



## Social Stock Exchange as an Additional Financing Mechanism for Government Autonomous Bodies in India: A Conceptual Analysis

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### ABSTRACT

India's Social Stock Exchange (SSE), operationalised by the Securities and Exchange Board of India in 2022 as a segment of the National and the Bombay Stock Exchange, was designed to convert fragmented philanthropy into a regulated, transparent channel of social finance. While early listings were dominated by grassroots not-for-profits, the growing registration of government-affiliated autonomous bodies, including the National Backward Classes Finance & Development Corporation and the Maharashtra Economic Development Council, signals the SSE's evolution into mainstream public-purpose infrastructure. This conceptual paper examines why autonomous bodies, ministry-affiliated institutions, and public-purpose entities should consider SSE membership as an additional, self-sustaining source of finance for projects and innovation, given constrained grant-in-aid allocations and the Government of India's Minimum Government, Maximum Governance philosophy. Drawing on secondary sources of SEBI circulars and regulatory frameworks, SSE and stock exchange listing disclosures, annual reports of registered entities, government policy documents, and published case studies, the paper analyses the SSE's eligibility architecture, its two-step registration and listing process, key funding instruments (Zero Coupon Zero Principal bonds, Development Impact Bonds, Social Impact Funds), and the 2025–2026 reforms linking CSR spending to the SSE. It presents a stakeholder-wise assessment of advantages for autonomous bodies,



ministries, the exchange, and donors, alongside a sequential institutional roadmap and synthesis of precedent cases.

**Keywords:** Social Stock Exchange, Autonomous Bodies, Social Finance, Social Funding Instruments, Corporate Social Responsibility

## 1. Introduction

India's federal and administrative architecture relies extensively on autonomous bodies that are statutory corporations, productivity and skill councils, backward-classes and minority finance corporations, khadi and village industries boards, economic development councils, and analogous public-purpose institutions established under central and state ministries to implement thematic national missions in skill development, productivity enhancement, rural livelihoods, financial inclusion, and social welfare (Ministry of Finance, 2019; Securities and Exchange Board of India, 2021). These institutions have traditionally depended on annual budgetary grants-in-aid, plan and non-plan allocations, and periodic ministry sanctions for both operational continuity and project-based expansion. Such allocations, however, remain subject to fiscal consolidation pressures, competing budgetary priorities, and multi-year uncertainty, thereby constraining the ability of public purpose institutional bodies to pursue innovative, thematic, or pilot-stage initiatives falling outside sanctioned budget heads. Therefore, these bodies are increasingly moving towards generating their own internal revenue through their social impact projects. Concurrently, the Government of India's stated governance philosophy of Minimum Government, Maximum Governance (MGMG) has directed public institutions toward greater operational and financial self-reliance, output-linked functioning, and a facilitative rather than purely disbursing role for the exchequer. Within this policy environment, alternative, transparent, and self-sustaining sources of finance acquire particular strategic value for

autonomous bodies seeking to reduce dependence on recurring budgetary support while retaining, and indeed strengthening, their public-purpose mandate. Against this backdrop, the Social Stock Exchange (SSE) was first proposed in the Union Budget for FY 2019-20 as an electronic fund-raising platform intended to bring the structure, discipline, and transparency of capital markets to social financing (Ministry of Finance, 2019), and operationalised under the regulatory ambit of the Securities and Exchange Board of India (SEBI) from 2022 onward as a distinct segment of the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE). The SSE permits both Not-for-Profit Organisations (NPOs) and For-Profit Social Enterprises (FPEs) to register and raise funds through specially designed instruments, including Zero Coupon Zero Principal (ZCZP) bonds, Development Impact Bonds (DIBs), and Social Impact Funds (SIFs) (KPMG, 2022).

The inception of the SSE and the extant literature, are written predominantly from the vantage point of grassroots, independent NPOs, with comparatively limited scholarly attention devoted to the participation of larger, government-affiliated autonomous bodies formed as statutory corporations. This omission is notable given that the National Backward Classes Finance & Development Corporation, and state-level bodies such as the Maharashtra Economic Development Council, have already registered on the exchange, establishing a clear precedent that public-purpose institutional participation is both permissible and actively encouraged (National Stock Exchange of India, 2025; Business Standard, 2023). A research gap therefore exists between the substantial body of



work addressing SSE eligibility criteria and listing architecture for grassroots organisations, and the comparatively thin treatment of why and how autonomous bodies affiliated with central and state ministries should evaluate SSE membership as a strategic, self-sustaining financing channel. This paper addresses that gap by developing a conceptual, stakeholder-inclusive framework encompassing the rationale for enrolment, precedent cases, eligibility and procedural requirements, a sequential institutional roadmap, and an assessment of the benefits for autonomous bodies considering their participation in SSE.

The rigour of this paper rests on its systematic reliance on documented regulatory sources, including SEBI circulars, exchange listing disclosures, and government policy statements, triangulated with precedent case studies of registered autonomous bodies and a structured, stakeholder-wise analytical framework spanning autonomous bodies, ministries, the exchange, and donors. Its novelty lies in reframing the SSE not as a platform exclusively suited to grassroots philanthropy, but as an emerging instrument of public financial management for statutory and government-affiliated autonomous institutions, a perspective that, to date, has not been systematically articulated in the existing literature. By situating the SSE within the specific institutional context of bodies that receive periodic, project-linked grants rather than fully assured recurring budgetary support, and that are simultaneously expected under the MGMG doctrine to demonstrate measurable outcomes while reducing marginal dependence on the exchequer, the paper advances a targeted and hitherto underexamined line of inquiry.

The contributions of this paper are fourfold. First, it articulates a conceptual rationale for autonomous body participation in the SSE, clarifying that the exchange is intended for additional, rather than

substitute, existing government funding for a defined category of thematic, innovation-oriented, or pilot-stage work. Second, it consolidates and analyses the SSE's eligibility architecture, two-step registration and listing process, and principal funding instruments in a manner directly applicable to autonomous bodies. Third, it presents a stakeholder-wise assessment of advantages and enablers, alongside a sequential institutional roadmap and a synthesis of precedent cases, offering practical guidance to an institution's finance, planning, and governing-body functions. Fourth, by examining the 2025-2026 regulatory reforms linking Corporate Social Responsibility (CSR) expenditure to the SSE, the paper contributes a timely, forward-looking perspective on the evolving regulatory landscape and its implications for public-purpose financing in India.

## 2. Literature Review

### *2.1. Conceptual Foundations of Social Stock Exchanges*

Social enterprise as a phenomenon predates the SSE by more than a century, with roots traceable to Victorian-era worker cooperatives (Patel & Patel, 2022). Contemporary literature on social stock exchanges frames them as innovative financing mechanisms that reduce reliance on erratic corporate grants, uncoordinated individual philanthropy, and restrictive foreign contributions, replacing them with structured, rated, and disclosure-driven capital flows (Asian Development Bank, 2012). The Asian Development Bank's early studies on Asia's social capital markets found a positive influence of social stock exchange-type platforms on the willingness of intermediaries to participate in impact investing, based on primary research across India, Bangladesh, and Thailand (Asian Development Bank, 2011). Patel and Patel's conceptual analysis of India's proposed SSE similarly concluded that the exchange is intended to transform a habit of charity into a culture of social



investment, positioning the SSE as a means for capital markets to serve society (Patel & Patel, 2022; Balasubramaniam, 2023; Mehra & Vij, 2023).

## ***2.2. Participation by Government Autonomous Bodies***

The bulk of published commentary and practitioner literature on India's SSE addresses eligibility, disclosure, and instrument design from the standpoint of independent, grassroots NPOs and FPEs (KPMG, 2022; Taxguru, 2026). Comparatively, little conceptual work has examined the specific opportunities facing autonomous bodies and statutory corporations. These entities already receive government grants, operate under ministry oversight, and possess an existing public accountability architecture in deciding whether to pursue SSE membership as an additional financing channel. This is a meaningful gap because such institutions face a distinct set of considerations: alignment with existing budgetary and audit frameworks, compatibility of their legal form with SSE eligibility norms, reputational considerations of appearing alongside grassroots NPOs on a public exchange, and the strategic opportunity to access CSR-linked and individual donor capital pools that are largely untapped by their traditional grant mechanisms.

## ***2.3. Global Social Stock Exchange Models***

International experience with social stock exchanges offers useful comparative context. The United Kingdom's Ethex, launched in 2003, was among the earliest social investment marketplaces. Brazil's Bolsa de Valores Socioambientais (2003) and Portugal's Bolsa de Valores Sociais (2009) were housed within existing stock exchanges as crowdfunding-style platforms but subsequently became inactive, while Jamaica's Social Stock Exchange (2019), Singapore's Impact Exchange (2013), and Canada's Social Venture Connexion (SVX, 2013) remain active (Patel

& Patel, 2022). A review of 150 global impact platforms - including SASIX, SSX, BVSA, and SVX - found that 53% of such platforms were unable to finance their own operating costs, 61.5% depended on grant funding, and roughly 60% had fewer than 1,000 users, underlining that even mature markets have struggled with the sustainability of social exchange infrastructure (Patel & Patel, 2022). Unlike most of these international models, which function largely as passive information directories connecting investors to for-profit social enterprises, India's SSE is distinctive in permitting both listing and trading of dedicated donative instruments (ZCZP) for NPOs, alongside conventional equity and debt routes for FPEs (Patel & Patel, 2022; KPMG, 2022).

## ***2.4. Minimum Government, Maximum Governance and Institutional Self-Reliance***

The MGMG doctrine, while primarily articulated as an administrative reform philosophy, carries direct implications for the financing strategy of autonomous bodies. It favours diversified, non-exchequer revenue mobilisation, output and impact-linked accountability, and reduced procedural friction in accessing capital, all of which align closely with the SSE's designed features of standardised impact reporting, mandatory social audit, and instrument-linked project financing (Securities and Exchange Board of India, 2021; KPMG, 2022). This paper situates its analysis at the intersection of these two under-connected bodies of thought: SSE architecture, and public administration philosophy on institutional self-reliance.

## **3. Research Methodology**

### ***3.1. Problem Statement***

Government-affiliated autonomous bodies across sectors of skill development, productivity enhancement, backward-classes welfare, and regional economic development frequently report that annual grant-in-aid allocations are insufficient to fund



thematic, innovation-oriented, or multi-year initiatives beyond their core sanctioned mandate. At the same time, India faces a substantial and well-documented financing gap in meeting its Sustainable Development Goals (SDGs) by 2030, estimated at close to USD 560 billion annually against a total requirement of roughly USD 1 trillion per year (Parekh et al., 2021; Standard Chartered, 2020). Traditional donor and CSR channels alone cannot close this gap. While the SSE has been operational since 2022 and has accumulated a growing body of registration and fundraising precedent, there is no consolidated, decision-oriented framework that autonomous bodies can use to evaluate whether, why, and how to pursue SSE membership. This conceptual paper addresses the question: What is the strategic rationale, process, and stakeholder impact of SSE membership for autonomous bodies that predominantly focus on social development in India, and what are the associated benefits?

### **3.2. Study Objectives**

- To examine the rationale for government-affiliated autonomous bodies to enrol as members on India's Social Stock Exchange.
- To document precedent cases of government-affiliated bodies already registered on the SSE and draw institutional lessons from them.
- To consolidate the eligibility criteria, documentation requirements, cost structure, and registration-to-listing process applicable to such institutions.
- To propose a sequential institutional roadmap for autonomous bodies considering SSE membership.
- To evaluate the advantages of participation of autonomous bodies in SSE from the perspective of different stakeholders (autonomous body, the sponsoring ministry, the exchange, and donors/investors).

- To assess how recent (2025-2026) regulatory reforms alter the strategic case for institutional membership.

### **3.3. Research Design and Sources**

This is a conceptual, descriptive study relying entirely on secondary sources: SEBI Technical Group and Working Group reports, SEBI/NSE/BSE circulars and brochures, Ministry of Corporate Affairs gazette notifications, published case studies and deal notes on completed SSE issuances, financial and business press coverage, and existing peer-reviewed literature on social stock exchanges. Data were compiled, structured, and analysed thematically to build the rationale, process framework, and stakeholder assessment presented in this paper. As a conceptual paper, no primary survey or interview-based data collection was undertaken; the study synthesises publicly available secondary information current as of July 2026.

### **3.4. Scope and Limitations of the Research Method**

As a conceptual and descriptive study, this paper does not undertake primary data collection through surveys, interviews, or financial modelling of any specific autonomous body; its findings on eligibility, cost, and process are therefore indicative rather than institution-specific and should be independently verified by any institution proceeding toward actual registration. The analysis is also time-bound to publicly available information as of July 2026, in a regulatory environment that has changed materially even within the preceding twelve months; readers should treat quantitative figures on cost, thresholds, and fund-raising scale as indicative of the environment prevailing at the time of writing rather than as fixed parameters.

## **4. Understanding India's Social Stock Exchange**



#### 4.1. Background and Evolution

The concept of an SSE was first announced by the Union Finance Minister in the Budget Speech for FY 2019-20 as an electronic fund-raising platform for listing social enterprises and voluntary organisations (Ministry of Finance, 2019). Following recommendations of a Working Group and a Technical Group constituted by SEBI in 2020, the regulatory framework was formalised through

amendments to the SEBI (Issue of Capital and Disclosure Requirements) Regulations and the SEBI (Listing Obligations and Disclosure Requirements) Regulations (Securities and Exchange Board of India, 2021). The first ZCZP issuance was completed in 2022 by the SGBS Unnati Foundation, and the ecosystem has since grown steadily, both in the number of registered entities and in the scale of funds mobilised (Table 1).

**Table 1: Growth of the SSE Ecosystem in India**

| Period               | NPOs Registered (NSE+BSE) | NPOs that Raised Funds     | Cumulative Funds Raised                  |
|----------------------|---------------------------|----------------------------|------------------------------------------|
| As of September 2023 | 42 (combined)             | 1 (SGBS Unnati Foundation) | ~Rs 1.8 crore                            |
| As of April 2024     | 101 (51 NSE + 50 BSE)     | 9                          | ~Rs 12.4 crore                           |
| As of May 2026       | 176 (92 NSE + 84 BSE)     | 11                         | Individual raises now up to Rs 10 crore+ |

Source: Compiled by authors (Ministry of Finance, 2019; Bombay Stock Exchange, n.d.; National Stock Exchange, n.d.; Zerodha Varsity, n.d.; Taxguru, 2026).

#### 4.2. Regulatory Architecture

The SSE functions as a separate, dedicated segment under existing recognised stock exchanges (NSE-SSE and BSE-SSE) and is governed by SEBI (Securities and Exchange Board of India, 2021; KPMG, 2022). It is not a standalone exchange but rides on the infrastructure, trading terminals, and settlement

systems of the main exchanges while operating under a distinct disclosure and listing regime tailored to social enterprises.

#### 4.3. Classification of Social Enterprises

SEBI classifies eligible participants into two legal formats, summarised in Table 2.

**Table 2: NPOs versus FPEs on the SSE**

| Attribute        | Not-for-Profit Organisations (NPOs)                                                                                                                                                                 | For-Profit Social Enterprises (FPEs)                                                         |
|------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| Legal form       | Charitable trusts, societies registered under state Societies Registration Acts, Section 8 companies (and, since September 2025, Section 25 erstwhile companies and Indian Registration Act trusts) | Private/public limited companies, LLPs with a legally binding triple-bottom-line orientation |
| Registration     | Compulsory (Darpan ID, 12A/12AA/12AB, 80G)                                                                                                                                                          | Not separately required beyond standard company registration                                 |
| Instruments      | ZCZP bonds, DIBs, Social Impact Funds, mutual-fund route                                                                                                                                            | Equity shares, debt/social bonds, units of Impact Mutual Funds                               |
| Nature of return | Zero financial return - functionally a regulated donation                                                                                                                                           | Blended return - social impact plus conventional equity/debt return                          |
| Listing venue    | Separate SSE segment                                                                                                                                                                                | Main board / SME / Innovators Growth Platform                                                |

Source: Compiled by authors (KPMG, 2022; Kumar, 2026).



**4.4. Eligibility: Thematic Areas and the 67% Predominance Test**

To register as a social enterprise, an entity must demonstrate that its core operations fall within one of sixteen broad thematic areas notified by SEBI, drawn from Schedule VII of the Companies Act, 2013, the Sustainable Development Goals, and Niti Aayog priority areas (Securities and Exchange Board of India, 2021). These include eradicating hunger, poverty, and malnutrition; promoting healthcare and sanitation; advancing education, employability, and livelihoods; promoting gender equality and empowerment of women; environmental sustainability; protection of national heritage, art, and culture; promotion of rural and recognised sports; support to incubators of social enterprises; disaster management; financial inclusion; bridging the digital divide; and any other area identified by SEBI or the Government of India from time to time.

Beyond thematic alignment, an entity must satisfy at least one of three numeric predominance thresholds over the preceding three years: at least 67% of revenue derived from eligible activities to the target population; at least 67% of expenditure incurred on eligible activities; or at least 67% of the customer/beneficiary base comprising the target population (KPMG, 2022; Kumar, 2026). Corporate foundations primarily funded by a parent corporate entity, political or religious organisations or activities, professional or trade associations, and infrastructure or housing companies (barring affordable housing) are explicitly excluded from registering as social enterprises (Securities and Exchange Board of India, 2021).

**4.5. Financing Instruments**

**Table 3: Permissible Financing Instruments on the SSE**

| Legal Format | Eligible Instruments                                                                                                                                                                  | Nature of Investment                                                                                                    |
|--------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|
| NPOs         | Zero Coupon Zero Principal (ZCZP) bonds; Development Impact Bonds (DIBs); Specialised/Social Impact Fund (SIF) schemes; mutual-fund-like pooled route                                 | Purely philanthropic/social capital; zero financial return of principal or interest - functionally a regulated donation |
| FPEs         | Public issue of equity shares (main board/SME/IGP); debt securities (social bonds); units of Impact Mutual Funds; issue to Alternative Investment Funds including Social Impact Funds | Blended-return capital combining verifiable social impact with conventional equity/debt returns                         |

Source: Compiled by authors (Securities and Exchange Board of India, 2021; KPMG, 2022; Kumar, 2026; Taxguru, 2026).

The ZCZP instrument is the primary route for NPOs. It is project-linked rather than general purpose. Here, each issuance is tied to a defined, time-bound project, funds received are treated as grants rather than liabilities, and units, though held in demat form, cannot be traded on the secondary market; they can only be transferred to legal heirs and are effectively terminated once the project tenure concludes.

Enrolment follows a two-step pathway. Step 1 is registration as a Non-Profit Organisation Member with the exchange, which confers organisational visibility without an immediate obligation to raise funds; SEBI's April 2026 circular permits registered NPOs to defer active fund-raising for up to two years (Kumar, 2026). Step 2 is raising funds through a ZCZP (or other) issuance, tied to a specific eligible project. Documentation for Step 1 typically includes

**4.6. Registration and Listing Process**



the entity registration certificate, Memorandum and Articles of Association or trust deed, three years of audited financial records, tax-exemption certificates

where applicable, a mandatory Niti Aayog Darpan ID, proof of operational activity, and a governing-body resolution authorising registration.

**Table 4: Indicative Entry Thresholds and Cost Structure**

| Item                                               | Indicative Requirement/Cost                                                                           |
|----------------------------------------------------|-------------------------------------------------------------------------------------------------------|
| Minimum issue size (NPO, per project)              | Rs 50 lakh (reducible via multiple project-linked issuances)                                          |
| Minimum public application size                    | As low as Rs 1,000 (progressively lowered by SEBI from Rs 10,000)                                     |
| Minimum private placement application              | Rs 2 lakh                                                                                             |
| Minimum subscription for successful issuance       | 75% of proposed raise (relaxed to 50% for well-structured, per-unit impact projects since April 2026) |
| NPO age requirement                                | Minimum 3 years' operational history                                                                  |
| Registration fee (NSE)                             | ~Rs 5,000 plus applicable taxes                                                                       |
| Listing fee (NSE)                                  | ~Rs 25,000 (frequently waived for first-time NPO issuers)                                             |
| Social audit fee (indicative range)                | Rs 50,000 to Rs 2 lakh, depending on scope                                                            |
| Third-party listing/consultancy support (optional) | Up to Rs 5 lakh, depending on scope of documentation assistance                                       |

*Source: Compiled by authors from NSE/BSE brochures, SEBI circulars, and market consultancy inputs (Securities and Exchange Board of India, 2021; Chhichhia, 2014; National Stock Exchange of India, n.d; Kumar, 2026).*

#### 4.7. Social Audit, Disclosure, and Reporting

Every listed social enterprise must undergo an annual, independent social audit performed by a SEBI-recognised Social Auditor who is typically a Chartered Accountant holding an additional certification from the National Institute of Securities Markets (NISM), to verify impact tracking, fund utilisation, and field outcomes against declared targets (Securities and Exchange Board of India, 2021; KPMG, 2022). Listed and registered NPOs must additionally publish an Annual Impact Report covering strategic intent, implementation approach, and a quantitative/qualitative impact scorecard, alongside general, governance, and financial disclosures, with material events (such as the exit of key executives or stoppage of donor funds) to be reported within seven days (Securities and Exchange Board of India, 2021).

#### 4.8. Ecosystem Support: The Capacity Building Fund

SEBI approved a Capacity Building Fund (CBF) in 2021, initially seeded with Rs 10 crore contributed equally by NABARD, SIDBI, NSE, and BSE, against a target corpus of Rs 100 crore, to fund awareness generation, training, and one-time incentives for early listed NPOs (Business Standard, 2025). As of April 2026, SEBI approved transferring the CBF's residual corpus and administration to a newly incorporated Section 8 company, the Social Stock Exchange-Capacity Building Foundation (SSE-CBF), tasked with capacity building, stakeholder training, project monitoring, and social impact assessment on an ongoing basis (Business Standard, 2025). For an autonomous body newly considering SSE membership, the SSE-CBF (rather than a start-up-style incubator, which does not exist in this ecosystem) is the natural first point of contact for hand-holding support.

#### 5. Rationale for Government-Affiliated Autonomous Bodies to Enrol in the SSE



## ***5.1. Declining and Volatile Grant Financing***

The most immediate driver for government-affiliated autonomous body interest in the SSE is the increasing unpredictability of budgetary grants-in-aid. Ministry allocations are revised annually, are frequently subject to mid-year cuts or re-appropriation, and are structurally biased toward recurring establishment expenditure rather than new, thematic, or pilot initiatives. Institutions that wish to pursue innovation-oriented projects, like a new skilling pilot in an underserved district, a productivity benchmarking exercise for an emerging sector, or a rural livelihoods intervention, often find that such initiatives fall outside sanctioned budget heads and must compete for scarce discretionary funds. The SSE offers a structurally different financing logic of capital being raised against a specific, time-bound, thematically eligible project rather than as general institutional support, making it particularly well-suited to financing exactly this category of initiative.

## ***5.2. Alignment with Minimum Government, Maximum Governance***

SSE membership operationalises the MGMT philosophy in three concrete ways. First, it diversifies an autonomous body's revenue base away from the exchequer without diluting its public-purpose mandate, since ZCZP capital is not commercial in nature. Second, it embeds an external, standardised accountability layer of mandatory social audit, Annual Impact Reports, and material-event disclosure, that substitutes for, and can strengthen, internal government oversight rather than requiring additional administrative machinery. Third, it shifts a portion of financing decision-making to donors and investors who evaluate projects on structured impact metrics, consistent with the 'maximum governance' emphasis on outcome accountability rather than input-based control.

## ***5.3. Self-Sustenance and Financing of Innovative, Thematic Initiatives***

Because ZCZP and related instruments are project-linked and can be issued repeatedly and in parallel for different initiatives, the SSE gives autonomous bodies a repeatable mechanism to test and scale new thematic programmes without permanently altering their core budget structure. An institution could, for instance, use one issuance to pilot a skill-certification programme in a backward district, and a separate, parallel issuance to fund a productivity-benchmarking study for micro-enterprises, each implemented separately and transparently reported, and independent of the institution's regular grant cycle.

## ***5.4. Diversification of the Donor and Investor Base***

The May 2026 amendment to Schedule VII of the Companies Act, 2013 and the Companies (CSR Policy) Rules, 2014, which introduced a new Rule 4A making ZCZP subscriptions an eligible CSR activity (up to 10% of a company's annual CSR expenditure), is a structural unlock for institutional financing through the SSE (Ministry of Corporate Affairs, 2013; Ministry of Corporate Affairs, 2026). India's aggregate corporate CSR spend stood at Rs 34,909 crore in FY24, up from Rs 30,932 crore in FY23; even a modest redirection of this pool through SSE-listed entities represents a substantial new financing channel that autonomous bodies cannot access through conventional grant mechanisms (Sahasranamam & Sitling, 2026; Tiwari, 2026). In parallel, progressively lowered minimum application sizes (down to Rs 1,000 for ZCZP) widen the investor base to include citizens, alongside high-net-worth individuals and institutional donors, diversifying dependency away from any single funding source.

## ***5.5. Credibility, Visibility, and Governance Signalling***



SSE listing confers national visibility through the NSE/BSE platforms, validates an institution's regulatory compliance and impact-reporting framework, and signals to ministries, corporate donors, and the public that the institution's fund utilisation is subject to independent, recurring third-party verification. For autonomous bodies whose core value proposition rests on public trust and demonstrable outcomes, this external validation can meaningfully strengthen both fundraising credibility and stakeholder confidence.

## ***5.6. Long-Term Relevance for All Stakeholders***

The relevance of SSE membership is not confined to the autonomous body alone. For the sponsoring ministry, it provides a transparent, low-cost mechanism to supplement scheme delivery without additional exchequer outlay, while retaining oversight through the institution's governing body. For the exchange (NSE/BSE) and SEBI, institutional participation by credible, government-affiliated bodies strengthens the platform's legitimacy and demonstrates that the SSE can support meaningfully larger raises. For donors like the corporate CSR departments, foundations, HNWI, and retail citizens, an association with a recognised autonomous body reduces perceived counterparty and impact-verification risk relative to funding a small, unfamiliar grassroots NPO directly. However, by stating this, we do not undermine the socially impactful initiatives of these grassroots NPOs.

## ***5.7. Precedent-Driven Confidence and First-Mover Advantage***

The existence of clear regulatory and operational precedent substantially reduces the perceived first-mover risk that might otherwise deter an autonomous body's governing body from approving SSE exploration. Because NSDC, NBCFDC, and comparable institutions have already navigated

registration, documentation, and, in some cases, issuance, later entrants can draw on an established template rather than negotiating novel regulatory interpretations from first principles, as the very first NPO issuers on the exchange were required to do (National Backward Classes Finance & Development Corporation, n.d.). At the same time, the direction of regulatory travel described in Section X, wider eligibility, lower subscription thresholds, and the CSR-SSE linkage, suggest that institutions moving early may be better positioned to build investor familiarity and sectoral credibility before the platform's donor base becomes more competitively contested.

## ***5.8. Comparative Cost-Benefit for the Exchequer***

From the exchequer's standpoint, encouraging autonomous-body participation in the SSE carries a favourable cost-benefit profile relative to expanding grant-in-aid allocations. The government's direct financial exposure is limited to the modest, one-time registration and listing costs (Table 4), which are typically borne by the institution itself or partly subsidised through the SSE-CBF, rather than through recurring budgetary commitment. In exchange, the institution gains access to a financing pool of CSR, HNWI, retail, and philanthropic capital, that would otherwise not flow through public channels at all, and does so under an independent disclosure and audit regime that substitutes, at least in part, for additional internal government monitoring capacity that would otherwise need to be built or expanded. Encouraging even a modest number of large, credible autonomous bodies to pursue SSE membership can therefore be read as a low-cost, high-leverage policy lever consistent with the resource-constrained, outcome-oriented logic of Minimum Government, Maximum Governance, rather than as a departure from it.

## ***6. Precedent: Autonomous and Government-Affiliated Bodies on the SSE***



A number of government-affiliated institutions have already registered on the SSE. This provides a direct precedent that public-purpose, statutory, and autonomous bodies are not structurally barred from participation in SSE.

**6.1. National Skill Development Corporation (NSDC)**

NSDC, a public-private-partnership company under the Ministry of Skill Development and Entrepreneurship, registered on the SSE in 2023 explicitly to widen its capital pool for skilling initiatives, improve transparency and accountability in fund mobilisation, and extend the reach of vocational training programmes across the country (National Stock Exchange of India, 2025). NSDC's registration is a significant precedent because it is a body with an existing government shareholding structure and statutory mandate, demonstrating that such institutions can register on the SSE without conflict with their public-private governance model.

**6.2. National Backward Classes Finance & Development Corporation (NBCFDC)**

NBCFDC, an autonomous body of the Government of India undertaking under the Ministry of Social Justice and Empowerment, has registered on both the NSE-SSE and BSE-SSE segments and has filed draft fund-raising documentation, explicitly framing SSE participation as a means of building 'a caring and equitable society' (Business Standard, 2023). This confirms that the Government of India undertakings with a statutory welfare mandate for underserved communities are both eligible for, and actively pursuing, SSE membership.

**6.3. State-Level and Sector Bodies: The Maharashtra Precedent**

State-level economic development and welfare bodies, such as the Maharashtra Economic Development Council, an autonomous body, illustrate that SSE participation is not restricted to central government undertakings; state-affiliated institutions with regional economic development, MSME support, or welfare mandates are equally positioned to register, provided their thematic focus aligns with SEBI's sixteen eligible areas and they meet the predominance and documentation criteria.

**6.4. Scale Precedents: SGBS Unnati Foundation and Swades Foundation**

Beyond government-affiliated bodies, two NPO case studies establish the range of realistic fund-raising scale on the SSE. SGBS Unnati Foundation, based in Bengaluru, became the first entity in India to complete a ZCZP issuance, raising close to Rs 1.8 crore from high-net-worth investors for a learning-and-employability programme reaching approximately 10,000 final-year students in government colleges (National Backward Classes Finance & Development Corporation, n.d.; Trilegal, 2023). Swades Foundation used the ZCZP route in 2024 to raise approximately Rs 10 crore (about USD 1.1 million) for multi-sector rural livelihoods programmes spanning goat-rearing, health, and education verticals, and has been cited by the World Economic Forum as an example of the instrument supporting larger, multi-thematic rural development financing.

**Table 5: Synthesis of Precedent Cases**

| Entity | Nature                     | Instrument       | Scale/Status       | Relevance                                  |
|--------|----------------------------|------------------|--------------------|--------------------------------------------|
| NSDC   | Central PPP statutory body | SSE registration | Registered in 2023 | Confirms PPP/statutory bodies can register |



|                        |                                                |                                            |                                                  |                                                                |
|------------------------|------------------------------------------------|--------------------------------------------|--------------------------------------------------|----------------------------------------------------------------|
| NBCFDC                 | Central Government undertaking autonomous body | SSE registration, draft fund-raising filed | Registered; documentation in progress            | Confirms GoI affiliated autonomous institutions can register   |
| MEDC                   | State-level autonomous body                    | SSE registration                           | Registration in 2025                             | Confirms state-affiliated autonomous institutions are eligible |
| SGBS Unnati Foundation | Mid-sized NPO                                  | ZCZP                                       | ~Rs 1.8 crore raised (first-ever issuance, 2022) | Proof of concept at modest scale                               |
| Swades Foundation      | Multi-sector NPO                               | ZCZP                                       | ~Rs 10 crore raised (2024)                       | Proof of concept at larger, multi-thematic scale               |

Source: Compiled by authors

### 6.5. Global Institutional Precedent: Canada's Social Venture Connexion (SVX) (MaRS Discovery District, 2013)

Canada's Social Venture Connexion (SVX), launched in 2013, offers a useful comparative model of how public, philanthropic, and market institutions can jointly build durable impact-investing infrastructure, with direct lessons for how Indian ministries, exchanges, and autonomous bodies might deepen institutional participation on the SSE (Ministry of Corporate Affairs, 2026). Five features of the SVX roadmap are particularly instructive.

*First*, multi-stakeholder ecosystem conception: SVX was co-created through a public-private-philanthropic partnership led by the MaRS Discovery District (an innovation hub), the Government of Ontario, the TMX Group (operator of the Toronto Stock Exchange), and several major foundations, ensuring that both investor capital (supply) and social ventures (demand) were aligned before launch. *Second*, dual-track offering architecture: rather than forcing non-profits into commercial investment structures, SVX designed distinct product tracks with private equity or debt for for-profit social enterprises, and non-dilutive instruments such as Community Bonds and structured promissory notes for non-profits, a design logic broadly mirrored in India's NPO/FPE bifurcation.

*Third*, rigid pre-screening and impact filtering: every SVX applicant undergoes a multi-tier vetting process assessing financial stability, operational viability, and social intent, integrating third-party verification systems such as B-Corp certification and the Global Impact Investing Rating System (GIIRS) to guard against impact-washing. India's Social Auditor mandate is intended to approximate this system, though without an equivalent globally benchmarked rating layer. *Fourth*, active capacity-building and capital-readiness programmes: SVX runs structured 'Capital Readiness' boot camps for social entrepreneurs and organises 'Impact Investor Circles' for foundations, family offices, and high-net-worth individuals. India's newly constituted SSE-CBF is positioned to replicate this, but has not yet done so at a comparable scale or frequency.

*Fifth*, a regulatory sandbox approach to phased expansion: SVX initially operated under a localised Exempt Market Dealer registration approved by the Ontario Securities Commission, allowing it to test investor protections and platform mechanics under reduced compliance friction before expanding to other provinces. For Indian autonomous bodies and their sponsoring ministries, the SVX experience underscores that institutional credibility on a social exchange is built cumulatively through structured investor education, phased regulatory expansion, and active (not merely passive) intermediation, rather than



through registration alone. This reinforces the roadmap-based, phased approach to SSE membership proposed in Section VIII of this paper for government-affiliated autonomous bodies (Ministry of Corporate Affairs, 2026).

## 7. Eligibility and Membership Requirements Specific to Autonomous Bodies

### 7.1. Legal-Form Compatibility

Autonomous bodies are typically constituted as societies registered under the Societies Registration Act, Section 8 companies under the Companies Act, 2013, or statutory corporations established by an act of Parliament or state legislature. All three forms are compatible with SSE registration as NPOs, provided the entity is not primarily a corporate foundation funded by a single parent corporate, a political or religious body, a trade association, or an infrastructure/housing company outside affordable housing (Securities and Exchange Board of India, 2021). Notably, SEBI's eligibility criteria assess an entity's social positioning and the nature of its activities rather than its legal registration category in isolation, an important clarification for autonomous bodies whose founding statute may not use the specific vocabulary of 'social enterprise'.

### 7.2. Financial Thresholds

Indicative baseline thresholds shared by SSE-facing consultancy intermediaries suggest that an applicant institution should typically demonstrate grant receipts of at least Rs 10 lakh per year and revenues/expenditure of at least Rs 50 lakh per year,

sustained over the preceding three consecutive years, in addition to the general 67% predominance test. Individual autonomous bodies must formally assess their own financial records, grant receipts, project-linked revenues, and expenditure patterns over the preceding three years against both the general SEBI thresholds and any exchange-specific baseline expectations before proceeding.

### 7.3. Cost Structure for Autonomous Bodies

In addition to the standard registration and listing fees summarised in Table 4, autonomous bodies should budget for social audit costs (Rs 50,000 to Rs 2 lakh depending on scope) and, where internal legal/financial capacity is limited, third-party consultancy or documentation support (up to approximately Rs 5 lakh). Several consultancy intermediaries specialising in SSE registration support have emerged in the market to assist institutions, including public-purpose bodies, through the documentation and listing process.

### 7.4. An Institutional Readiness Assessment Framework

Before committing to the roadmap detailed in Section VIII, an autonomous body would benefit from a structured self-assessment against the readiness dimensions summarised in Table 6. This framework is offered as a diagnostic starting point rather than a scored index, given the conceptual nature of this study.

**Table 6: Institutional Readiness Assessment Dimensions**

| Dimension               | Key Question                                                                                                                                  | Indicative Evidence                                                        |
|-------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|
| Legal and statutory fit | Does the founding statute/registration category permit SSE registration, and are activities clearly non-political/non-religious in character? | Founding act/MOA; activity classification against SEBI's 16 thematic areas |
| Financial threshold fit | Does the institution meet the minimum                                                                                                         | Three years of audited financials;                                         |



|                            |                                                                                                                                     |                                                                     |
|----------------------------|-------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
|                            | grant/revenue/expenditure and 67% predominance thresholds over the past three years?                                                | beneficiary/target-population data                                  |
| Project pipeline readiness | Is there at least one clearly defined, time-bound, budgeted project suitable for a ZCZP or similar issuance?                        | Detailed project proposal with cost breakdown and monitoring plan   |
| Internal capacity          | Does the institution have (or can it engage) legal, financial, and M&E capacity to manage disclosure and social audit requirements? | Availability of finance/M&E personnel; consultancy budget provision |
| Governance approval        | Has the governing body/board formally considered and approved exploration of SSE membership?                                        | Board resolution or minutes                                         |
| Ministry alignment         | Is the sponsoring ministry supportive of, or at minimum not opposed to, the institution pursuing this route?                        | Internal correspondence or in-principle concurrence                 |

Source: Authors' construction, synthesising SEBI eligibility norms with institutional planning considerations (Securities and Exchange Board of India, 2026).

## 8. Strategic Roadmap: Sequential Steps for Autonomous Body Enrolment

following sequential roadmap is proposed for an autonomous body evaluating SSE membership.

Based on the process requirements described above and the experience of precedent institutions, the

**Table 7: Proposed Institutional Roadmap for SSE Enrolment**

| Step | Activity                                                                                                                                                                         | Primary Responsibility                                                          |
|------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|
| 1    | Internal appraisal of financing needs, eligibility mapping against the 16 thematic areas and 67% predominance test, and preliminary governing-body discussion                    | Institution's finance/planning wing and governing body                          |
| 2    | Formal board/governing-body approval to explore SSE membership; nomination of a nodal officer or unit                                                                            | Governing Body / Board                                                          |
| 3    | Compilation of documentation (Darpan ID, MOA/statute, financials, governing body resolution) for Step 1 (NPO) registration                                                       | Administration and Finance units, with external consultancy support if required |
| 4    | Step 1 registration with NSE-SSE and/or BSE-SSE as an NPO Member                                                                                                                 | Nodal officer, in coordination with the exchange                                |
| 5    | Identification and structuring of an eligible, time-bound project for fund-raising; selection of instrument (ZCZP as default; DIB or Social Impact Fund route where appropriate) | Programme/project team, in consultation with sponsoring ministry                |
| 6    | Empanelment of a SEBI-recognised Social Auditor and design of project-specific impact metrics                                                                                    | Finance/M&E unit                                                                |



|   |                                                                                                                        |                                                                  |
|---|------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------|
| 7 | Step 2 listing and issuance; investor/donor outreach, including CSR departments                                        | Institution, exchange, and (where engaged) consultancy partner   |
| 8 | Post-listing compliance: fund utilisation, Annual Impact Report, material-event disclosure, and annual listing renewal | Finance/Administration unit, subject to governing-body oversight |

Source: Authors' construction, synthesising SEBI/NSE process requirements and stakeholder consultation notes (Securities and Exchange Board of India, 2021; Chhichhia, 2014; National Stock Exchange of India, n.d.; Kumar, 2026).

## 9. Stakeholder-Wise Benefits Analysis

### 9.1. Autonomous Body Perspective

SSE provides an additional, self-sustaining financing route independent of annual grant cycles. SSE provides access to CSR, HNWI, and retail capital. Moreover, the autonomous body and its projects gain national visibility and credibility validation. The project-linked financial instruments are suited to piloting new and replicable initiatives, aligning with their respective goals for social impact.

### 9.2. Ministry / Government Perspective

The intended schemes of the respective ministries are supplemented without additional exchequer outlay. Additionally, the independent third-party verification reduces the ministry's own monitoring burden. It strengthens the case for similar institutions across the ministry's portfolio and their MGMG goal for financial self-reliance of their affiliated bodies.

### 9.3. Exchange (SSE/NSE/BSE) Perspective

Listing of government-affiliated autonomous institutions strengthen platform legitimacy and demonstrate capacity for larger-scale raises. It diversifies the listing base beyond grassroots NPOs. Moreover, it supports SEBI's broader objective of mainstreaming the SSE as durable capital-market infrastructure.

### 9.4. Donor / Investor Perspective

It structures the verifiable impact reporting and reduces due-diligence burden relative to its independent philanthropic initiatives. CSR spending

on ZCZP now counts toward statutory obligations without a separate independent impact assessment (Rule 4A of SSE). Its association with a credible, government-affiliated institution reduces perceived counterparty risk. Further, the low minimum ticket size (as low as Rs 1,000) widens access to individual donors to support government initiatives on societal impact.

## 10. Recent Regulatory Developments Strengthening the Case (2025-2026)

### 10.1. CSR Funds Can Now Flow Through the SSE

On 27 May 2026, the Ministry of Corporate Affairs amended Schedule VII of the Companies Act, 2013 and the Companies (CSR Policy) Rules, 2014 to introduce a new Rule 4A, making ZCZP subscriptions an eligible CSR activity, subject to a cap of 10% of a company's annual CSR expenditure in a financial year (Ministry of Corporate Affairs, 2013; Ministry of Corporate Affairs, 2026). Responsibility for project implementation and evaluation rests with the issuing entity, and subscribing companies are exempt from running a separate independent impact assessment for that spend, reducing friction for corporate donors choosing this route. Funded projects must be completed within three financial years, with unspent funds flowing to a specified Schedule VII fund, adding both discipline and predictability.

### 10.2. Eligibility Widened for More Types of NPOs

SEBI expanded the legal definition of an eligible NPO to explicitly include trusts registered under the Indian Registration Act, 1908, charitable societies



under state Societies Registration Acts, and Section 25 (erstwhile Companies Act, 1956) companies, broadening the pool of organisations, including many autonomous bodies constituted under older statutes, that can register (Kumar, 2026).

### ***10.3. Subscription Threshold Relaxed and Registration Flexibility Added***

A SEBI circular dated 15 April 2026 introduced two changes directly relevant to first-time institutional applicants: NPOs can now register and defer active fund-raising for up to two years, removing pressure to issue immediately; and while the default minimum subscription requirement remains 75% of the proposed raise, a reduced 50% threshold is now available for well-structured, per-unit impact projects (Kumar, 2026).

### ***10.4. Institutionalisation of the Capacity Building Fund***

SEBI approved transferring the Capacity Building Fund's administration to the newly incorporated SSE-CBF in April 2026, signalling that ecosystem support is intended as durable infrastructure rather than a

time-bound pilot programme (Business Standard, 2025).

### ***10.5. Implications for Autonomous Bodies***

Collectively, these reforms shift the direction of regulatory travel consistently toward making SSE participation easier, not harder, for institutions such as autonomous bodies: wider eligibility, lower subscription thresholds, longer runway before an obligation to raise funds, and most significantly, a formal, law-backed channel connecting SSE membership to India's roughly Rs 30,000-crore-plus annual CSR pool. This suggests that the window to build early credibility and precedent on the exchange may be more favourable now than it will be once the platform and its investor base mature further.

### ***10.6. Comparative Assessment: SSE Financing versus Traditional Grant Financing***

Table 8 below situates SSE-based financing against the conventional budgetary grant-in-aid route on dimensions most relevant to an autonomous body's planning function.

**Table 8: SSE Financing versus Traditional Grant-in-Aid**

| Dimension                | Traditional Grant-in-Aid                                                        | SSE-Based Financing (ZCZP route)                                    |
|--------------------------|---------------------------------------------------------------------------------|---------------------------------------------------------------------|
| Predictability           | Subject to annual budget cycle and mid-year revision                            | Fixed once subscribed; tied to a defined project tenure             |
| Flexibility of use       | Constrained by sanctioned budget heads                                          | Project-specific but can be structured around new/innovative themes |
| Donor base               | Single source (ministry/exchequer); independently raised through their projects | Diversified: CSR, HNWI, retail, institutional philanthropy          |
| Accountability mechanism | Internal government audit and utilisation certificates                          | Independent social audit plus public Annual Impact Report           |
| Administrative overhead  | Established, familiar internal process                                          | New compliance layer; social audit and disclosure costs             |
| Scalability              | Bounded by fiscal space                                                         | Can be run in parallel across multiple projects/issuances           |
| Suitability              | Core, recurring institutional functions                                         | Time-bound, thematic, or pilot-stage initiatives                    |

Source: Authors' construction.



## 11. Discussion

First, the SSE has moved decisively beyond its original conception as a directory for small, independent NPOs. The presence of NSDC, NBCFDC, and state-level bodies such as the Maharashtra Economic Development Council, combined with the formal CSR-SSE linkage introduced in May 2026, indicates that the platform is being deliberately positioned by policymakers as durable, mainstream public-purpose financing infrastructure, not a time-bound pilot. For autonomous bodies, this changes the strategic calculus from 'should we experiment with an unproven platform' to 'how do we responsibly position ourselves within an infrastructure that peer institutions are already using'.

Second, the SSE's comparative advantage for autonomous bodies lies specifically in project-linked, donative, and repeatable financing for thematic and innovation-oriented work, not in replacing core budgetary support. This distinction matters for internal planning: institutions that approach the SSE expecting it to substitute for grant-in-aid are likely to be disappointed by the zero-return, project-bound nature of ZCZP capital, whereas institutions that approach it as a supplementary, MGMG-aligned mechanism for piloting and scaling new initiatives are more likely to derive sustained value, consistent with the experience of Unnati and Swades Foundation documented earlier in this paper.

Third, the principal constraint on institutional participation is not regulatory eligibility, which has been progressively widened, but organisational capacity and metric standardisation. This suggests that the marginal policy intervention with the highest likely impact is not further eligibility liberalisation but targeted capacity-building support, of the kind the SSE-CBF is mandated to provide and which the SVX model of Canada illustrates in a more developed

form. Autonomous bodies, sponsoring ministries, and the exchange therefore share a common interest in strengthening this capacity-building layer, rather than treating registration alone as the end objective.

## 12. Policy Recommendations

The following recommendations are offered to the principal parties in the SSE ecosystem.

### 12.1. For Autonomous Bodies

- Commission an internal eligibility and readiness assessment (Table 6) before approaching the exchange or a consultancy intermediary, to avoid abortive documentation effort.
- Begin with a single, well-scoped, time-bound pilot project rather than an institution-wide fundraising commitment, consistent with the phased logic of the SVX model discussed in Section VI.
- Budget explicitly for social audit and, where required, consultancy costs as a distinct line item rather than treating SSE listing as a cost-free financing channel.

### 12.2. For Sponsoring Ministries

- Issue clear internal guidance permitting and encouraging affiliated autonomous bodies to explore SSE registration, referencing existing precedent such as NSDC and NBCFDC to reduce institutional hesitation.
- Consider designating a nodal ministry-level contact point to coordinate across autonomous bodies pursuing SSE membership, reducing duplicated learning costs across similar institutions.

### 12.3. For SEBI, NSE, and BSE

- Expand the mandate of the SSE-CBF to include structured capital-readiness and investor-education programming modelled on SVX's



'Capital Readiness' boot camps, specifically targeted at government-affiliated institutional applicants.

- Continue developing sector-specific, standardised qualitative impact metrics to narrow the metric-standardisation gap identified in Sections IX and X.

#### ***12.4. For Corporate and Institutional Donors***

- Treat SSE-listed, government-affiliated autonomous bodies as a credible, lower-diligence-burden channel for deploying the Rule 4A CSR allocation, given their existing statutory accountability structures.

### **13. Conclusion and Way Forward**

India's Social Stock Exchange has evolved, within a few years of its first listing, from a platform designed primarily for small, independent NPOs into infrastructure that government-affiliated autonomous bodies and statutory corporations are actively using to diversify their financing base. Precedent set by institutions such as the National Backward Classes Finance & Development Corporation, and state-level bodies such as the Maharashtra Economic Development Council demonstrate that legal form and government affiliation are not barriers to participation, provided an institution's activities align with SEBI's eligible thematic areas and predominance criteria. For autonomous bodies operating under increasingly constrained and unpredictable grant financing, and within a policy environment that explicitly favours Minimum Government Maximum Governance, SSE membership offers a structurally distinct, project-linked, and transparently governed channel of self-sustaining finance, one now further strengthened by the formal linkage between corporate CSR spending and ZCZP instruments introduced in May 2026.

**Table 9: Glossary**

That said, SSE membership is best understood as an additional rather than a substitute financing channel. The zero-return nature of ZCZP capital, ongoing metric-standardisation challenges, and capacity constraints within under-resourced institutions mean that careful internal appraisal, phased implementation following the roadmap proposed in Section VIII, and realistic expectations about fund-raising scale are essential preconditions for a successful institutional listing.

Future empirical research, once a larger sample of institutional issuances has accumulated, should quantitatively assess fund-raising outcomes, investor composition, subscription success rates, and long-term impact-reporting quality across government-affiliated SSE participants specifically, as distinct from the grassroots-NPO-dominated samples that most existing studies draw upon. Comparative work examining how the Indian model's dual NPO/FPE, listing-and-trading architecture performs relative to the more directory-style international models discussed in Section II, particularly as India's CSR-SSE linkage matures, would also usefully test whether India's more market-integrated design delivers materially better sustainability outcomes than the largely grant-dependent global platforms reviewed in Section II. This conceptual paper has intentionally flagged these questions as an agenda for future research rather than attempting to resolve them with the secondary evidence currently available.

Ultimately, and consistent with the broader philosophy underpinning the SSE, the exchange should be understood as a means for capital markets to serve the institutions that serve society.

### **Appendix: Glossary of Key Terms**



| Term      | Meaning                                                                                                                                    |
|-----------|--------------------------------------------------------------------------------------------------------------------------------------------|
| NPO       | Not-for-Profit Organisation - a trust, society, or Section 8 company eligible to register on the SSE                                       |
| FPE       | For-Profit Social Enterprise - a commercial entity with a legally embedded social/environmental mission                                    |
| ZCZP      | Zero Coupon Zero Principal - a donative bond instrument with no interest or principal repayment                                            |
| DIB       | Development Impact Bond - an outcomes-linked financing instrument                                                                          |
| SIF       | Social Impact Fund - a Category I Alternative Investment Fund investing in social enterprises                                              |
| AIR       | Annual Impact Report - the mandatory post-listing social-impact disclosure for SSE entities                                                |
| MGMG      | Minimum Government, Maximum Governance - the stated governance philosophy favouring institutional self-reliance and outcome accountability |
| SSE-CBF   | Social Stock Exchange - Capacity Building Foundation, the Section 8 company administering ecosystem capacity-building support              |
| Darpan ID | A unique identification number issued by Niti Aayog to NGOs, required for SSE registration and government grant access                     |

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