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Social stock exchange – An Indian perspective

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ABSTRACT

Most people are motivated by money, and they all want more of it. These people use the stock market as a platform to locate profitable companies to invest in, receiving returns in the form of interest on their initial investment. The companies use the stock market to raise money from the general public. Every stock market has a regulatory organisation that ensures all companies have good justifications for their financial needs and are open and honest about other aspects of their operations. Only social firms with the intention of influencing society are allowed to exist on the Social Stock Exchange (SSE), a section of the stock market. Social companies stress social good over profitability, in contrast to traditional stock market listings. They are non-profit organisations, and the stock market gives them another way to raise money. These are particular businesses that can amass money by issuing non-dividend shares, which enable them to forgo annual shareholder pay-outs. This only applies to non-profit businesses with social purposes that want to draw donors; it is not applicable to for-profit businesses.

Keywords: Social Stock Exchange (SSE), Global Citizen, Public Investment, Non-Loss Organizations, Conventional Stock Exchange, Entrepreneurship, Sustainable, Securities And Exchange Board of India (SEBI), National Stock Exchange (NSE) Bombay Stock Exchange (BSE), Zero-Coupon-Zero-Principal Bonds, Social Venture, Conservation, Multi-Dimensional Policy, Foreign Contributions (Regulation) Act (FCRA), Entity, Inflexion Point, Bureaucratic Rules, Enterprise, Corporate Social Responsibility (CSR).

1. OBJECTIVES

The objectives of this study are

1. To study the basic concept of social stock exchange and various terms associated with it.
2. To understand what benefits will social stock exchange bring to social enterprises.
3. To study the existing stock exchange models of various countries.
4. To study social stock exchange with Indian perspective and focus on challenges associated with its introduction.
5. To analyse the comparison of social stock exchange and the conventional stock exchange.

2. INTRODUCTION

Social enterprises are revenue-generating businesses with their main objectives being social welfare. These social enterprises being run by social entrepreneurs would be listed on the social stock exchange. Social entrepreneurship is identifying and resourcefully pursuing opportunities for the betterment of a country's citizens. There are such entrepreneurs all over the globe such as Alex Hudson who is seeking sustainable fashion for our future or Manish Gupta who is empowering communities through trade. Such entrepreneurs then come up with their businesses and could further on intend to be a part of the SSE. The United Nations initially proposed the initiative of social stock exchange in New York, 2009. After this SSE's held 'Global Dialogues', which allows liberated funders to work together and realize their interrelating ambitions to create lasting change. These dialogues were first held in 2010 followed by 2012. In the 2012 meeting there were organizations recognized to join with the SSE. However, implementing it has taken longer than one could anticipate. Social stock exchanges are currently operating in Brazil, United Kingdom, Singapore and South Africa and are soon to be known to the citizens of India and New Zealand. As of 2021 there are close to 14 SSE's globally. In India the idea of social stock exchange was first proposed in the Union Budget of 2019-20 as a method to raise capital. A Union Budget is a financial statement released annually, consisting of the government's budget and expenditure for that year. On September 28th, 2021 the Securities and Exchange Board of India (SEBI) officially sanctioned the establishment of SSE's in India. SSE's act as filters on the stock market for humanitarians to find the right business to buy shares from. It gives information about the different goals, aims and motives every company has. It could also be another way to help people make impact investments which are simply investments with the motive to generate social and environmental impact as well as generate financial returns. In

India, particularly, the SSE's would either be listed in the Bombay Stock Exchange (BSE) which is currently the largest securities market or in the National Stock Exchange (NSE) another one of the larger exchanges in India. How long a listing should last depend on their sociological objectives and how long it would take to achieve them, it depends on the planning of the company and the funding it requires. SSE's can obtain funds through three main streams of capital, firstly through zero-coupon-zero-principal bonds, secondly through social venture funds and thirdly through mutual funds. Zero-coupon-zero-principal bonds basically mean that an investor can buy coupons on this exchange just like others however they do not get interest on this annually, they only get the profits at the maturity stage. Social venture funds are mostly given by groups of social venture capitalists to profitable social ventures hence these investors gain profits while doing good for the society. Mutual funds are strategies that let you join along with other investors, to buy a collection of stocks, shares or bonds.

2.1 Importance

The broad term, social benefits or social objectives is not enough to describe the importance of social stock exchanges. In today's generation the reputation of businesses and images of entrepreneurs is declining as every company is so focused on profits, they forget the simple means of conservation. The importance of working towards sustainability. Nonprofits in India are currently facing a number of challenges when it comes to raising funds for their job. Large nonprofits generally receive institutional funding, such as foreign donations or CSR grants. Besides that, non-tax-deductible donations must typically be used for programmes rather than organisational development, and tax-deductible donations tend to be small. The SSE will allow grants to be transferred to nonprofits in a variety of ways, as well as combining donations from multiple individual donors. A bond with zero coupon and zero principal. Nonprofits are legally prohibited from using traditional financing instruments such as equity and debt to obtain financing. Despite this, the SSE offers a way to raise funds by listing zero coupon zero principal bonds. These bonds will have a tenancy equal to the duration of the project being funded, and they will be written off the investee's books. They're particularly well-suited to investors who want to make a positive social impact and wouldn't want their funds refunded. Investors will want to fund only reliable and genuine nonprofits, which the SSE will ensure by requiring nonprofits to meet minimum reporting standards. Risk capital will be routed to nonprofits via specialised funding structures. The SSE would use the Social Venture Fund (SVF), an alternative investment fund that is permitted by SEBI to issue social venture securities to investors who agree to receive limited or muted returns. The following are some examples of funding structures that nonprofits can use to raise commercial capital:

- Mutual funds: Investors can purchase mutual fund units from a conventional asset management firm. The investment's principal would be returnable, but all of the profits would go to identified nonprofits.
- Pay-for-success: A benevolent donor, CSR funder, impact investor, or the government would repay the investor the principal amount, plus interest, if certain pre-determined social outcomes are achieved.

Because for-profit organisations can legally raise funds through equity, they would list equity on the SSE, subject to the minimum reporting requirements. SEBI's non-social business eligibility criteria, such as a minimum net worth or average operating profit, would also apply. "SEBI should work out a mechanism to assess the credibility of the impact self-declared by a social business."

The funding models discussed for nonprofits would also apply to social enterprises. For social businesses, SVFs already exist, but they do not require social impact reporting at the moment. The SSE is going to make this mandatory. While the minimum reporting standard can be a useful tool for determining whether an organisation is actually having a positive social impact, the association of social businesses with the SSE should not be solely based on self-reporting. It is suggested that SEBI develop and implement a mechanism to assess the credibility of a social business's self-declared impact and verify its preference for social returns over financial returns. This is critical in identifying and allowing only those social businesses to be associated with the SSE that are genuinely creating social impact.

2.2SCOPE

SSE's have recently been introduced all-round the globe and yet have a long way of discoveries to go. These are some potential methods that may be inhabited to strengthen the social stock exchange ecosystem.

To maintain and advance the flow of funds through the SSE, a multi-dimensional policy intervention that understand the complexity of this phenomena is required. Here are some recommendations by the working group:

1. Facilitate foreign investments

Foreign entities should be permitted to speculate in SVFs listed on the SSE, as investors wouldn't be taking decisions for the investee non-profit, nor have any discretion on deployment of their funds. The foundations under the Foreign Contributions (Regulation) Act (FCRA) would need to be clarified to enable this. Which suggests the state will need to prevent any foreign contributions that will prove to be detrimental to the SSE's however must also promote contributions which are associated to the hospitality of the state.

2. Develop new sector-level infrastructure

The SSE should play an extremely significant role in building the social sector ecosystem. this might be through promotion of institutions like information repositories (for example, GuideStar, NGO DARPAN, or Credibility Alliance), which can provide credible and consistent information on non-profits and help players on the SSE access a diverse range of non-profits. SSE's should also encourage self-regulatory organisations (SRO) being set up. Over time, the SSE should support the engagement of social auditors, which is able to perform independent authentication of impact reporting.

3. Provide capacity building support for reporting requirements

To help non-profits to enhance reporting capabilities, the SSE could set up a limit building fund of approximately INR 100 crore. This could help pay off the costs of increased reporting requirements. The fund should always prioritise supporting smaller

organisations.

4. Encourage corporate social responsibility (CSR) funding on the SSE

Funding to non-profits through the SSE should count towards CSR commitments of companies, including expenditure on building capacities of non-profits for the SSE. Companies with excess CSR spends and companies with deficit CSR spends could be authorised trading of CSR spends by The Ministry of Corporate Affairs.

5. Introduce tax and financial incentives

India's tax and fiscal policies should be modified to incite participation within the SSE. Here's what these changes could look like:

For donors:

- Allow philanthropic donors to claim 100% tax exemption for his or her donations under 80G to any or all non-profits that benefit from the SSE. Donations to private non-profits with an official 80G certification can only receive a 50% tax deduction whereas donations to the government are eligible for 100% tax write-offs.
- First time retail investors within a limit of INR 1 lakh can benefit from a 100% tax exemption on their investments in mutual funds under the SSE.

For non-profits and social businesses:

- A 5-year tax break is granted to social enterprises listed on the SSE from the time of the first listing.
- Restrictions under the tax Act on charitable institutions should be increased, raising funds from commercial or semi-commercial activities to 50 percent from 20 percent. This could help non-profits become more sustainable.

2.3 Challenges

SE's are growing amongst the world quite rapidly, however there are challenges it needs to overcome in order to emerge completely as its own entity in the alternative economy. When a country's basic market-based solutions are not enough to ensure well-being in the society, the social enterprises come in the picture. They can come up with disrupting models to solve escalating social issues. Among the several challenges the following seem to be most relevant and obvious regardless of context:

1) Lack of funding support

- Funding is indefinitely one of the biggest challenges faced by social enterprises. Funding for survival is one the most challenging tasks social enterprises face.
- However, overtime a few ventures flourish and create great impact but at the same time majority face issues for existence and sustainability since they do not have basic sources of income.
- Standard support mechanisms such as banks and financial institutions that promote the development of social enterprises are very minimal compared to commercial enterprises.
- The biggest fundamental misconception is that social enterprises are not profitable, therefore most investors assume it to be a risky investment as returns are not compulsory. Hence entrepreneurs invest their own saving into their enterprises to tackle social problems.

2) Ability to scale-up

- Social enterprises were initially sprung into existence as traditions systems could not overcome all social challenges.
- However, after existence scaling up has been a major issue for most social enterprises.
- Entrepreneurs start up their business extremely enthusiastically and passion towards the welfare of the society and hence specialize on solving their main goal.
- Due to the lack of support from society and lack of efficient policies being implemented by the government, businesses struggle to move up to the next level.

3) Lack of a proper business strategy

- Without having a competent business strategy businesses lack competitiveness.
- Many businessmen start the enterprise out of good will forgetting the basic necessities for the enterprise to truly wind up successful. This means lack of managerial skills, strategic planning and financial forecasting, making cash flowcharts.
- Therefore, various entrepreneurs claim to be having financial challenges whereas the real challenge is lacking a strategic plan. Finance may not be the real reason behind the struggles hence one must thoroughly study the business and create a strategy that could potentially lead to maximum success.

4) Overcoming suspicion

- Gaining trust is never easy and for social enterprises it is even more difficult.
- The true intentions of such enterprises are always questioned, people need to know exactly what they're investing into. Especially for enterprises that do not have many investors yet, or isn't heard of, people assume they'd be unsuccessful or not profitable.
- One way to overcome initial suspicion is to let customers choose where their money is going, rather than believing you know best and deciding where the money goes yourself.
- Proving you care about the cause and about the problems going around the globe is what will help you gain loyal investors.
- Being seen making ethical decisions and working your ethos into every inch of your business, can help convincing customers and investors alike you that you have the best intentions at heart with your social enterprise.

5) Remaining true to the mission

- Moving away from the initial great idea can kill a business and it's something social entrepreneurs need to be equally wary of.
 - While your enterprise begins expanding it is extremely human to feel like you can do more with the business, however if it means diverting the business from its main objective it can turn out to be harmful.
 - This could lead an enterprise making problems for itself and depreciating the relevance of the main goal.
- 6) Process Management and Planning for Growth
- Firms that supply good products and services quickly grow and reach an inflexion point.
 - Companies that haven't planned for their growth often miss the bus.
 - For example, an enterprise offers housekeeping services by differently abled people. Now as their brand is recognized they will require front-line staff with specific needs, they will need to spend on training as well as equipment. If this is not dealt with in time the enterprise will face massive challenges in management.
- 7) Investing in the right people
- Employing right individuals to compliment the expertise of founders is a critical part of scaling up for every initiative.
 - The social sector is not any different because the skills required to sell, brand, and manage financials are specialized.
 - Most cash strapped businessman choose to multitask and make sure they are earning financing as well as running the company efficiently. However, without a team the organisation cannot grow, companies cannot only have resources and no one to truly handle these resources productively.
 - Without the right people and a proper, fact-based business plan, growth is difficult in the long run.

3. REVIEW OF LITERATURE

“A study on social stock exchange in India” -Sanjana S International Journal of Advanced Research in Commerce, Management & Social Science (IJARCMSS) ISSN : 2581-7930, GIF : 0.9063, CIF : 2.965 , Volume 02, No. 04, October - December, 2019, pp 41-47 In this study researcher has concluded that A whole new ecosystem and open market accessible to entrepreneurs, social enterprises, and voluntary establishment that caters to free movement of funds, adhering to sustainability in the management and its activities, attracting the ethical investors in the Indian Market. Government must draft rules and regulation or public consultations by removing hurdles for the existing stakeholders understanding their necessities and incline the market for social and environmental welfare of the nation. Educational Programs must be induced to create awareness amongst the social workers on the benefits available in the market in regards to the Social Stock market. The Indian regulator body Securities and exchange board of India must have a framework that covers all social enterprises guiding under newly established standard bureaucratic rules and producers and eliminating the conventional regulation.

Ideas of social stock exchanges for India -Varsha Aithala The India Forum (A magazine on contemporary issue) Social enterprises have the potential to make a significant impact on India's society and economy, but they struggle to find sustained funding. Social stock exchanges can help bridge the funding gap and create an investment ecosystem for such enterprises. It is critical for public and private sources of capital to come together and develop ingenious methods to ensure that capital flow to the social sector is unhindered and capital is utilised effectively to generate a lasting impact for the community. Institutional support through SSEs ensures that more investors are encouraged to integrate environmental aspects (such as resource conservation, environmentally sustainable working practices), social aspects (including privacy, data protection, employee welfare) and governance aspects (like board diversity, conflicts of interest resolution mechanism, independent oversight of management) into the evaluation of enterprises, moving beyond financial statements. To this end, all efforts need to be directed to make sure that an enabling regulatory environment is created for the planned SSE with a minimal compliance burden imposed on the enterprises, social entrepreneurs and investors. There should be clear listing criteria set out for social enterprises using this platform, and the listing guidelines should provide investors with sufficient incentives to increase their investment. The standards of social impact assessment and financial reporting should be kept robust to maintain credibility. SEBI should work with Indian stock exchanges to spearhead the movement to build awareness among the NPO community about the advantages of listing on the SSE, including the scope for innovative structuring of investment transactions, through which these enterprises can tap into several funding sources. This can infuse dynamism into the social sector to bring in the expertise to drive change and sustain long lasting reform.

Social Stock Exchange in India – A Platform for Social Enterprise Dr V.R. Narasimhan is Dean, National Institute of Securities Market -Ms Aboli Pitre is a qualified company secretary (A53767) and LLM from National Institute of Securities Market. Most Social Stock Exchanges have both- Non-Profit (NPO) as well as For-Profit Enterprises (FPE) eligible to raise funds from SSE platform. SSE can act as agent of change in social sector of India. It has potential to bring cultural shift to modernize the functioning of India's social sector. It can unlock new sources of funding for social organisations, promote NPOs, make new avenues of impact investment available to investors and develop an ecosystem favorable for development of social sector, provided they are evaluated only on social impact considerations and not commercial perspective.

A Study on the Scope of Implementation of Social Stock Exchange in India Turkish Online Journal of Qualitative Inquiry (TOJQI) Volume 12, Issue 8, July 2021: 323-339 -Charles Ambrose A, Rahul George, Soumya L.J,Princy Nisha D, Dr.K.Alex, Dr.S.Mariadoss,A.Sarlin Venotha Social Stock Exchanges as we now know, are a bridge between social enterprises needing funds and investors who are willing to invest. It is a social and economic forum that has gained popularity particularly in the last decade, but the question now arises for the need of an SSE when an investor could just look up in a normal stock exchange and find companies listed undertaking a good amount of CSR activities and achieve a better social and financial benefit. The main difference lies in the fact that companies doing CSR are just doing social service as a small portion of their business, but organizations established to mainly serve the society would focus entirely on it and bring out

an urge to solve problem in a more effective manner. Knowing that the Social Stock Exchange would follow the same model as a Stock Exchange, we can expect the presence of speculators and arbitrageurs, whose profit motive differ from those of social enterprises, who focus on earning and using profit for societal benefit. The objectives of Impact investors would align with that of social organizations, which is why they could make the most out of the implementation of SSEs rather than other investors. Once SSEs are implemented in India, the opportunity for future researchers would arise as they can compare the functioning of Indian SSEs with the ones functioning abroad.

Social Stock Exchanges – Innovative Financing For International Development By Bandini Chhichhia Currently, the main challenges lie in building a critical mass of social businesses that are ‘market ready’ to make SSEs viable, and developing a common terminology and consistent valuation parameters for all players in the field. In this regard greater harmonisation of entrepreneurial know-how from both sides of the globe would assist in building this critical mass. One approach is fragmenting the operations of existing charitable foundations so that they are part grant-driven and part social business (see for example the model of MicroEnsure.⁸⁷) Finally, having harnessed this unbridled power of the market, an ongoing challenge lies in taming this beast and ensuring that it delivers what it promised to at the outset. This is where proactive governance⁸⁸ by both state and international actors comes into play in ensuring that adequate checks and balances are built-into regulatory frameworks as SSEs gain momentum. However, what is undeniable is that, the invisible hand can have a compassionate touch and the market can in fact be employed to lift the bottom billion from poverty with the hope of a better future in a changing global order.

Determinants of Attractiveness in Social Stock Exchange Journal of Management and Sustainability; Vol. 3, No. 4; 2013 ISSN 1925-4725 E-ISSN 1925-4733 Published by Canadian Center of Science and Education Future researches are needed to reach this statement because of limitations of our data base. One of these limitations refers to quantity of projects at SSEs, that despite of being in a proper number for the purpose of this paper, is not enough for using other regression techniques that allow us to identify non-linear relations (ex. regression multinomial logistic, regression binary logistic, probit and others). Another limitation is related to kind of data available for comparison at the three used databases, what precluded measurement of some factors or project characteristics which would be valuable metrics for social projects. For example, the link between reputable organisations having a wide contact network and history of success, history and organisational seniority, and entrepreneur pro-activity and stakeholders participation are important issues for the project attractiveness and consequently they should be better understood. Certo and Miller (2008) and Mair and Marti (2006) reported that difficulty on measuring social value. Finally, this study has presented a diversity of projects that demonstrate a strong creativity of social entrepreneurs, particularly in the fields of social cohesion and regional development, revealing that social entrepreneurship and its key players can definitely make a strong contribution to improving the welfare of populations. This work contributes to the study of social innovation (Phills et al., 2008) when we chose the SSEs as the objects of study. They incorporated the logic model from private initiative and the social results obtained from these projects could be embedded by society as proposed by Phills et al. (2008).

BOVESPA and the Social Stock Exchange: Mobilizing the Financial Market for Development Author: Danielle Zandee, Case Western Reserve University Commissioned by the Global Compact Office October 2004 Is the idea of a SSE replicable in other countries? The conveners of the Brazilian SSE think it is. They encourage others to follow their lead and are eager to share their growing expertise. This case story intends to inform interested stock exchanges so that they can assess the viability of a SSE in their unique local circumstances. In this regard, the Global Compact plans to play a catalyzing role. There indeed seems to be potential for a similar program in widely different societal contexts. In countries with a well- established stock exchange, it provides a convenient and trustworthy channel for people who want to make socially responsible investments. In societies like Brazil, with a developing capital market, a SSE may help to explain the operations of a stock exchange. In all instances, a SSE can democratize the access to philanthropic resources, and give further credibility to the work of NGOs. Last but not least, the SSE gives a positive, human face to pivotal financial-economic institutions, and helps to build public confidence in the good intentions of these powerful global actors.

4. RESEARCH METHODOLOGY

Research Methodology is series of steps aiming at collection of information and their analysis. It validates the study and measures its reliability. It is driving towards the way in which data is to be collected and how they are to be interpreted? For this research exploratory research technique based on past literature from respective journals, annual report, newspaper & magazine covering wide collection of academic literature is used. Available secondary data was extensively used for the study.

Types of Research Methodology

Generally the researcher uses the following types of research methodology:

- a. Descriptive – The term descriptive research refers to exhaustive research study which is focusing on describing the characteristics of a particular individual or group. It is targeted towards. It includes research related to specific predictions, features or functions of person or group, the narration of facts, etc. it concentrates on formulating the research objective, designing methods for the collection of data, selection if the sample, data collection, processing, and analysis, reporting the results.
- b. Exploratory – Exploratory research means a research conducted for formulating a problem for more clear investigation. It focuses on the discovery of ideas and thoughts. The exploratory research designs suitable for studies which are flexible enough to provide an opportunity for considering all the aspects of the problem.

In this research descriptive and exploratory both the approaches are used.

Statistical tools adopted:

The data was interpreted and analysed with the help of graphs and chart presentation.

Sampling technique:

This paper used a questionnaire which consist of 12 simple general questions. This questionnaire is made with the purpose of providing the data of most importance in nature to aid analysis of impact attributes.

Hypothesis:

The hypothesis proposed here is as mentioned below:

H0- Social stock exchange can help Indian economy in handling socio economic problems

H1- Social stock exchange can help Indian economy in handling socio economic problems.

Data types and sources:

This paper was written while referring to a combination of both primary and secondary sources.

Primary data

1. Since the primary data are unique and pertinent to the study's issue, the degree of accuracy is very high.
2. A variety of methods, including focus groups, telephone surveys, and interviews, can be used to gather primary data. Emails and postal letters can also be used to gather it across international borders. It may have a sizable population and a huge geographic scope.
3. In addition, primary data is up-to-date and can offer the researcher a better, more accurate perspective on the subject at hand.
4. Since primary data is gathered by a responsible and trustworthy entity, its reliability is very high.

Secondary data

1. Accessing secondary data is quicker and less expensive.
2. It offers a way to access the research of the top academics worldwide.
3. Secondary data helps the researcher decide which course of action to take for that particular investigation.
4. Finally, secondary data increases the worth of the research study while saving time, money, and effort.

Population:

Set of maximum people including males and females having knowledge of social stock exchange to which the findings are generalised.

Sampling frame:

For performing non-profitability sampling randomly list of different people belonging to different professions was generated from selected area.

Sample size:

Sample size of 56 respondents was selected to make the study meaningful.

Study area:

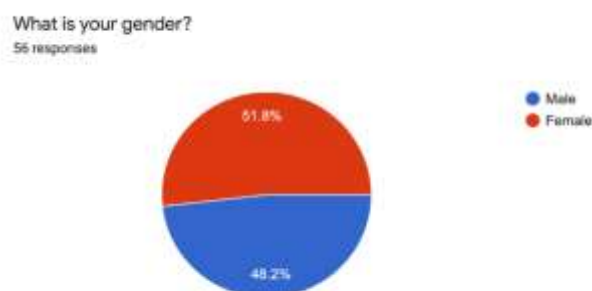
The study is counted throughout the city of Mumbai. Mumbai being the finance capital of India, is expected to have awareness on social stock exchange.

Limitations:

1. Limited knowledge of respondents may affect data collected.
2. Data has only been collected through virtual means.
3. The sample was limited to the citizens of India.
4. There is only one source of primary data throughout this paper due to time and cost constraints.

5. DATA ANALYSIS AND PRESENTATION

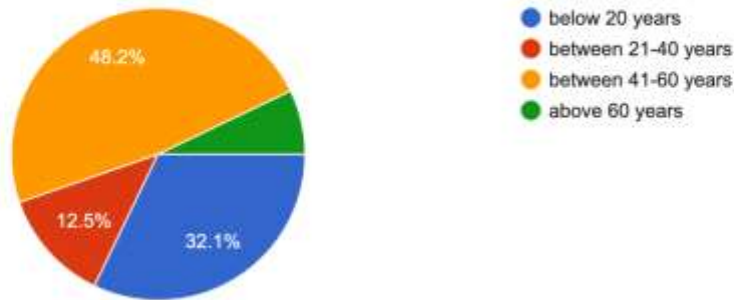
WE TOOK THE SURVEY: QUESTIONNAIRE METHOD AND RESULTS WERE AS FOLLOWS: WE GOT 56 RESPONSES TO THE COMPULSORY QUESTIONS ASKED BELOW:



-from this chart we can see that both male and female respondents are almost equal

What is your age?

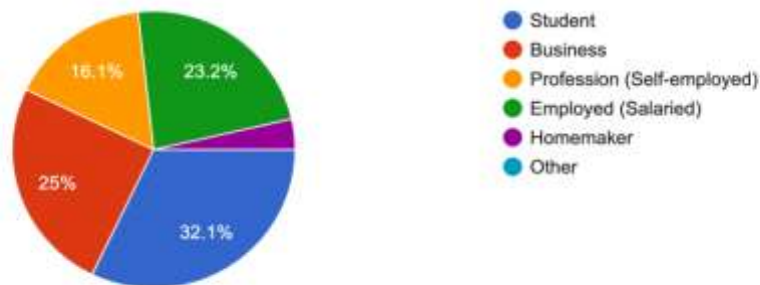
56 responses



--this depicts that a high percentage of respondents are between the ages 21-40 and very few respondents are of the age 60+

What is your occupation?

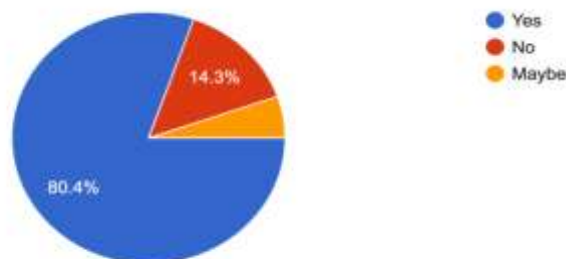
56 responses



-this pie chart exhibits that very few respondents are homemakers, majority of the respondents are employed or perusing further education.

Are you aware about the existing stock exchanges of India (i.e. NSE, BSE)?

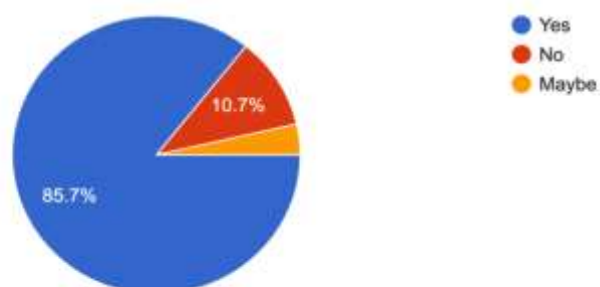
56 responses



-this indicates that majority of the respondents know what a stock exchange is.

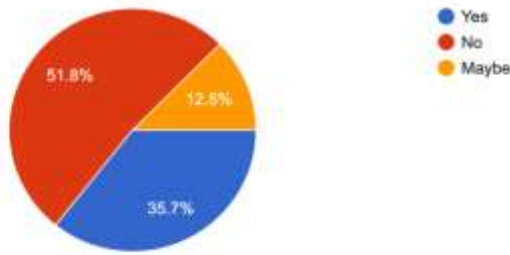
Do you or your family members invest in stocks listed on the Stock Exchange?

56 responses



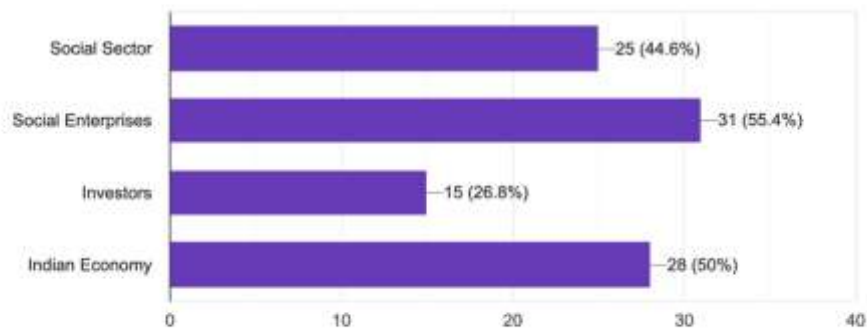
-this chart shows that most respondents either invest in stocks or are related to people that are invest in the exchange.

Do you know what is Social Stock Exchange?
56 responses



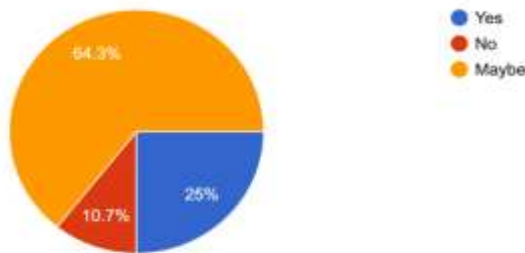
-this shows that even though there is a crowd well aware about SSE’s majority of the respondents are not aware about them yet and there is scope of enlightenment available.

According to you, Social Stock Exchange can be beneficial to whom?
56 responses



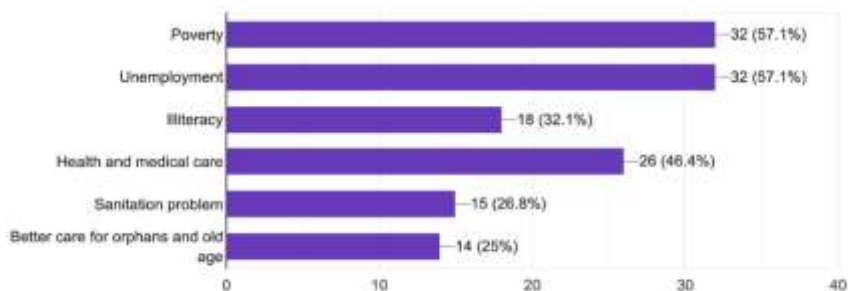
-this bar graph indicates that most people believe that even though SSE will be beneficial to all it would mainly benefit social enterprises.

Does Social Stock Exchange have any similarity with existing Stock Exchange?
56 responses



-most people believe there may be some similarity between Social Stock Exchange and Stock Exchange, however not everyone is confident this is the case.

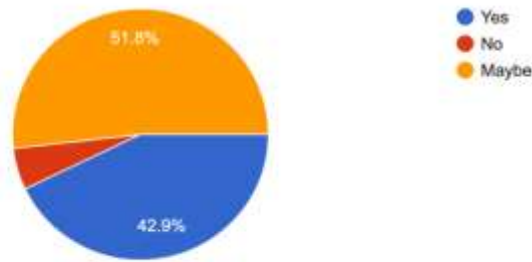
Social Stock Exchange can be helpful in handling which of the following socio-economic problems?
56 responses.



-this shows that SSE’s will be extremely beneficial in the socio-economic sector however it would mainly help said poverty and unemployment.

Do you think Social Stock Exchange will enforce transparency in working of social enterprises?

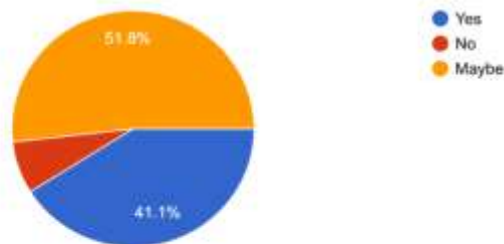
56 responses



-since SSE's haven't been implemented worldwide yet, there is doubt amongst the respondents if the social enterprises will be transparent.

Will investing in Social Stock Exchange be beneficial to the investors?

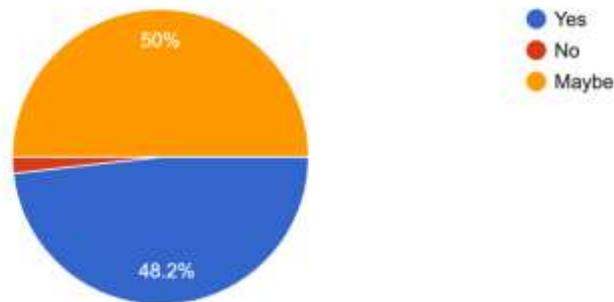
56 responses



-majority of the respondents are not affirmative about SSE's benefiting investors as there isn't complete clarity amongst the investors.

According to you, can Social Stock Exchange aid the government in handling socio-economic problems and speed up the growth of Indian economy?

56 responses



-this shows that there isn't complete clarity in whether SSE's can aid the government to help the economy, however there is no way it could interfere with existing economic growth.

6. CONCLUSION AND SUGGESTIONS

It would be fair to conclude that the proposed SSE in India has adopted an inclusive and all-encompassing strategy that is considerate of the requirements and limitations of social organisations and donors/investors in India. The modalities could be further defined with the help of the Technical Group's more specific proposals. The governance, management, and sustainability of the SSE, as well as developing strategies for donor and investor demand generation, are two areas that merit additional attention based on findings from global experience. At the same time, ongoing consultation with civil society should be encouraged, and non-profit perspectives should be institutionalised within the SSE itself.

In order to help civil society and policymakers in other countries understand and perhaps implement effective social stock exchanges, this research aims to capture some of the common traits and features of SSE models in many countries. Studying the emergence and collapse of social stock exchanges around the world can help developers of India's proposed SSE take into account many more factors as well as highlight the possible benefits and potential problems of these relatively new systems. The SSE has the potential to transform civil society, but this transition may be constrained by a number of variables and may potentially have unforeseen effects on the industry. Aside from potentially duplicating the functions of a traditional stock exchange, segmenting or

escalating inequalities within and between sectors, and failing to foster a strong culture of philanthropy, an SSE also runs the risk of failing to unlock new capital, promote equity, introduce new instruments for donors to fund operations, streamline regulations, and create an ecosystem of enabling frameworks for civil society. Stakeholders must establish a representative and participatory system that fully embraces the concerns and expertise of civil society and social organisations while utilising effective financial and institutional capability in order to truly generate sustained social impact. An SSE should, above all, enable the markets to serve society rather than society serving the markets.

The role of an SSE could be defined as a change agent. SSEs have the potential to be effective change agents because of their unique role as venues for bringing together various stakeholders and mediating interactions between sectors to prioritise growth. Social stock exchanges, unlike traditional stock exchanges, have a deeper purpose that should be represented in its governance, design, and operations, as nations must be aware. In that sense, it could be claimed that the term "stock exchange" itself is misleading.

When analysing the structural makeup of a social stock exchange, it is advantageous to take into account a relationship to the nation's current capital market stock exchange while maintaining independence in decision-making. A partnership with the current stock exchange, if not incubation support from them, might give the platform credibility and hasten the establishment process.

7. REFERENCES

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Appendix:

Questionnaire

1. What is your gender? *
 - Female
 - Male

2. What is your age? *
 - below 20 years
 - between 21- 40 years
 - between 41- 60 years
 - above 60 years

3. What is your occupation? *
 - Student
 - Business
 - Profession (self-employed)
 - Employed (salaried)
 - Homemaker
 - Other

4. Are you aware about the existing stock exchanges of India (i.e. NSE, BSE)? *
 - Yes
 - No
 - Maybe

5. Do you or your family members invest in stocks listed on the Stock Exchange? *
 - Yes
 - No
 - Maybe

6. Do you know what is Social Stock Exchange? *
 - Yes
 - No
 - Maybe

7. According to you, Social Stock Exchange can be beneficial to whom? *
 - Social sector
 - Social enterprises
 - Investors
 - Indian economy

8. Does Social Stock Exchange have any similarity with existing Stock Exchange? *
- Yes
 - No
 - Maybe
9. Social Stock Exchange can be helpful in handling which of the following socio-economic problems? *
- Poverty
 - Unemployment
 - Illiteracy
 - Health and medical care
 - Sanitation problem
 - Better care for orphans and our age
10. Do you think Social Stock Exchange will enforce transparency in working of social enterprises? *
- Yes
 - No
 - Maybe
11. Will investing in Social Stock Exchange be beneficial to the investors? *
- Yes.
 - No
 - Maybe
12. According to you, can Social Stock Exchange aid the government in handling socio-economic problems and speed up the growth of Indian economy? *
- Yes
 - No
 - Maybe