

BULLETIN

EXECUTIVE SUMMARY

- SEBI has amended the guidelines for Preferential issue and Institutional placement of units by a listed Infrastructure Investment Trust ("InvIT") and Real Estate Investment Trust ("REIT").
- SEBI has prescribed guidelines for InvITs and REITs intending to issue Commercial Paper ("CP").
- SEBI has brought in detailed framework for registration, raising of funds, annual disclosures and statement of utilisation of funds by Not for Profit Organisations ("NPO") to Social Stock Exchange ("SSE") and disclosure of Annual Impact Report by Social Enterprises.

GUIDELINES FOR PREFERENTIAL ISSUE AND INSTITUTIONAL PLACEMENT BY LISTED INVITS AND REITS

- SEBI has amended the detailed framework for preferential issue and institutional placement of units by listed InvITs and REITs (collectively referred as "Investment Trusts"). The amendments are identical for InvITs as well as REITs.
- In order to have uniformity in terms of minimum listing period before issuance of the units under preferential issue and institutional placement, SEBI has now reduced the minimum listing period from 12 months to 6 months in case of institutional placement.
- Under the institutional placement, earlier the issuer was not allowed to allot units to any institutional investor who is a sponsor or investment manager or a person related to the sponsor or the investment manager. However, SEBI has now relaxed this restriction and has introduced exception in case of un-subscribed portion subject to below conditions:
 - at least ninety percent of the issue size has been subscribed by other institutional investors.
 - o object of the issue is for acquisition of assets from that sponsor.
 - units allotted to sponsor shall be locked in for one year/ three year period (as applicable).
 - unitholders approval will be required for unsubscribed portion being allotted to sponsor.

ISSUE AND LISTING OF COMMERCIAL PAPER BY LISTED INVITS AND REITS

- In order to expand the scope of fund raising from the market for InvITs and REITs, SEBI has now issued guidelines for issuance and listing of CP. InvITs and REITs having net worth of INR 100 crore or more are eligible to issue CP.
- Additionally, issuer will have to comply with the following regulations:
 - o Guidelines for issuances of CPs prescribed by Reserve Bank of India.
 - o SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021.
 - The issuance of listed CPs shall be within the overall debt limit permitted under InvITs and REITs Regulations issued by SEBI.

FRAMEWORK ON SOCIAL STOCK EXCHANGE

- SEBI has issued a detailed framework on SSE containing minimum requirements for registration, annual disclosures and statement of utilisation of funds by NPO and disclosure of Annual Impact Report by Social Enterprises which is summarised below:
 - o Minimum requirements for NPO for registration with SSE are as follows:

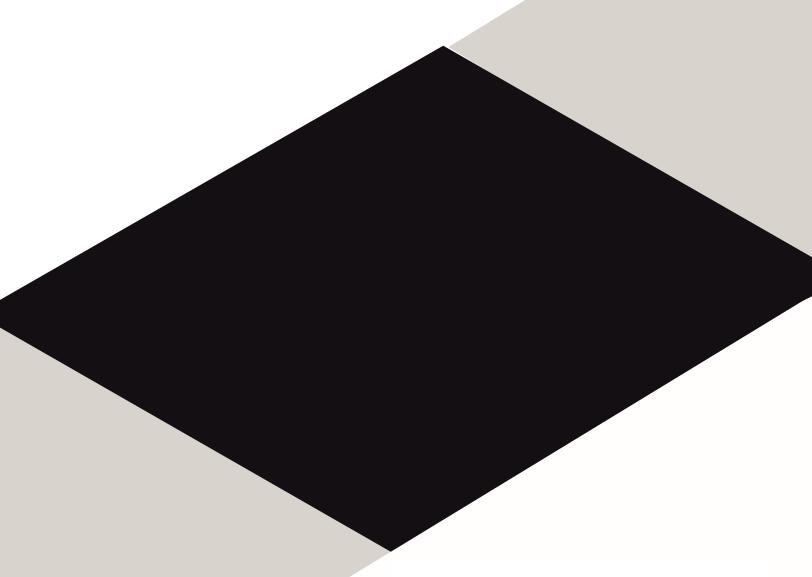
Broad	Indicators	Details
Parameters Legal Requirements		
Entity is registered as an NPO	Registration certificate valid at least for next 12 months at the time of seeking registration with SSE	Entities must be registered in India as one of the below: a. a charitable trust registered under the public trust statue of the relevant state; b. a charitable trust registered under the Societies Registration Act, 1860 c. a charitable trust registered under the Indian Trusts Act, 1882 d. a company incorporated under section 8 of the Companies Act, 2013
Ownership and control	Governing document (MoA & AoA/ Trust Deed/ Byelaws/ Constitution)	Disclose if NPO is owned and/or controlled by government or private
Exemption under Income Tax Act	Registration Certificate under section 12A/12AA/12AB under Income Tax Act, 1961	Registration Certificate under section 12A/12AA/12AB to be valid for at least the next 12 months. Does not have a notice or ongoing scrutiny by Income Tax Department.

Registration	IT PAN	Valid IT PAN
under Income		
Tax as an NPO		
Age of the NPO	Registration certificate	Minimum 3 years
Deduction	Valid 80G registration under	Entity to ensure whether tax
under Income	Income Tax Act, 1961.	deduction is available or not
Tax Act, 1960		to investors.
Eligible to be	Requirements of ICDR	As may be specified by SSE
Social Enterprise	Regulations	
Minimum Fund Flows		
Annual	Receipts or Payments from	Must be at least INR 50 lakhs
Spending in the	Audited accounts/ Fund Flow	
past financial	Statement	
year		
Funding in the	Receipts from Audited	Must be at least INR 10 lakhs
past financial	accounts/ Fund Flow	
year	Statement	

- Minimum Initial Disclosure Requirement for NPOs raising funds through the issuance of Zero Coupon Zero Principal Instruments has now been specified.
- The NPOs which have either raised funds or are registered with SSE shall make certain annual disclosures with SSE within 60 days from the end of the Financial Year. The disclosures are broadly classified into 3 sections viz General, Governance and Finance aspects.
- All Social Enterprises shall provide an Annual Impact Report to SSE within 90 days from the end of the Financial Year which shall be duly audited by Social Auditors.
- Listed NPOs shall submit a statement of utilisation of funds to SSE within 45 days from the end of each quarter.

For disclosures, please refer to the Circular.

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