

## **Annexure II – Test Objectives**

### **NISM-Series-XXIII: Social Impact Assessors Certification Examination**

#### **Chapter 1: Introduction to Social Sector and Indian Financial Markets**

##### **Section-I Introduction to Social Sector**

- 1.1 Know the Overview of Social Sector in India
- 1.2 Know the Sustainable Development Goals (SDGs)
- 1.3 Understand the Concept of Social Enterprises
- 1.4 Learn the Taxonomy related to Social Enterprises
  - 1.4.1 Primacy of Social Intent/Impact
  - 1.4.2 Social Objective
- 1.5 Understand Social Intervention
  - 1.5.1 Know the Concepts and Terms in Social Sector Interventions
  - 1.5.2 Learn the Methodologies for Social Interventions
  - 1.5.3 Learn the Inherent risks and errors faced during social interventions
- 1.6 Know the International standards applicable for social development
- 1.7 Learn the Challenges of comparability faced by social sector organisations
- 1.8 Understand the Social Sector Landscape in India
  - 1.8.1 Learn about NPO Ecosystem in India
  - 1.8.2 Know the need of different types of development interventions
  - 1.8.3 Learn about the Spectrum of stakeholders and their role in the development landscape
- 1.9 Understand Social Sector Inequities
  - 1.9.1 Learn about Sectoral Thrust
  - 1.9.2 Learn about Geographical Thrust
  - 1.9.3 Learn about Technological Thrust

##### **Section-II Indian Financial Markets**

- 1.1 Learn about the Indian Financial Markets
  - 1.1.1 Introduction
  - 1.1.2 Know the Types of Financial Markets in India
  - 1.1.3 Know the Intermediaries in Financial Markets in India
    - 1.1.3.1 Market Infrastructure Institutions
    - 1.1.3.2 Custodians
    - 1.1.3.3 Stock Brokers /Authorized Persons
    - 1.1.3.4 Investment Banks
    - 1.1.3.5 Insurance Companies
    - 1.1.3.6 Pension Funds
    - 1.1.3.7 Asset Management Companies and Portfolio Managers
    - 1.1.3.8 Investment Advisers
    - 1.1.3.9 Credit Rating Agencies

- 1.1.3.10 KYC Registration Agencies
- 1.1.3.11 Registrar and Transfer Agents
- 1.1.3.12 Non-bank finance companies and housing finance companies
- 1.1.3.13 Credit Bureaus
- 1.1.4 Know the different type of investors
  - 1.1.4.1 Retail Investors
  - 1.1.4.2 Qualified Institutional Buyers (QIBs)
  - 1.1.4.3 Accredited Investors
  - 1.1.4.4 Role of Issuers
  - 1.1.4.5 Financial Market Regulators
    - 1.1.4.5.1 Ministry of Finance
    - 1.1.4.5.2 Ministry of Corporate Affairs
    - 1.1.4.5.3 Reserve Bank of India
    - 1.1.4.5.4 Securities and Exchange Board of India
    - 1.1.4.5.5 Insurance Regulatory and Development Authority of India
    - 1.1.4.5.6 Pension Fund Regulatory and Development Authority
- 1.2 Learn about various types of securities
  - 1.2.1 Equity
  - 1.2.2 Derivatives
  - 1.2.3 Fixed Income
  - 1.2.4 Commodities
  - 1.2.5 Real Estate
  - 1.2.6 Mutual Funds

## **Chapter 2: Introduction to Trading, Clearing Settlement and Risk Management on stock exchanges**

- 2.1 Know the Trading Mechanism
  - 2.1.1 Know the Trade Life Cycle Process
  - 2.1.2 Learn about the Order Management
  - 2.1.3 Know the Different types of orders
    - 2.1.3.1 Market Order
    - 2.1.3.2 Limit Order
    - 2.1.3.3 Stop order
    - 2.1.3.4 IOC order
  - 2.1.4 Learn about the Order Routing Process through exchanges
  - 2.1.5 Learn about the Order Modification and Cancellation
- 2.2 Know the Clearing, Settlement and Risk management
  - 2.2.1 Learn about the Clearing and Settlement Process
  - 2.2.2 Clearing banks and their functions
  - 2.2.3 Role of Custodians

- 2.2.4 Settlement Obligations
- 2.2.5 Risk management framework
- 2.2.6 Role of clearing corporation
- 2.2.7 Auction of Securities

### **Chapter 3: Social Stock Exchange: Introduction, Funding Structures and Instruments**

#### 3.1 Understand the Concept of Social Stock Exchange

- 3.1.1 Understanding Definition of Social Stock Exchange
- 3.1.2 Rationale of Social Stock Exchange
- 3.1.3 Objectives of Social Stock Exchange
- 3.1.4 Functions of Social Stock Exchange

#### 3.2 Know the Stakeholders of Social Stock Exchange

- 3.2.1 Know about the Trading Members
- 3.2.2 Understand Non-Profit Organisation and For-Profit Enterprises
- 3.2.3 Learn about Social Impact Assessors
- 3.2.4 Learn about the Information Repositories
- 3.2.5 Learn about the Market Infrastructure Institutions
- 3.2.6 Learn about Regulator and SRO
- 3.2.7 Learn about Investors
- 3.2.8 Learn about the Primary Stakeholder: Communities/target groups

#### 3.3 Understanding the Funding Structures

##### 3.3.1 Explain the Funding Structures for NPOs

###### 3.3.1.1 Pay-for-success Structure

- Pay-for-success through Social/ Development Impact Bonds
- Pay-for-success through Lending Partners
- Pay-for-success through Grants

###### 3.3.1.2 Social/ Development Impact Bond (DIB)\_Structure

- Key Partners in DIB structure
  - Implementation Agencies or NPOs
  - Outcome funders
  - Risk investors
  - Third-party evaluator
  - Intermediary (Project Manager/ AIF-SIF in SSE)
- Pros and Cons of DIB Structure
- Examples of DIBs in India and other Jurisdictions
- Benefits for DIBs for India

###### 3.3.1.3 Financing Instruments for NPOs

- Zero Coupon Zero Principal Instruments
- Social Impact Fund
- Equity/ Debt

- 3.3.2 Explain the Funding Structures for FPEs
  - 3.3.2.1 Financing Instruments for FPEs
    - Equity/ Debt
    - Social Impact Fund/ Development Impact Bonds

#### **Chapter 4: Registration and Listing on Social Stock Exchanges**

- 4.1 Learn the Registration process on Social Stock Exchanges
  - 4.1.1 Know the Eligibility Criteria for registration
  - 4.1.2 Know the Initial Qualifying Criteria for Onboarding on Social Stock Exchanges
    - 4.1.2.1 Know the on boarding process for NPOs
    - 4.1.2.2 Know the Mandatory Qualification Criteria
- 4.2 Learn about the Rights, Obligations and Disclosures Document
- 4.3 Learn about the Key Guidelines for Listing
  - 4.3.1 Know the Listing guidelines FPSEs and NPOs

#### **Chapter 5: Social Impact Assessment and Social Impact Assessors**

- 5.1 Understand the Evolution of Social Impact Assessment
  - 5.1.1 Know different definitions and meaning of Social Impact Assessment
  - 5.1.2 Understand the difference between social impact assessment and financial audit
- 5.2 Learn the Principles of Impact Assessment
- 5.3 Learn about Social Impact Assessors
  - 5.3.1 Know the definition of Social Impact Assessors
  - 5.3.2 Understand the Code of Conduct for Social Impact Assessors
  - 5.3.3 Know the certification requirements for Social Impact Assessors
  - 5.3.4 Learn the competencies and skills required for Social Impact Assessor
  - 5.3.5 Know the empanelment of Social Impact Assessors (SIAs) with SROs
  - 5.3.6 Understand the scope of work for Social Impact Assessors
- 5.4 Learn about the Social Impact Assessment (Audit) Standards
- 5.5 Know the List of Social Impact Assessment (Audit) Standards (SAS)
- 5.6 Learn about Social Impact Assessment Standard (SAS) Framework
  - 5.6.1 Know the Objective of the SAS Framework
  - 5.6.2 Learn the Scope of SAS Framework
- 5.7 Understand the Social Impact Assessment Process
  - 5.7.1 Understand Stakeholders
  - 5.7.2 Understand about Social Impact Assessment Planning
  - 5.7.3 Understanding the Social Enterprises (SE) and the social issue addressed
  - 5.7.4 Know about Collecting and verifying information
  - 5.7.5 Learn about Social Impact Assessor's Responses to Assessed Risk
- 5.8 Understand the Impact Assessment Evidence
- 5.9 Understand the Social Impact Assessment Engagement

- 5.9.1 Learn Three Party Relationship Model
- 5.9.2 Understand Social project/ program/ intervention scope
- 5.9.3 Understand Social Project Monitoring Framework
- 5.10 Know Social Impact Assessment Quality Control for Social Impact Assessor/ Audit firm
- 5.11 Learn about Field level research agency and/or subject matter experts
  - 5.11.1 Documentation
  - 5.11.2 Materiality
  - 5.11.3 Internal Controls
  - 5.11.4 Fieldwork Process - Sampling and Data collection
- 5.12 Understand the Challenges related to Social impact assessment
- 5.13 Know the Use of Technology in Social Impact Assessment
- 5.14 Learn about Social Impact Assessment Report
- 5.15 Learn about Impact Assessment Conclusions

## **Chapter 6: Social Impact Assessment Frameworks, Techniques and Standards**

- 6.1 Introduction to Social Impact Assessment Frameworks
  - 6.1.1 Theory of Change
  - 6.1.2 Importance of Theory of Change in Social Impact Analysis
- 6.2 The flow of Project/ Program design under Logic Model
  - 6.2.1 Learning loop in Logic Model
  - 6.2.2 Addressing Core Issues in Establishing Key Performance Indicators (KPIs) within the Logic Model
  - 6.2.3 Assigning Accurate Costs for Inputs Related to Project Sustainability under the Logic Model
- 6.3 Other Guidelines and Tools for impact assessment
  - 6.3.1 National Guidelines on Responsible Business Conduct
  - 6.3.2 Framework introduced by Global Investing Community
  - 6.3.3 Framework introduced by Multi-lateral Development Agency
  - 6.3.4 Frameworks of impact funders with operations in India

## **Chapter 7: Social Impact Assessment**

- 7.1 Understand Social Impact Assessment
  - 7.1.1 Learn about the Steps in conducting Social Impact Assessment
  - 7.1.2 Learn about the Approaches to Social Impact Assessment
  - 7.1.3 Learn the Importance of conducting social impact analysis for different stakeholders
- 7.2 Understand Different organisational models for structuring evaluation
  - 7.2.1 Learn about Outsourcing Model
  - 7.2.2 Learn about the Partnership Model
  - 7.2.3 Learn about the Fully Integrated Model
  - 7.2.4 Learn about Do it yourself 'DIY'

### 7.3 Impact Reporting

#### 7.3.1 Types of Impact reporting

- A. Direct Impact on target Community
- B. Systemic Impact

#### 7.3.2 Components of Impact Reporting

### 7.4 Issues or Challenges in conducting SIA.

## **Chapter 8: Social Impact Assessment –(Case-Studies)**

### 8.1 Case study 1: Watershed Management

(Social Impact Assessment (Audit) Standard (SAS) 500 Ensuring environmental sustainability, addressing climate change including mitigation and adaptation, forest and wildlife conservation)

### 8.2 Case study 2: Health Care

(SAS 200: Promoting health care including mental healthcare, sanitation and making available safe drinking water)

### 8.3 Case study 3: Women Empowerment

(SAS 400: Promoting gender equality, empowerment of women and LGBTQIA+ communities)

### 8.4 Case study 4: Financial Inclusion

(SAS 1300: Promotion of Financial Inclusion)

### 8.5 Case study 5: Affordable Housing

(SAS 1100: Slum area development, affordable housing and other interventions to build sustainable and resilient cities)

## **Chapter 9: Disclosure Norms, Reporting Requirements by Social Impact Assessors 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 by a Social Enterprise in respect of social impact

#### 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 10: Taxation**

### 10.1 Know about Securities Transaction Tax (STT)

- 10.2 Know about the Deductions under Section 80G of Income Tax Act
- 10.3 Know the Exemptions under Income Tax Act

**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

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