) Annual Report
- b) Social Impact Report
- c) Annual Social Report
- d) Annual Impact Report

Figure 3.1: The minimum reporting standard for the immediate term



5. A Social Enterprise, which is either **registered with or has **raised funds** through a Social Stock Exchange or a Stock Exchange, **shall** be required to submit an **Annual Impact Report** to the Social Stock Exchange or the Stock Exchange in the **format specified by SEBI****

- a) Within 30 days
- b) Within 45 Days
- c) Within 60 days
- d) Within 75 days
- e) Within 90 days

6. The Annual Impact Report **shall** be assessed by a

- a) Social Impact Assessment Firm
- b) Social Impact Assessor
- c) Social Impact assessment Firm employing Social Impact assessor
- d) Statutory Auditor

7. A listed NPO shall submit to the Social Stock Exchange(s) specified statements in respect of utilisation of the funds raised,

.....

- a) On an annual basis
- b) On a quarterly basis
- c) On a quarterly and an annual basis
- d) On a quarterly and half yearly and annual basis

8. A listed Not for Profit Organization shall submit to the Social Stock Exchange(s) the following statement in respect of utilisation of the funds raised, on a quarterly basis; except

- a) category-wise amount of monies utilised
- b) category-wise amount of monies returned
- c) category-wise amount of monies raised
- d) balance amount remaining unutilised

9. The unutilised amount raised by NPO through social stock exchange

- a) shall be kept in a separate bank account and shall not be co-mingled with other funds
- b) shall be kept in a separate bank account and shall be utilised for other eligible activities
- c) shall be returned
- d) shall be kept in a separate bank account and shall be deposited in Prime Ministers National Relief Fund after 3 years

10. Penalty (SEBI Act) for failure to furnish information, return etc. by NPO / FPE shall be **minimum and **maximum**;**

- a) Rs 1 Lakh; Rs 10 Lakhs
- b) Rs 50,000; Rs 5 Lakhs
- c) Rs 1 Lakh; Rs 100 Lakhs
- d) Rs 10,000; Rs 10 Lakhs

11. Every member of a recognized stock exchange is required to maintain and preserve Counterfoils or duplicates of contract notes issued to clients for

- a) 2 years
- b) 3 years
- c) 5 years
- d) 8 years

12. Listed NPO shall submit a statement of utilisation of funds to SSE, as mandated under Regulation 91F of the LODR Regulations, from the end of quarter.

- a) Within 30 days
- b) Within 45 days
- c) Within 60 days
- d) Within 75 days

13. are the metrics monitored which shall target to cover the Reach, Depth and Inclusion. The metrics will capture the reach of the program as well as level of inclusiveness of impact being generated (direct, indirect, extended).

- a) Impact Score Card
- b) Baseline Status
- c) Annual Impact Report
- d) Social Impact Report

14. is defined as inclusive of any act, expression, omission or concealment committed to induce another person or his agent to deal in securities. may or may not be wrongful gain or avoidance of any loss.

- a) Error
- b) Scam
- c) Fraud
- d) Mistake
- e) Cheating

15. The Stock broker as per the SEBI (Stock Broker) Regulation, 1992 shall issue without delay to his client for all transactions in the format specified by the exchanges..

- a) a contract note
- b) a certificate
- c) Record and documents
- d) Securities

16. essentially denotes dealing in a company's securities on the basis of confidential information relating to the company which is not published or not known to the public, used to make profits or avoid loss.

- a) Connected person
- b) Insider trading
- c) Unpublished price sensitive information
- d) Laundering

17. Any person willing to open a demat account can do so through any

- a) Depository Participant of a Depository
- b) Depository
- c) Stock Broker
- d) Bank

18. The Social Enterprise shall disclose 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.

- a) in its Financial statements
- b) in its directors' report
- c) in its annual report
- d) on its Website

19. For a Social Impact Fund where the underlying recipients of funds are SEs which have registered or raised funds using SSE, must disclose for the fund covering all investee/grantee organizations where the fund is deployed. .

- a) In its Annual Report
- b) An overall Annual Impact Report
- c) Annual Impact Report
- d) Social Impact Report

19. For a Social Impact Fund where the underlying recipients of funds are SEs which have registered or raised funds using SSE, must disclose for the fund covering all investee/grantee organizations where the fund is deployed. .

- a) In its Annual Report
- b) An overall Annual Impact Report
- c) Annual Impact Report
- d) Social Impact Report

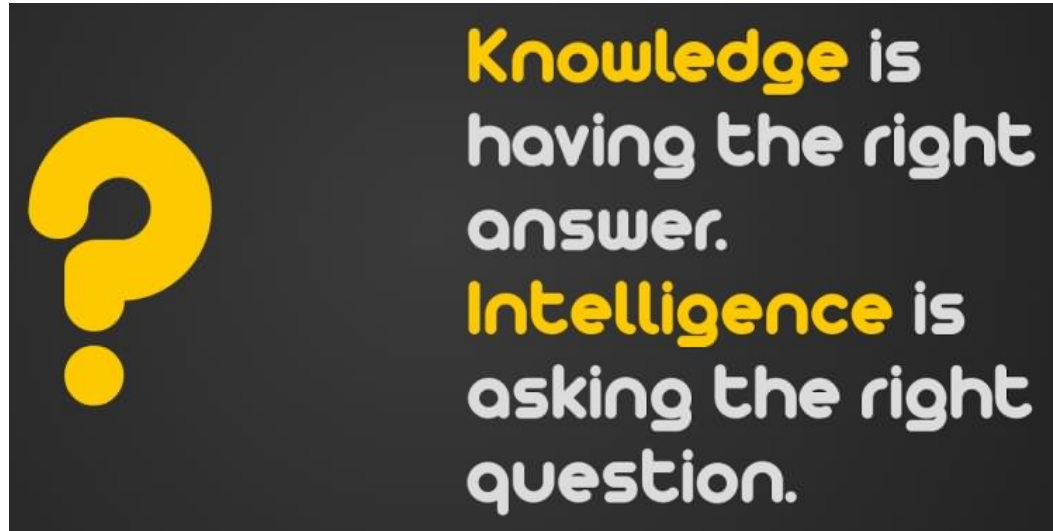
20. The is/are done to establish the starting point in any project/program

- a) Beneficiary validation
- b) Outreach metrics
- c) Baseline Measurement
- d) Problem Statement



The social sector is also called the third sector comprising myriad development organizations, voluntary organizations, NGOs, non-state, non-market organizations working on issues of development, Section 8 Companies, social enterprises and entrepreneurs, individuals working on fellowships, collaborative and collectives.

1	b	11	a						
2	c	12	b						
3	d	13	a						
4	d	14	c						
5	e	15	a						
6	c	16	b						
7	b	17	a						
8	b	18	d						
9	a	19	b						
10	c	20							



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