**3.3 Core Features Implementation**

| **Feature** | **Description** |
| --- | --- |
| IPO Eligibility Checker | Checks financial, regulatory, and legal requirements |
| Document Checklist | Provides a list of required IPO documents with status tracking |
| Compliance Tracker | Alerts for SEBI, MCA, ROC, and stock exchange filings |
| Financial Analysis | AI-powered evaluation of SME’s financial readiness |
| Task Manager | Timeline and deadline tracking for IPO milestones |
| Cost Estimator | Estimates expenses like merchant banker, legal fees, etc. |
| Regulatory Integration | API links to SEBI, BSE, NSE, and MCA portals |

|  |  |  |
| --- | --- | --- |
| | **Parameter** | **Listing Criterion** | | --- | --- | |
| |  |  | | --- | --- | | **Incorporation** | The Issuer should be a company incorporated under the Companies Act 1956 / 2013 in India. | |
| |  |  | | --- | --- | | **Post Issue Paid-Up Capital** | The post-issue paid-up capital of the company (face value) shall not exceed ₹25 crore. | |
| |  |  | | --- | --- | | **Track Record** | The company must have a track record of at least three years in one of the following ways:  1. The applicant company itself.  2. The promoters or promoting company (incorporated in or outside India).  3. A Proprietary/Partnership firm that was converted into a company (if not in existence as a company for three years).  **Promoter Criteria:** Must have at least three years of experience in the same business line and hold at least 20% of the post-issue equity share capital. | |
| |  |  | | --- | --- | | **Financial Requirements** | 1. The issuer must have an operating profit (EBITDA) of at least ₹1 crore in at least two of the last three financial years.  2. The company should have a positive net worth.  3. Positive Free Cash Flow to Equity (FCFE) in at least two of the last three financial years. | |
| |  |  | | --- | --- | | **Offer for Sale (OFS)** | 1. Offer for sale by selling shareholders in an SME IPO should not exceed 20% of the total issue size.  2. Selling shareholders cannot sell more than 50% of their holding. | |
| |  |  | | --- | --- | | **Other Listing Conditions** | 1. The company must not have been referred to the erstwhile Board for Industrial and Financial Reconstruction (BIFR).  2. No ongoing proceedings under the Insolvency and Bankruptcy Code (IBC) against the issuer or promoting companies.  3. No winding-up petition admitted by NCLT/Court.  4. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years.  5. None of the merchant bankers involved in the IPO should have had their draft offer document returned by the exchange in the past six months.  6. SME issues cannot include repayment of loans from promoters, promoter groups, or related parties using IPO proceeds. | |
| |  |  | | --- | --- | | **Disclosures in the Offer Document** | 1. Any regulatory or disciplinary action in the past year related to promoters, promoting companies, or group companies.  2. Defaults in payment of interest/principal to debenture/bond/fixed deposit holders, banks, or financial institutions in the past three years.  3. Litigation details of the applicant, promoters, promoting companies, or group companies, including nature and status.  4. Criminal cases or serious investigations involving the issuer’s directors, including economic offences, murder, rape, forgery, etc., and their potential impact on the business. | |
| |  |  | | --- | --- | | **Rejection Cooling-Off Period** | The applicant company’s application should not have been rejected by the Exchange in the last six complete months. | |
| |  |  | | --- | --- | | **Conditions Precedent to Listing** | The issuer must comply with conditions arising from:  1. **Securities Contracts (Regulations) Act, 1956**  2. **Companies Act, 1956 / 2013**  3. **Securities and Exchange Board of India (SEBI) Act, 1992**  4. Relevant rules, regulations, circulars, and guidelines issued under the above acts. | |
| |  |  | | --- | --- | | **Eligibility Criteria for NSE Emerge Platform** | The company must meet the eligibility criteria at the time of filing the Public Offer Document with NSE, RoC, and SEBI. | |