

SOCIAL STOCK EXCHANGE: ABSTRACT OF SEMINAR, BENGALURU, APRIL, 28, 2023

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INTRODUCTION

A half-day seminar on the **Social Stock Exchange (SSE)** was organized by the **Swami Vivekananda Youth Movement (SVYM)** and held at Bengaluru. The venue was the *Indian Institute of World Culture* located in Basavanagudi, one of the oldest localities in Bengaluru and home to an eclectic mix of educational, cultural, historical, and social institutions and heritage sites.

It was a typically pleasant and warm Bengaluru day, the Friday of April 28, 2023 and attendees at the seminar included a mix of social/development sector professionals, founders and leaders of social enterprises, CSR professionals, and philanthropists.

ABSTRACT/SUMMARY

The seminar was divided into two sections on either side of a tea break. The first half included the inauguration, an address by the CEO of SVYM, Smt. Savitha S, a presentation on the global experience of Social Stock Exchanges by Dr. Ananya Samajdar, Deputy Director, Research at GRAAM, and the key note address by the current Chairman of the SEBI-SSE Advisory Committee, and member, HR, Capacity Building Commission, Government of India, Dr. R. Balasubramaniam. The second half was front-ended by an address by Shri Hemant Gupta, Head, Social Stock Exchange at BSE and book-ended by a panel discussion and audience interaction.

In the following sections of this report, a summary of the key sessions and takeaways along with links to access the full video are provided for those who attended the seminar and want the proceedings as a reference and also for those who wanted to be present at the seminar but couldn't make it for various reasons.



ACKNOWLEDGEMENTS

SVYM takes this opportunity to thank all the delegates who set aside time from their busy schedules to not only attend but also share their expertise, opinions, and feedback. SVYM would also like to express its gratitude to the chief guests and panellists for graciously sharing their knowledge, time, and support – they engaged with us before, during, and after the seminar and that has gone a long way in making the seminar a great success. Thanks, are also due to the entire team at SVYM who quietly worked behind the scenes to keep the wheels moving with clockwork precision.

SVYM further acknowledges and rededicates itself to spirit of cooperation and partnership that formed a central sentiment of the seminar. Together we believe that we can make a success out of this initiative and drive us to seek partnerships and collaboration going forward.

WELCOME ADDRESS BY SMT. SAVITHA S, CEO, SVYM

The delegates, participants, and guests of honour were welcomed by the **CEO of the Swami Vivekananda Youth Movement (SVYM), Smt. Savitha S.** In her inaugural address, she recalled an inspiring quote of Swami Vivekananda whose ideals inspire and guide all the initiatives of SVYM.

“Test everything, try everything, and then believe it, and if you find it for the good of many, give it to all.”¹

Ms. Savitha while pointing to the huge gap that exists between goals to be reached, particularly the development goals of the SDGs versus fund availability, hoped that the Social Stock Exchange (SSE) would be a platform that would bridge this gap and help further the development goals of the nation. She also hoped that the capacity building mandate of the SSE would help strengthen the development sector ecosystem.

She then introduced the guests of honour and panellists who would be speaking to and interacting with the audience:

1. Dr. R. Balasubramaniam, chairman of the SEBI-SSE Advisory Committee, and member, HR, Capacity building commission, GoI, and founder SVYM² and GRAAM³
2. Shri Hemant Gupta, Head, Social Stock Exchange at BSE, member of the working committee and Technical Group constituted by SEBI for setting up the SSE
3. Shri G. Srinivasan, co-founder Rural Shores Business Services Pvt. Ltd, Secretary, IMPACT (an NGO working in the area of girl-child education)
4. Dr. Basavaraju, Executive Director, Grassroots Research & Advocacy Movement (GRAAM) and a Public Policy & Development Professional for over 2 decades
5. Dr. Ananya Samajdar, Deputy Director, Research, Grassroots Research & Advocacy Movement (GRAAM)

The inaugural welcome address can be viewed at this link: [Welcome Address-CEO, SVYM](#)

¹ Complete Works of Swami Vivekananda, Volume-III, Buddhistic India, published by the Sri Ramakrishna Math, Page 1621 of Kindle edition, Complete Collection of Swami Vivekananda, Ageless Reads, 2020.

² SVYM = Swami Vivekananda Youth Movement, a leading development sector organization located in Mysuru, Karnataka, India.

³ GRAAM = Grassroots Research and Advocacy Movement, a research and policy



SESSION SUMMARIES

Session-01: Global perspective on SSEs - excerpts

Dr. Ananya Samajdar, Deputy Director, Research, GRAAM started proceedings with a succinct summary of the global experience with SSEs and the key learning and challenges that inform the current debate on the rationale and purpose of SSEs. She shared the experience from around six experiments from across the globe starting with the first one in Brazil in 2003 and through South Africa, the United Kingdom, Canada, Singapore/Mauritius, and Jamaica. Dr. Samajdar pointed to how the experience with SSEs has been chequered with hits and misses and quite some distance still to travel before they can be called a success. Two key reasons she cited for the challenges SSE's have faced in their journey include the failure to create an adequate-sized market for social investing – i.e., a sufficiently diversified and inclusive market both on the investor as well as the investee sides of the equation and the inability to ensure financial sustainability over the long-term. In summarizing the key learning and takeaways from the various experiments, Dr. Samajdar highlighted the critical need for capacity building of NGOs, NPOs, and FPEs particularly in the areas of impact assessments and reportage. The need for stronger legal and regulatory processes, broad-based inclusivity, autonomy, stronger stakeholder engagement, and ensuring equity across sectoral allocations of funds are also crucial to ensure the long-term success and sustainability of the SSE idea. To watch the full video of this talk, go to this chapter of the video, available at: [Dr. Ananya Samajdar - SSE Global Perspectives](#).

Plenary Session: Excerpts of Keynote Address-1: Dr. R. Balasubramniam

The keynote address of the seminar was delivered by the current chairman of the SEBI-SSE Advisory Committee, and member, HR, Capacity building commission, GoI, and founder SVYM and GRAAM, Dr. R. Balasubramniam. Dr. Balu (as he is popularly known), spoke of how this is an “experiment” whose time has come and is a part of a series of innovative measures and initiatives happening across the country. While acknowledging that the Social Stock Exchange is one of the most complex, challenging, and difficult attempts/experiments that the current government has chosen to execute, he noted that collaborative synergy among three key stakeholders would ensure success – this would include the “Demand” side made up of the NGOs/CSO, Social Enterprises, the “Supply” side made up of those who fund programs and projects, and finally the “intermediaries” who form the bridge between the two.

Dr. Balu also spoke of the challenges faced by the development sector in finding long-term investments and investors that/who are consistent and committed towards a long-term vision of backing an idea that has the promise of a significant social impact. He pointed to the year-on-year deficit of INR 554 billion that the development sector faces and asked the audience as to where this money would come from? His address was also embellished with stories and anecdotes drawn from his four-decade experience of having worked in the development sector – he shared the significant impact and paradigm shift that was achieved through one of SVYM's initiatives of popularizing and mainstreaming Science education in the rural and tribal districts of HD Kote – after several years of untiring efforts, children living in this area getting into professional science streams has increased from 4% to 25% - this data-point is an example of what it takes to bring about change when consistency and continuity are married to commitment and sustained funding. Sustained and long-term funding can become a reality with the SSE.

Dr. Balu goaded the audience to come together and commit to the long haul in making the idea of the SSE a success. He pointed to how this is a journey that would be hard and long but rewarding.



Change he pointed out begins with each one of us and it is in changing and accepting the challenge that we will be able to make the change we want in the sector. To watch the full 20-minute talk, go to this link: [Dr. R. Balasubramaniam – Plenary Address-1](#)

Plenary Session: Excerpts of Keynote Address-2: Shri. Hemant Gupta

Shri Hemant Gupta, currently the Head, Social Stock Exchange at BSE, and who has been a member of the Working Committee and Technical Group constituted by SEBI for setting up the SSE, delivered the second keynote address of the seminar. He outlined the operational and structural details of the SSE while highlighting the robustness and stability of India's capital market system. He felt that the SSE would benefit from inheriting and leveraging the regulatory framework, guidelines, and disclosure requirements (of India's established capital market system), with the option to enhance/modify as required.

He walked the audience through the initial idea that had been part of the Finance Minister's Union Budget FY19-20 and how the idea grew into its present form, beginning with the SEBI's working committee that worked on the overarching architecture and framework and later the technical group that drilled down the operational details of the SSE. He also took the audience through the onboarding, disclosures, social auditing/assessment and reporting requirements and frameworks of the SSE while underlining the fact that the first litmus test for any social enterprise or NPO would be to demonstrate the primacy of its social intent. He also pointed to the fact that stock exchanges offer the benefits of wider reach, greater transparency, and liquidity – the potential to replicate these benefits exists for the SSE as well.

Mr. Gupta also spoke of one of the instruments through which capital could be raised on the SSE, namely the Zero Coupon Zero Principal (ZCZP) bond which is similar to a donation since it does not earn interest and there is no return of the principal amount, however, routing it through this instrument and via the SSE would ensure greater transparency and reach.

In conclusion, Mr. Gupta said that what we have now is SSE-1.0 – the success and growth of the SSE would depend on collaboration across all stakeholders and partners and encouraged everyone to share their feedback and inputs to make this initiative a success. The full talk can be viewed at: [Shri Hemant Gupta, Plenary Session-Talk-2](#)

Panel Discussion and interactive Q&A

The panel discussion brought together 4 panellists who represented the views of the government, the stock exchange, Social Enterprises, and NGOs. The panel answered a curated list of questions that had been culled out from an online form that had been circulated, inviting participants and people from the development sector ecosystem to share their thoughts, concerns, and questions. *The panel included Dr. R. Balasubramanian, Shri Hemant Gupta, Shri G. Srinivasan, and Dr. Basavaraju.*

In addition to the curated questions, the panel also answered a few impromptu audience questions during the last section of the panel discussion. The Panel Discussion can be viewed at this link: [Panel Discussion – SSE Seminar](#) and the interactive Q&A session with the audience can be viewed at: [Q&A - Audience](#). A follow-up FAQ document with collated answers to all questions will be published as part of the ongoing information series on the SSE being published by V-LEAD, a unit of SVYM.

The full-video of the entire seminar is available at: [SS-Seminar-April 2023](#)

**APPENDICES & REFERENCES**

1. Dr. Ananya Samajdar's presentation (slide-deck in PDF): <https://bit.ly/3pLXJxQ>
2. Shri Hemant Gupta's presentation (slide-deck in PDF): <https://bit.ly/3O8z54Q>
3. Pre-read write-up on the SSE: <https://bit.ly/42CHsdb>

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<https://svym.org/>

[V-LEAD – V-LEAD Blog \(wordpress.com\)](#)

www.v-lead.org