

# THE SOCIAL IMPACT ASSESSOR

YOUR INSIGHT JOURNAL

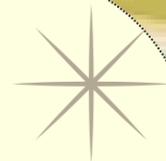


March 2026



**ICMAI Social Auditors Organisation**

(A Section 8 Company promoted by The Institute of Cost Accountants of India)



## **Social Stock Exchange**

SEBI vide its notification dated 25th July, 2022 has made amendments in the SEBI (ICDR) Regulations, 2018, and SEBI (LODR) Regulations, 2015. Copies of these amendments are being circulated with this communique. These amendments have been made to provide Social Enterprises with additional avenues to raise funds through the Social Stock Exchange (SSE), which is a novel concept in India. It provides eligibility of organizations to raise funds through Social Stock Exchange, eligibility of entities to be classified as “Not for Profit Organization”, eligibility of entities to be classified as “For Profit” Social Enterprises, means through which Social Enterprises can raise funds, and obligations of Social Enterprises.

Furthermore, to strengthen the governance framework in these entities, & provide better confidence to such investors, SEBI has introduced the concept of Annual Impact Report by a Social Auditor. The purpose of this Social Audit is to ascertain the impact made by the Social Enterprise through its activities, intervention, programs or projects implemented during the reporting period. The annual impact report shall be audited by a Social Auditor.

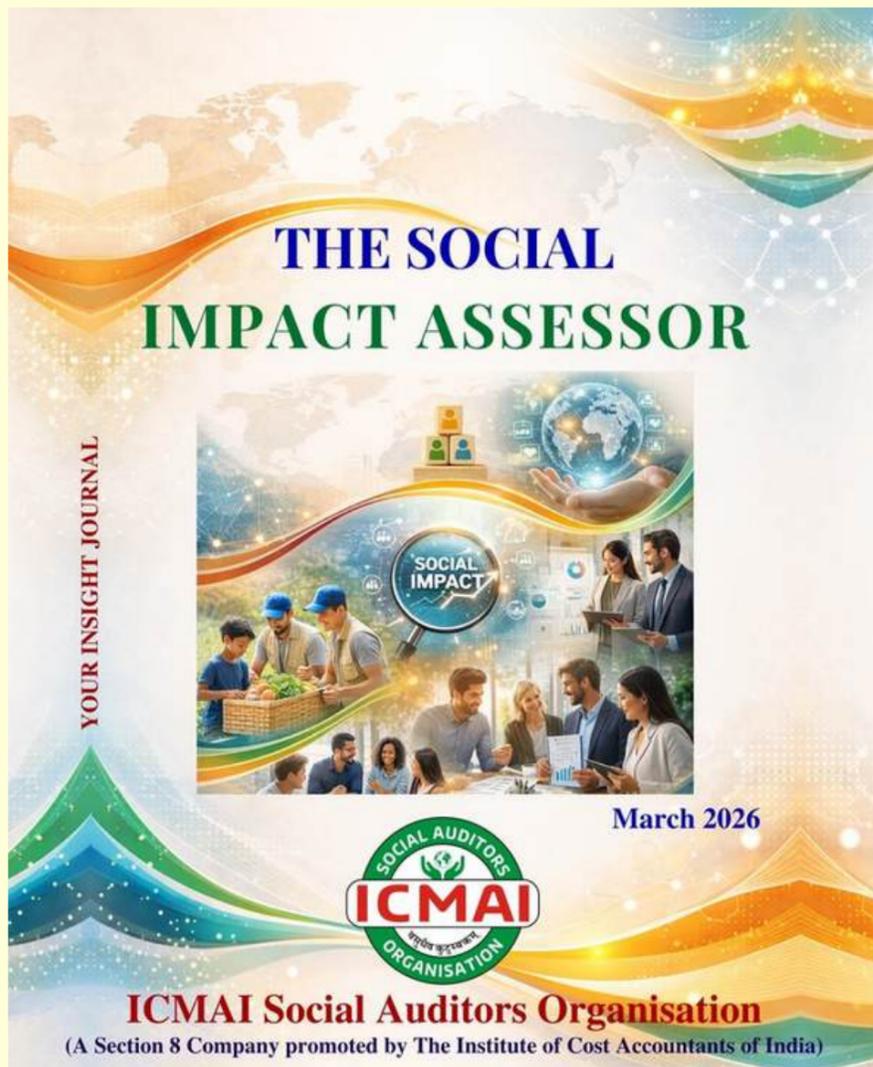
## **ICMAI Social Auditors Organisation (ICMAI SAO)**

To enroll & regulate the Social Auditors and also to prescribe the Social Audit Standards, the Institute of Cost Accountants of India, in compliance with SEBI Regulations, has incorporated a section 8 company titled ICMAI Social Auditors Organization. The ICMAI SAO will enroll eligible CMAs & others as Social Impact Assessor and focus on their capacity building through continuous professional advancement with emphasis on adherence to the highest ethical standards and compliance with the Social Stock Exchange requirements.



## **ICMAI Social Auditors Organisation**

**(A Section 8 Company promoted by The Institute of Cost Accountants of India)**



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## MESSAGE FROM THE CEO'S DESK



CMA (Dr.) S K Gupta

**S**ocial impact refers to the net effect—positive or negative, intended or unintended—that an organization's, government's, or individual's actions have on the well-being of communities and society at large. It addresses social challenges through improved livelihoods, strengthened community cohesion, and enhanced safety. Such impact is measured through evaluation, including assessing environmental and social, and cultural, and, political, consequences. Social impacts are impacts on the livelihood of people and the services the natural environment provides to people. Examples of social impacts include: Resettlement. Losing assets or land, including gardens. Impacts on health and safety.

Businesses, government departments, and NGOs have a significant impact on the communities they serve and the environmental resources many communities rely on. The socio-economic attitudes and experiences of individuals are also heavily influenced by the activities and decisions of these organizations.

Whether through employment, community development, or policy, these entities shape the fabric of society and the impact of society on people, in profound ways. Additionally, the way businesses manage environmental resources can have lasting effects on ecosystems and future generations.

Given these influences, it's important for businesses and organizations to be mindful of the social and environmental impact they create. Every action taken, from product sourcing to community initiatives, contributes to a broader picture. By being aware of the ripple effects of their activities, businesses and organizations can make sure they are making positive contributions to society and the planet.



# PROFESSIONAL DEVELOPMENT PROGRAMS



**PROFESSIONAL DEVELOPMENT PROGRAMS**

**FEBRUARY-MARCH 2026**

Date & Time	Topic of the Program
04th February 2026 from 09.30 am to 01.00 pm	Social Stock Exchange Awareness Program - Ranchi
06th February 2026 from 04.00 pm to 05.00 pm	Creating Draft Fund Raising Document for Listing on Social Stock Exchange
14th-15th February 2026 From 10.00 am to 05.00 pm	21st Online Batch Preparatory Course for Social Auditors Examination
19th February 2026 from 04.00 pm to 05.00 pm	Compliances for Social Enterprises Registered / Listed on Social Stock Exchange
28th Feb-01st Mar 2026 from 11.00 am to 05.00 pm	Proficiency Development Program for Social Impact Assessors
06th March 2026 From 10.30 am to 12.30 pm	Registration of Social Enterprises on Social Stock Exchange
10th March 2026 from 09.30 am to 01.00 pm	Social Stock Exchange Awareness Program - Kolhapur
13th March 2026 from 09.30 am to 01.00 pm	Social Stock Exchange Awareness Program - Pachod
18th March 2026 From 10.30 am to 12.30 pm	Listing of Social Enterprises on Social Stock Exchange
21st-22nd March 2026 From 10.00 am to 05.00 pm	22nd Online Batch Preparatory Course for Social Auditors Examination
25th March 2026 from 03.30 pm to 05.00 pm	Professional Opportunities for CMAs Social Stock Exchange and Social Impact Assessors

# Articles



# Theory of Change

## A tool for delivering desired outcomes

**CMA (Dr.) S K Gupta**

Chief Executive Officer - ICMAI Social Auditors Organisation

### What is Theory of Change ?

**T**heory of Change is essentially a comprehensive description and illustration of how and why a desired change is expected to happen in a particular context. It is focused in particular on mapping out or “filling in” what has been described as the “missing middle” between what a program or change initiative does (its activities or interventions) and how these lead to desired goals being achieved. It does this by first identifying the desired long-term goals and then works back from these to identify all the conditions (outcomes) that must be in place (and how these related to one another causally) for the goals to occur. These are all mapped out in an Outcomes Framework. A theory of change is a method that explains how a given intervention, or set of interventions, are expected to lead to a specific development change, drawing on a causal analysis based on available evidence. The Outcomes Framework then provides the basis for identifying what type of activity or intervention will lead to the outcomes identified as preconditions for achieving the long-term goal. Through this approach, the precise link between activities and the achievement of the long-term goals are more fully understood. This leads to better planning, in that activities are linked to a detailed understanding of how change actually happens. It also leads to better evaluation, as it is possible to measure progress towards the achievement of longer-term goals that goes beyond the identification of program outputs.



Think of a Theory of Change Model as a roadmap that shows: "If we do X, then Y will happen, which leads to Z." For example : "If we train young women in coding

skills (X), then they will gain confidence and technical abilities (Y), which leads to tech employment and economic mobility (Z)." It's the story of how change happens - with clear cause-and-effect logic. Some practitioners use terms like "program theory," "results chain," or "outcome mapping" interchangeably, but the core idea is the same: articulating how and why your work creates change.

In practice, ToCs often sit alongside more focused tools such as logic models. A ToC provides the broader reasoning and direction, while logic models help clarify activities, outputs, and outcomes in more detail. Many programmes also work with several levels of ToC, from a high-level strategic view through to more detailed versions for specific projects or themes.

### Purpose : Why use a Theory of Change

- **First**, development challenges are complex, and are typically caused by many factors and layers that are embedded deeply in the way society functions. For example, opening a legal aid clinic may not lead to more women accessing justice services unless issues of cultural sensitivities, needed legal reforms and childcare constraints are addressed as well.
- **Second**, a theory of change provides a framework for learning both within and between programming cycles. By articulating the causes of a development challenge, making assumptions explicit on how the proposed strategy is expected to yield results, and testing these assumptions against evidence—including what has worked well, or not, in the past—the theory of change helps ensure a sound logic for achieving change. The theory of change also helps make course corrections if the selected approach is not working or if anticipated risks materialize. New learning and lessons from monitoring and evaluation

help refine assumptions and inform decisions on how an approach should be adapted to deliver planned results. Adjustments to the theory of change should also be made in light of changing circumstances, especially in response to crisis and shocks, as well as part of regular monitoring.

- **Third**, the theory of change is increasingly being utilized as a means for developing and managing partnerships and partnership strategies. The process of agreeing on a theory of change establishes different views and assumptions among programme planners, beneficiaries, donors, programme staff, etc. It can foster consensus and motivate stakeholders by involving them early in the planning process and by showing them how their work contributes to long-term impact.

### Why a Theory of Change will strengthen your intervention

TOC provides a great opportunity to ensure your thinking is consistent from the design stage to the post implementation stages in all decision-making processes. One of the main challenges that people often face with projects and programmes is knowing what actions are most likely to lead to their desired changes. When you produce a good TOC you will have:

- a clear description of what you want and the most efficient way of getting there
- an agreement amongst your stakeholders about how they define success, what data should be collected, and when and how to measure success
- a clear process to draw on existing research and theory about how change works in your specific context
- a plan for monitoring and evaluation to help you identify the most useful lines of enquiries, understand what works, and learn from failures
- a visual representation of the change you want to see
- a powerful communication tool that captures the complex processes involved
- a framework that helps your funders understand how working with you will help them achieve their own objectives

A TOC is a useful planning tool to help you clearly understand your programme, and any assumptions, risks, and complexities in the context of the programme. This clarity about the context of the intervention, vision, actions, assumptions, and available evidence will provide the basis for planning an evaluation that is proportionate to available resources. This will help everyone understand the conditions that will lead to success for your intervention and how it can be adapted to new situations. This makes a TOC an important part of good policy making.

### Key Principles for developing a Theory of Change

- It should be developed consultatively to reflect the understanding of all relevant stakeholders;
- It should be grounded in, tested with, and revised based on robust evidence at all stages; and
- It should support continuous learning and improvement from programme design to closure



To put it in simple terms, let's take a theory of change example. To create a theory of change in research for policy making, you need to start by defining your goal. This could be anything from reducing poverty in a specific community to improving educational outcomes for children. Once you have defined your goal, you need to identify the specific changes required to achieve it. These changes are typically broken down into short-term, intermediate, and long-term outcomes.

**Short-term Outcomes** : Short-term outcomes are the immediate changes you expect due to your efforts. Let's take the theory of change social work example to improve

educational outcomes for children. A short-term outcome might be to increase the number of children who attend school regularly.

**Intermediate Outcomes :** Intermediate outcomes in a theory of change model are the changes that occur due to achieving short-term outcomes. For example, if you successfully get more children to attend school regularly, you might expect to see an increase in their test scores and a decrease in the number of children who drop out.

**Long-term Outcomes :** Finally, long-term outcomes are the ultimate changes you hope to see due to your efforts. Taking the above theory of change example, a long-term outcome might be to increase the number of children who graduate from high school and go on to college.

Once you have defined your short-term, intermediate, and long-term outcomes, you need to identify the specific actions necessary to achieve each. These actions could include anything from tutoring services to struggling children in school to advocating for policy changes that will improve educational outcomes.

## The Complete Pathway

A theory of change diagram connects your resources, activities, and assumptions to measurable outcomes and long-term impact - showing not just what you do, but why it works and how you'll know.

1. **Inputs** - Resources invested to make change happen
2. **Activities** - Actions your organization takes using inputs
3. **Outputs** - Direct, measurable products of activities
4. **Outcomes** - Changes in behaviour, skills, or conditions
5. **Impact** - Long-term, sustainable systemic change

## Critical Components of a Living Theory of Change

**Stakeholder-Centered :** Built around the people you serve, not just organizational goals. Real change happens to real people.

**Evidence-Based :** Grounded in data - both qualitative stories and quantitative metrics that prove change is happening.

**Assumption Testing :** Identifies what must be true for change to occur, then tests those assumptions continuously.

**Causal Pathways :** Clear if-then logic showing how activities lead to outcomes, supported by evidence and theory.

A strong Theory of Change isn't created once - it's tested, refined, and strengthened with every piece of data you collect.

## How to develop a Theory of Change

You should develop your TOC with your stakeholders to ensure a range of views are considered and help you reach a consensus. We recommend you organise workshops to have these conversations. The development of a TOC should be proportionate to the available resources for an intervention. For example, a simpler approach can be taken for a smaller or more straightforward intervention, whereas a larger programme would need a more detailed approach.

You can develop a TOC for your intervention by following the 11 steps outlined in this toolkit and using the resources provided. Once you have developed a TOC, you can use this to develop a TOC diagram. The diagram will help you visually map out your intervention, develop a clear set of goals, and create a narrative to explain how you intend to reach these goals. You should return to these goals as you develop a monitoring and evaluation plan.

## The steps to build a theory of change:

1. Agree the long-term intended impact (the big long-term change you want to see)
2. Map outcomes (the real changes resulting from your activities) backwards, thinking of them as necessary pre-conditions
3. Identify activities (the things we do - our services, products, campaigns etc) necessary to achieve outcomes
4. Identify assumptions (enablers and risks underlying your theory) to interrogate your theory. At this stage, you identify key assumptions you have made between the

work delivered and the difference you want to make, and about the overall rationale and context.

5. Establish a timeline and plan resources

6. Produce a diagram and narrative

**Ways of representing a theory of change in a logic model:**

- **Tiny tool results chain** : Tiny tool results chain maps both positive and negative possible impacts from an intervention.
- **Logframe** : Logframes are a systematic, visual approach to designing, executing and assessing projects which encourages users to consider the relationships between available resources, planned activities, and desired changes or results.
- **Outcomes hierarchy** : An outcomes hierarchy shows all the outcomes (from short-term to longer-term) required to bring about the ultimate goal of an intervention. Unlike results chains, it does not show the activities linked to these outcomes.
- **Realist matrix** : A realist matrix focuses on the causal mechanisms at work in a programme or project. It specifies what exactly in the programme creates the outcomes, and under what conditions.
- **"Results chain** : or pipeline logic models represent a program theory as a linear process with inputs and activities at the front and long-term outcomes at the end. The different ways to use Theory of Change

**There are a number of ways you can use theory of change:**

- **A process and tool to build shared understanding** : A theory of change is an agreement among those you are working with about what defines success and what it takes to get there. Creating a theory of change together with stakeholders can help to align thoughts and develop consensus on your organisational purpose. This tool can also aid in aligning team members to the larger end goal, and help them understand their role in achieving it.
- **Tool and output for communications** : Theory of change allows you to clearly and succinctly let others

know what your organisation, project or programme is trying to achieve and how you are going about it. It can provide a way to summarise the complexity and bring clarity to it. Theory of change maps and narratives are very useful for communicating with others about your work.

- **A planning tool for new work** : Theory of change breaks down broad, long-term changes into a series of smaller changes at different levels to understand how they are linked. Theory of change helps to clearly articulate and connect your work to your bigger goal, and allows you to spot potential risks in your plan by sharing the underlying assumptions in each step.
- **A tool and process to help you guide existing work** : In large organisations, when there may be several projects running simultaneously, theory of change helps to map these different projects first and then consider how they link and relate to each other.
- **A tool to help you to evaluate, learn and improve** : Theory of change helps you identify what you will measure to understand whether the changes are happening, how and for whom. You are planning for impact when drafting your theory of change.

**How to build a Theory of Change** : The steps to build a theory of change:

- Agree the long-term intended impact (the big long-term change you want to see)
- Map outcomes (the real changes resulting from your activities) backwards, thinking of them as necessary pre-conditions
- Identify activities (the things we do - our services, products, campaigns etc) necessary to achieve outcomes
- Identify assumptions (enablers and risks underlying your theory) to interrogate your theory. At this stage, you identify key assumptions you have made between the work delivered and the difference you want to make, and about the overall rationale and context.
- Establish a timeline and plan resources
- Produce a diagram and narrative

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# Greenhouse Gas (GHG) Accounting

**CMA Jacky Singh**

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## 1. Importance of GHG Accounting in India

Climate change has become one of the most serious environmental and economic challenges facing India. Rising temperatures, irregular monsoons, floods, cyclones, and heatwaves are affecting agriculture, infrastructure, public health, and industrial productivity. As a developing economy with high climate vulnerability, India faces significant physical and financial risks due to global warming.

For Indian corporates, climate risk is no longer limited to environmental compliance. It directly affects cost structures, supply chains, insurance premiums, investor confidence, and long-term sustainability. With India committing to achieve net-zero emissions by 2070 and reduce carbon intensity under its Nationally Determined Contributions (NDCs), businesses are required to measure and disclose their greenhouse gas emissions.

Greenhouse Gas Accounting refers to the systematic process of identifying, measuring, calculating, and reporting emissions generated by an organization. It provides a structured approach similar to financial accounting, enabling companies to assess environmental impact and integrate sustainability into strategic decision-making.

## 2. Science of Greenhouse Gases

### 2.1 Meaning of Greenhouse Gases

Greenhouse gases are atmospheric gases that trap heat and prevent it from escaping into space. This natural greenhouse effect keeps the Earth warm enough to sustain life. However, excessive emissions due to industrialization, energy consumption, and deforestation intensify this effect, leading to global warming.

In India, major emission sources include coal-based power generation, transportation, cement production,

steel manufacturing, and agricultural activities. Rapid urbanization and industrial growth have increased energy demand, contributing significantly to emissions.

### 2.2 Major Greenhouse Gases

Carbon dioxide (CO<sub>2</sub>) is the most significant greenhouse gas and is primarily produced from burning fossil fuels such as coal, oil, and natural gas. In India, coal-fired power plants are a major source of carbon dioxide emissions.

Methane (CH<sub>4</sub>) is mainly emitted from livestock, rice cultivation, landfills, and natural gas systems. Since agriculture plays a significant role in India's economy, methane emissions are comparatively high.

Nitrous oxide (N<sub>2</sub>O) is released from agricultural soil management, fertilizers, and certain industrial processes. The extensive use of nitrogen-based fertilizers in Indian agriculture contributes to nitrous oxide emissions.

Fluorinated gases such as hydrofluorocarbons and sulfur hexafluoride are used in refrigeration, air-conditioning, and electrical equipment. Though emitted in smaller quantities, they have a very high warming impact.

### 2.3 Global Warming Potential (GWP)

Each greenhouse gas has a different heat-trapping capacity. Global Warming Potential (GWP) measures how much heat a gas traps compared to carbon dioxide over a specified period, usually 100 years.

Carbon dioxide has a GWP of 1 and serves as the reference gas. Methane has a much higher GWP, meaning it traps significantly more heat per unit. Nitrous oxide has an even greater warming potential.

To standardize reporting, emissions are converted into carbon dioxide equivalents (CO<sub>2</sub>e). This allows Indian companies to aggregate emissions from different gases into a single comparable value.

### 3. Regulatory Framework in India

India has introduced several policy measures to address climate change and enhance corporate disclosure.

The Ministry of Environment, Forest and Climate Change (MoEFCC) regulates environmental compliance and reporting standards. It plays a key role in implementing India's climate commitments.

The Securities and Exchange Board of India (SEBI) has introduced the Business Responsibility and Sustainability Report (BRSR) framework for top listed companies. Under BRSR, companies must disclose energy consumption, emissions, and sustainability initiatives.

The Perform, Achieve and Trade (PAT) scheme, administered by the Bureau of Energy Efficiency (BEE), sets energy efficiency targets for energy-intensive industries such as cement, steel, and power generation.

India is also developing a domestic carbon market under the Energy Conservation (Amendment) Act, 2022. This market-based mechanism will require accurate measurement and reporting of emissions.

### 4. GHG Accounting Framework

The globally recognized framework for GHG accounting is the Greenhouse Gas Protocol. Indian companies widely adopt this framework for sustainability reporting.

The principle of relevance ensures that emissions data reflects the true environmental impact of operations. Companies must include significant emission sources to provide meaningful information.

The principle of consistency requires using uniform methodologies across years. This allows stakeholders to compare emissions performance over time.

The principle of transparency mandates clear disclosure of assumptions, data sources, and calculation methods. Transparent reporting enhances stakeholder trust.

The principle of accuracy aims to reduce uncertainty in emissions estimation. Companies should use reliable data and scientifically approved emission factors.

The principle of completeness requires inclusion of all material emission sources within defined organizational boundaries.

### 5. Defining Boundaries in GHG Accounting

#### 5.1 Organizational Boundaries

Indian companies must determine whether to follow the equity share approach or control approach. Under the equity share approach, emissions are accounted in proportion to ownership percentage.

Under the control approach, emissions from operations under financial or operational control are fully reported. Most large Indian corporates prefer the control approach for clarity and consistency.

#### 5.2 Operational Boundaries – Scope 1, 2, and 3

Scope 1 emissions refer to direct emissions from company-owned or controlled sources. In India, this includes fuel combustion in factories, diesel generators, and company vehicles.

Scope 2 emissions arise from purchased electricity or steam. Since India's electricity grid is largely coal-based, Scope 2 emissions are often substantial.

Scope 3 emissions include indirect emissions across the value chain. These include supplier emissions, employee travel, logistics, product use, and waste disposal. For manufacturing companies in India, Scope 3 emissions often form the largest share.

### 6. GHG Accounting Process

The first step is defining the reporting period and boundaries. Companies typically align reporting with the financial year ending March 31.

The second step involves collecting activity data such as electricity consumption, fuel usage, transportation logs, and procurement records. Accurate data collection improves reliability of emissions calculations.

The third step is applying emission factors. Indian companies may use emission factors published by government agencies, international databases, or industry associations.

The fourth step involves converting emissions into carbon dioxide equivalents using Global Warming Potential values.

The fifth step is aggregating emissions under Scope 1, Scope 2, and Scope 3 categories to determine total organizational emissions.

The final step involves analysis and reporting under frameworks such as BRSR or sustainability reports.

### 7. Scope 3 Challenges in India

Scope 3 emissions are difficult to measure because they involve suppliers and customers outside direct control. Many small and medium enterprises in India lack proper emissions tracking systems.

Companies often rely on industry-average emission factors or financial proxies when supplier-specific data is unavailable. While easier to apply, such methods may reduce accuracy.

Improving Scope 3 reporting requires collaboration with suppliers, digitization of procurement processes, and adoption of sustainability criteria in vendor selection.

### 8. Common Errors in GHG Accounting

Using outdated emission factors can result in inaccurate reporting. Companies must regularly update emission factors to reflect current grid intensity and fuel standards.

Inconsistent methodologies between reporting years make it difficult to compare performance. Maintaining standardized procedures is essential for credibility.

Excluding significant Scope 3 categories may understate total emissions. Comprehensive identification of emission sources is necessary.

Poor documentation of assumptions and estimation techniques reduces transparency and may raise audit concerns.

### 9. Corporate Benefits in Indian Context

GHG accounting improves operational efficiency by iden-

-tifying energy-intensive processes. Companies can reduce fuel consumption and electricity costs through efficiency improvements.

It enhances regulatory compliance and reduces exposure to penalties under environmental laws. Proactive measurement prepares companies for carbon pricing mechanisms.

Transparent emissions reporting improves ESG ratings and attracts sustainable investors. Indian banks and financial institutions increasingly consider sustainability metrics in lending decisions.

Strong climate performance also strengthens brand image and customer trust, especially among environmentally conscious consumers.

### 10. Investment and Financial Implications

Investors increasingly assess climate-related risks while evaluating Indian companies. High carbon intensity may result in higher cost of capital or restricted access to global funds.

Climate risks influence asset valuation, especially in sectors such as power, cement, steel, and oil and gas. Companies with high emissions may face asset stranding risks in the future.

Institutional investors expect companies to set emission reduction targets and disclose progress transparently. Failure to do so may affect market reputation and share price.

### 11. Future Outlook in India

India's transition toward renewable energy, green hydrogen, and electric mobility will reshape corporate emission profiles. Government initiatives such as the National Solar Mission and Green Hydrogen Mission will reduce dependence on fossil fuels.

Mandatory sustainability reporting under SEBI's BRSR framework will strengthen corporate accountability. Independent assurance of sustainability data may become common practice.

The development of the Indian Carbon Market will further institutionalize emissions measurement and verification processes.

Digital technologies such as carbon accounting software and supply chain tracking tools will improve data accuracy and efficiency.

## **12. Conclusion**

Greenhouse Gas Accounting has become a strategic necessity for Indian businesses. It supports regulatory compliance, enhances transparency, and strengthens investor confidence.

By systematically measuring and managing emissions, companies can identify cost-saving opportunities and mitigate climate-related risks. Integration of environmental data into financial decision-making is becoming essential in a carbon-constrained economy.

Although Scope 3 emissions remain complex, they provide opportunities for supply chain transformation and sustainable growth. As India advances toward its net-zero commitments, robust GHG accounting practices will play a critical role in achieving climate goals while ensuring long-term economic resilience.

Ultimately, what gets measured gets managed. Effective GHG accounting enables Indian organizations to align profitability with sustainability and contribute meaningfully to national climate objectives.

# From Trust-Based Funding to Outcome-Based Capital: A Reality Check on NGO participation in Social Stock Exchange

**CA Rakesh Tayal, Designated Partner, ESGPRO Consultancy India LLP**  
(a SEBI empanelled social impact assessment firm registered with ICMAI-SAO)

When the **Social Stock Exchange (SSE)** was introduced in India, it was widely seen as a breakthrough that would transform how social sector organizations access funding. By linking capital markets with development initiatives, SSE promised to bring transparency, accountability, and scale to the non-profit ecosystem.

Yet, beyond the policy optimism lies a critical question : **Is SSE truly accessible to most NGOs, or is it a platform primarily suited for institutionally mature organizations?**

A closer look at the eligibility norms, governance expectations, and operational requirements suggests that SSE represents not merely a funding platform, but a structural shift in how credibility and impact are evaluated in the social sector.

## From Donation-Based Funding to Structured Social Capital

Traditionally, NGOs in India rely on philanthropic donations, CSR grants, multilateral support, and government funding. While these sources remain essential, they are often unpredictable and fragmented.

SSE attempts to address this challenge by enabling:

- Market-linked social funding
- Transparent utilization of funds
- Outcome-based reporting
- Enhanced institutional credibility

The model represents a shift from **trust-based funding to performance-backed social investment**, where measurable impact becomes central to attracting capital.

## Eligibility and Entry Barriers

**Not-for-Profit Organisations (NPOs)** are eligible to register on SSE should be :

- Public Charitable Trusts
- Societies
- Section 8 Companies

Basic eligibility requirements include valid legal registration, **12A and 80G approvals**, and **at least three years of operational existence**.

In addition, organizations must demonstrate a minimum financial scale, including:

- Annual spending of ₹50 lakh in the previous year
- At least ₹10 lakh in funding received
- Audited financial statements for the last three years

Although these thresholds appear modest, they effectively narrow the pool of eligible organizations. Many grassroots NGOs operate below this scale or lack consistent financial documentation.

## Governance as the Key Evaluation Criterion

Unlike traditional donor-driven funding, SSE places governance at the center of evaluation.

Eligible NGOs must demonstrate:

- Independent governing bodies
- Absence of promoter or family dominance
- Conflict-of-interest policies
- Transparent decision-making systems

Organizations operating under founder-centric leadership structures often face challenges in meeting these expectations. **Section 8 companies generally have an advantage due to their statutory governance frameworks and structured board oversight.**

## Impact Measurement : The Core Requirement

One of the defining features of SSE is its strong emphasis on **measurable social impact**.

NGOs must align with SEBI-recognized sectors such as education, healthcare, livelihood generation, gender equality, environmental sustainability, and rural development. However, alignment alone is insufficient.

Organizations must demonstrate **outcome-based performance**, supported by monitoring systems and measurable indicators.

For example, stating that an organization provides educational support is inadequate. SSE expects evidence of measurable outcomes such as improvements in student learning levels or program reach.

This transition from **activity-based reporting to outcome-based reporting** represents a significant shift in the operational culture of many NGOs.

## Fundraising Mechanism and Compliance

Once registered, NGOs can raise funds through Zero Coupon **Zero Principal (ZCZP) Bonds**. These instruments do not provide financial returns and essentially function as structured donations.

However, unlike traditional donations, SSE funding requires:

- Project-specific fund utilization
- Public disclosure of financial deployment
- Periodic impact reporting and social audits

The minimum fundraising size is ₹50 lakh, and compliance obligations continue even after listing. NGOs must regularly submit impact reports, fund utilization statements, and updated financial disclosures.

## Strategic Relevance of SSE

In practice, SSE is most suitable for organizations that:

- Operate programs exceeding ₹1 crore annually
- Maintain strong governance frameworks
- Possess established impact measurement systems

Such organizations can benefit from enhanced visibility, reputational credibility, and access to structured philanthropic capital from CSR contributors and high-net-worth individuals.

For smaller NGOs, however, the costs associated with governance restructuring, impact measurement systems, and social audits may limit immediate participation.

## Conclusion

The Social Stock Exchange represents an important institutional innovation in India's development ecosystem. However, it is **not designed for universal NGO participation**.

Instead, it serves as a platform for **mature, transparent, and outcome-focused organizations** seeking structured growth and credibility.

SSE also signals a deeper transformation in the social sector -moving from narrative-driven legitimacy toward **evidence-based accountability**.

SSE is therefore less about access to capital - and more about access to trust.

# Nudging retail donors to the Indian Social Stock Exchanges

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## Abstract

Social stock exchanges (SSEs) present an important development in the overall impact investment discourse as they aim at unlocking a large pool of social capital and encourage blended finance structures so that conventional capital can partner with social capital to meet the concerns and challenges of society (ISAI, 2025). Professionals, such as Chartered Accountants, Cost Accountants, and Social Impact Assessors, play a pivotal role in this emerging ecosystem.

At the time of their 2022 launch, several articles examined the history, evolution, summaries of the SEBI working and technical groups, and the overall framework of SSEs. Since then, significant developments have occurred in this domain, especially the recent regulatory and operational enhancements that have occurred to attract retail donors. It examines three potential mechanisms to incentivize retail giving on the SSE platforms so that these exchanges can become mainstream. This would prevent the SSEs from meeting the same fate as the exchanges of Brazil, South Africa, Portugal, or the UK, which have, since their launch, become defunct.

## 1. Introduction.

Not-for-profit (NFP) organizations are a powerful force for addressing the critical needs of our society. Driven by their strong sense of purpose, NFPs, operating at the grassroots of civil society, address wide-ranging issues to create a better society (Transparent Hands, 2024). Since the late 1990s, NFPs have been increasingly promoted by governments as a tool to deliver a wide range of policy outcomes, as evidenced by their role in advancing the UN Sustainable Development Goals (SDGs) (WEF, 2024). However, with just five years remaining, progress on the SDGs paints a rather worrying picture. Since their 2015 adoption, merely 15% of the projected SDGs were expected to be met by 2030. Nearly 48% of the targets have reflected significant deviations from the intended path, while 37% have either shown no advancement or have regressed below the 2015 baselines (United Nations Statistics Division, 2024). According to the United Nations (2022 pp.2), the severity and magnitude of the challenges before us demand sweeping changes on a scale not yet seen in human history, and nothing short of a comprehensive transformation of the international financial and debt architecture will be required to accomplish these aims.

The growth of NFPs, however, is severely constrained due to a chronic funding deficit. For example, India needs nearly \$2.64 trillion in investment to meet its SDG commitments (Standard Chartered SDG Investment Map, 2020). NFPs have struggled to acquire external funding on account of two key reasons. First, conventional funding sources, such as governmental and philanthropic contributions, have become increasingly untenable due to shrinking government budgets and competition for donor funds (Reilly, 2016). Second, fewer financial institutions, instruments, and resources are appropriately tailored to their needs (Austin, Stevenson, and Wei-Skillern, 2006). These challenges were the impetus for Social Stock Exchanges (SSEs) to be conceived in 2003 as an innovative and transformative fundraising solution. As transformative fundraising platforms, these exchanges aim at unlocking a large pool of social capital and encourage blended finance structures so that conventional capital can partner with social capital to meet the concerns and challenges of society (Institute of Social Assessors of India Workbook, 2025, pp. 51).

Since their launch, the two exchanges have a total of 140 active registrations (BSE SSE having 59 registered NPOs,

while the NSE SSE having 81 registered NPOs as of 27 December 2025). Of these, 6 NPOs were registered on both platforms

In terms of fundraising, while the regulations permit both non-profit organisations (NPOs) and for-profit enterprises (FPEs) to register on the SSE platforms, so far, the exchanges have only enabled registration and listing for NPOs. By the close of 2025, since their launch roughly three years ago, 14 NPOs have listed on the NSE SSE, which, in aggregate, have raised over INR 43 crores through zero-coupon zero-principal (ZCZP) bonds. ZCZPs are proxies for pure donations, similar to Brazil's (BVSAs) "social shares". These ZCZPs neither yield returns nor return principal to the donor investor. They have been created to formalize philanthropic giving through SSEs. As depicted in Figure 2, while Bengaluru's Unnati was the first issue to be listed on India's SSE platforms in October 2023, seeking INR 2 crore, Prashanthi Balamandira Trust has since been the largest fundraising effort, with INR 18 crores raised in March 2025. Unnati is also the only NPO that has mobilized funds on the SSE platforms a second time, as it sought INR 50 lakhs in 2025. As of March 2025, the NSE SSE had listed 12 projects, of which 2 were common with the BSE SSE. At that time, the BSE SSE had not a single unique project listed on them (NSE, 2025a). In terms of entity type, of the 14 entities, 5 were Section 8 companies, 6 were public charitable trusts registered under the Indian Trusts Act, 1882, and the remaining 3 were societies registered under the Societies Registration Act, 1860.

The INR 43.15 crore of fundraising achieved by the SSEs over the last three years can be examined from three, rather divergent, perspectives. The **critic** would argue that when compared to the \$4 billion invested in India's impact investments in the last five years, the contribution of SSEs has been somewhat imperceptible. The **pragmatist**, however, would indicate that, when India launched its small and medium enterprise (SME) segment in 2012, it took five years to achieve over 100 SME listings (Chittorgarh, 2025) in a year (133 issues in 2017, compared to 67 in 2016). For the **transformationalist**, India's SSE functioning ecosystem has emerged as a

fertile training ground to aid the development of newer SSEs across geographies. In 2025, delegations from Bhutan and Malaysia visited India to examine the SSE framework as they defined their version of the SSEs.

## 2. Pivot to retail. Lowering the minimum application size, enabling e-IPO via UPI, and extending 80G tax deductions.

Since their launch, there has been a marked and deliberate attempt by the SSEs to attract retail donors to the platforms. At the time of their 2022 launch, retail Individual Investors (individuals who apply for a value of not more than INR two lakhs) were not eligible to have access to the NPO issuances on SSE (The Institute of Cost Accountants of India, 2023, p.8). However, this threshold was significantly relaxed to ten thousand in 2024. A further relaxation was enabled in March 2025, when SEBI reduced the minimum application size to just one thousand (SEBI Circular SEBI/HO/CFD/PoD-1/P/CIR/2025/33).

Moreover, to ease the ZCZP application process by making it seamless for retail donors, SEBI permitted ZCZPs to be issued through its "e IPO via the UPI mechanism". This mechanism has since been enabled by two stock brokers - FYERS and Zerodha (NSE, 2025).

As a further incentive to attract retail giving on the SSEs, the CBDT clarified that investment in ZCZP instruments would be treated as an eligible donation under section 80G of the Income Tax Act, 1961, through its letter dated 10<sup>th</sup> of April 2024. The subsequent ZCZP issuances of Swades, Unnati, and Prashanthi Balamandira Trust had enabled these tax benefits for donor investors (NSE, 2025a). While laudable, these deductions merit redesign as a large majority of tax assesses have now migrated to the new tax regime, where these donation-based tax deductions do not apply and thus redundant to incentivize donations.

The aforesaid changes seem to evidence retail participation in ZCZPs, albeit small. Mumbai-based Swades Foundation raised INR 10 crore through its ZCZP fundraising on the NSE SSE platform in July 2024. In its fundraising, nearly 70 retail donors and 54 non-

institutional donors had participated (NSE, 2024a). Prashanthi Balamandira Trust of Karnataka, the largest fundraising on the SSE platforms so far, raised INR 18 crore in March 2025 for the construction and setting up of an emergency and trauma care department. In its fundraising, approximately 200 retailers participated (NSE, 2025b). Compared to other segments on the stock exchange, retail volumes on the SSE are somewhat imperceptible. This motivates the next section of this article – what can incentivize retail donors?

<b>NPO listings by year [As per the fundraising document filed with the SSE]</b>	<b>Entity Type</b>	<b>INR Lakhs</b>
<b>2023 (1 listing)</b>		<b>200</b>
Unnati ZCZP	Section 8 Company	200
<b>2024 (9)</b>		<b>2,085</b>
Ekalavya Foundation	Public Charitable Trust	110
Foundation to Educate Girls Globally	Section 8 Company	130
Missing Link Trust	Public Charitable Trust	120
Mukti	Public Charitable Trust	170
Routes 2 Roots	Society	100
Sarthak Educational Trust	Public Charitable Trust	100
Swades Foundation	Section 8 Company	1,000
Swami Vivekananda Youth Movement	Society	155
Transforming Rural India Foundation	Section 8 Company	200
<b>2025 (4 listings)</b>		<b>2,155</b>
Council for Green Revolution	Society	85
Matoshri Jayaben Himmatlal Shah Charitable Trust	Public Charitable Trust	220
Prashanthi Balamandira Trust	Public Charitable Trust	1,800
SGBS Unnati Foundation	Section 8 Company	50
<b>Grand Total (14 listings)</b>		<b>4,440</b>

**Table 1: Fundraising solicited by NPOs on the NSE SSE between 2023 and Dec 2025, in INR lakhs.**

### 3. What can incentivize retail donors to SSEs?

The following sections examine three potential mechanisms to incentivize retail donors to the SSE. First, an examination of special tax incentives is discussed. Thereafter, building on Spence's (1973) seminal work on

signals, it examines the possibility of conspicuous philanthropic signals to “crowd in” retail donations. It concludes with a discussion of charity ratings & accreditations to inform retail donors about the quality dimension of NFPs.

### 3.1. Examining the role of tax incentives on retail donations.

The conventional understanding of donative behavior has been that donors get a warm-glow—the internal reward of the act of giving—as the primary driver of sustained philanthropy benefit from their act of giving (Becker, 1974; Cornes and Sandler, 1984; Steinberg, 1987; Andreoni, 1989; Andreoni, 1990). However, tax incentives have become a more common policy to promote investment, especially in developing economies. Tax incentives are a powerful tool to enhance charitable contributions (Clotfelter, 1985; Randolph, 1994; Auten et al., 2002) as they can reduce the overall cost of donations for donors. According to Hickey et al (2019), several countries, such as the United States, Germany, Australia, and the UK, permit tax filers to offset taxable income with donations made to registered charities by way of a deduction. In some countries, such as the United Kingdom, government revenues to charities are based on the level of donations received by the charity from taxpayers through gift aid, while countries such as Canada and France provide a tax offset that is equal to a percentage of a donation given to a registered charity by way of tax credits.

While the SSEs in India enabled 80G donation-based deductions to Indian tax filers based on the CBDTs clarification issued through its letter dated 10th April 2024, that investment in ZCZP instruments would be treated as an eligible donation under section 80G of the Income Tax Act, 1961. ZCZP issuances of Swades, Unnati, and Prashanthi Balamandira Trust had enabled these tax benefits for donor investors (NSE, 2025). While laudable, these deductions merit redesign as a large majority of tax assesses have now migrated to the new tax regime, where these donation-based tax deductions do not exist. Retail giving in SSEs can be stimulated if the Government enables SSE-specific tax deductions or benefits for them. This would be consistent with the incorporation of tax deductions in the new tax regime for subscribers of the National Pension System as a measure to incentivize citizens to contribute towards their retirement and social security.

### 3.2. Examining the role of conspicuous philanthropic signals to “crowd in” retail donations.

Spence's (1973) seminal work developed the notion of signaling in the context of job markets. Job markets are often characterized by information asymmetries, as employers are uncertain about an individual's productive capabilities at the time of hiring. The fact that these capabilities are not known beforehand makes the decision one under uncertainty (Spence, 1973). NGOs, too, demonstrate similar information asymmetries as potential donors are unaware of the true capabilities of the organisations. Andreoni (2006) explored how wealthy individuals have the greatest incentive to be "leaders" because their large gifts can shift a fundraising campaign from a "bad equilibrium" (where no one gives to the NFP) to a "good equilibrium" (where everyone gives to the NFP). The signaling of quality from a wealthy, informed leader is the primary reason why large gifts successfully motivate others. Building on conspicuous signals, Potters, Sefton, and Vesterlund (2007) demonstrated that, through laboratory experiments, announcements of leadership gifts increase subsequent donations when the quality of the project is unknown. Their studies suggest that the incentive for the second donor is specifically the information provided by the lead donor's due diligence. Theoretical work has shown how, in the presence of asymmetric information, leading-by-example can improve group performance and enhance efficiency (Hermalin 1998; Vesterlund 2003). In an environment where there is uncertainty about the quality of a public good, Potters et al. (2005) find that contributions to the public good are larger when players move sequentially. Large private foundations act as expert donors as they devote significant resources to researching and auditing NFPs before awarding their grants. Their fundraising support for the NFP signals a seal of approval. These signals by foundations can crowd in individual donors as they reference the foundation's grant as a proxy for their own lack of due diligence. According to the empirical findings of Khovrenkov (2017), an additional dollar of foundation grants to charities ‘crowds in’ private giving by three dollars on average, suggesting that private donors may look to

foundation grants for information on charities to make informed giving decisions. In closing, developing a fundraising mechanism where donations from large donors (leadership donors) are signaled effectively (akin to anchor investors in an equity share offering) on the SSE platforms can stimulate greater retail donor participation.

### 3.3. Examining the role of charity ratings & accreditations on retail donors.

At its core, charity quality is unobservable. Building on the seminal work of Akerlof (1970), the existence of goods or services of many grades poses interesting and important problems for the theory of markets (Akerlof, 1970). In such instances of quality uncertainty, buyers look for signals to guide their decision-making. In the case of NFPs, then, donors look for proxies for quality. Charity ratings (for example, those provided by organisations like Charity Navigator and GuideStar) act as a ‘seal of approval’. According to Mayo (2023), as the ratings for an NFP increase by a threshold point - from a 3-star rating to a 4-star rating - it leads to direct revenue growth for the NFP (Mayo, 202). Government accreditations, such as an 80G approval to an NFP, would “crowd in” donations by addressing high levels of institutional distrust (Anand & Rajan, 2021). Closely associated with the previous discussion on conspicuous philanthropic signals (section 3.2), Yue (2020) found that foundation grants to NFPs significantly stimulate private or retail giving. Yue’s study concludes that the positive information effect —the signal that a professional body has vetted the NFP —outweighs the substitution effect (the notion that others don't need to give to the NFP because a foundation has already contributed). In the Indian SSE context, having independent charity rating agencies that employ a holistic and impartial assessment of the NFPs on multiple parameters and provide an overall rating or score could guide retail donors with their retail donation decisions, as these ratings can play a critical role in addressing the quality uncertainty. Similar ratings have been employed in adjacent markets, such as credit ratings for debt instruments (CRISIL, Moodys, and S&P), riskometer in mutual funds, and individual credit scores (as those undertaken by CIBIL and Equifax)

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# PROCEDURE FOR REGISTRATION OF A MEMBER WITH ICMAI SAO



**ICMAI Social Auditors Organisation**

**(A Section 8 Company promoted by The Institute of Cost Accountants of India)**

## PROCEDURE FOR REGISTRATION OF A MEMBER WITH ICMAI SAO

### Eligibility Criteria for Social Impact Assessor

#### A. An Individual if he

- holds the required qualification and experience;
- have attended a course at the National Institute of Securities Markets (NISM) and received a certificate of completion after successfully passing the course examination; and
- is registered with a Self-Regulatory Organisation (SRO) [e.g., ICMAI Social Auditors Organization]

B. A Firm/Institution that has partners/employees who meet with the criteria for being a social auditor and has a track record of minimum three years for conducting social impact assessment.

### Eligibility Qualification & Experience for Social Impact Assessor

- Post-graduates from universities recognized by the University Grants Commission (UGC) with a minimum of 3 years of experience in the development sector, or
- Graduates from universities recognized by the UGC with a minimum of 6 years of experience in the development sector, or
- Cost and management Accountant, Chartered Accountant, or Company Secretary.

No individual shall be eligible to be registered as a Social Impact Assessor if he:-

- is a minor;
- is not a person resident in India;
- does not have the qualification and experience specified in SEBI notification;
- has been convicted by any competent court for an offence punishable with imprisonment for a term exceeding six months or for an offence involving moral turpitude, and a period of five years has not elapsed from the date of expiry of the sentence.

Provided that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to be registered;

- he is an undischarged insolvent, or has applied to be adjudicated as an insolvent;
- he has been declared to be of unsound mind; or
- he is not a fit and proper person.

Explanation: For determining whether an individual is fit and proper ICMAI SAO may take account of any consideration as it deems fit, including but not limited to the following criteria-

- integrity, reputation and character,
- absence of convictions and restraint orders, and
- competence,

### Procedure for Enrolment as a member

**Entry of Application :** Entry for application received for registration of Social Impact Assessor is to be made in a register maintained by ICMAI SAO followed by stamping of application mentioning date of reception it.

**Acknowledgement of Application :** Every application received is to be acknowledged to the applicant within 7 working days of its receipt via mail.

**One Time Enrolment fee :** Rs. 3,000/- Plus GST @18%

**Membership fees :** Rs. 5,000 plus GST @18% for three years

**Internal Verification of application along with fee and supporting documents as mentioned in enrolment Form.**

- Registered form – duly completed
- Passport-size photo

- Copy of proof of residence
- Self – attested copy of Aadhar card, PAN card and Passport (if available).
- Copies of documents in support of educational qualifications, professional Qualification, Experience, and Social Auditors examination
- Copy of proof of payment of Admission / Enrolment Fee and Annual Fee
- Copy of Self Declaration, the format of the same is annexed with the Enrolment form (Annexure – 1).

### Verifying Qualification and Experience

Copies of documents demonstrating qualification, employment and practice as –

- Cost and Management Accountant enrolled with the Institute of Cost Accountants of India.
- Company Secretary enrolled with the Institute of Company Secretaries of India,
- Chartered Accountant enrolled with the Institute of Chartered Accountants of India and/or empaneled with the Comptroller & Auditor General of India.
- Graduate / Post-Graduate from universities recognized by the University Grants Commission (UGC).
- Requisite experience of minimum of 3/6 years in the development sector
- Copies of certificate of employment from the employer(s), specifying the period of such employment.

### Before registering a person as its Member ICMAI SAO is required to verify the following:

- Whether the applicant holds requisite qualifications & experience as indicated above.
- Whether the applicant holds valid Certificate of Practice if he is a Cost and management Accountant, Chartered Accountant, or Company Secretary.
- Whether the applicant have attended a course at the National Institute of Securities Markets (NISM) and received a certificate of completion after successfully passing the course examination.
- Whether the individual/firm/institution holds requisite social sector experience in providing assurance of non-financial information. (e.g., nutrition, education, health, water & sanitation, energy conservation, environment and climate change, etc.)
- Whether the firm/institution has required number of partners/employees meeting the criteria for being Social Impact Assessor and has a track record of minimum three years for conducting social impact assessment.
- Whether any disciplinary proceedings are pending, or any disciplinary action has been taken at any time in the preceding three years against the professional member or firm/institution by the ICMAI, ICAI, ICSI, any SRO or any other regulator.
- Whether ICMAI, ICAI, ICSI, any SRO or any other regulator has initiated any criminal proceeding against the professional member or firm/institution and is pending for disposal?
- Whether the professional member/ person had an unblemished service with the last employer if he was in employment? The applicant must submit a conduct certificate from his last employer.

### External Verification

The applicants' particulars are sent to verifying authority (ICMAI / ICAI/ICSI) to verify the following:

- Confirmation on verification of Membership Number provided by the Member
- Date of enrolment as member
- Number of years as member, whether he is continued to be member since his enrolment
- Information on whether the Member has ever been found Guilty of Misconduct. If his Membership was removed.
- COP Date
- COP Number
- Firm No.
- Firm Name

- **Years of Experience in Practice**
- **Whether the member is in full-time practice or part-time practice?**
- **Whether the Member has been in Practice continuously? If not, please mention the block of period during which the Member was in practice and the block of period for which Practice was discontinued**

**(e) After examination of the application, ICMAI SAO shall give an opportunity to the applicant to remove the deficiencies, if any, in the application.**

**(f) ICMAI SAO may require an applicant to submit additional documents, information, or clarification that it deems fit, within reasonable time.**

**(g) ICMAI SAO may reject an application if the applicant does not satisfy the criteria for registration or does not remove the deficiencies or submit additional documents or information to its satisfaction, for reasons recorded in writing.**

**(h) The rejection of the application shall be communicated to the applicant stating the reasons for such rejection, within thirty days of the receipt of the application, excluding the time given for removing the deficiencies or presenting additional documents or clarification by the ICMAI SAO, as the case may be.**

**(i) The acceptance of the application shall be communicated to the applicant, along with the registration number.**

### **Issuance of Certificate of Enrolment/Registration**

**Upon successful registration, Applicant is issued certificate of registration within 7 working days from the date of registration with ICMAI SAO (through courier and via mail)**

# Details regarding Social Impact Assessors Examination conducted by NISM



**ICMAI Social Auditors Organisation**

(A Section 8 Company promoted by The Institute of Cost Accountants of India)

## Social Impact Assessors Certification Examination

The examination aims to create a pool of social impact assessors who would assess the impact of social interventions of various social enterprises who raise funds through the Social Stock Exchange platform.

### Examination Objectives

On successful completion of the examination the candidate should:

- Know the basics of social impact assessment, code of conduct of social impact assessors.
- Understand the general concepts related to social stock exchange and social impact assessment.
- Know the social impact assessment reporting disclosures and regulations.

### Assessment Structure

The examination consists of 85 multiple-choice and 3 case-based/caselet questions (each case having 5 questions) totaling to 100 marks. The assessment structure is as follows:

**Multiple Choice Questions**[85 questions of 1 mark each]

**85\*1 = 85**

**Case-based Questions**[3 cases (each cases with 5 questions of 1 mark each)]

**3\*5\*1 = 15**

The examination should be completed in 2 hours. The passing score for the examination is 60. There shall be negative marking of 25 percent of the marks assigned to a question.

### Test Details

**Name of Module: NISM Series XXIII: Social Auditors Certification Examination**

**~ 85 multiple-choice and 3 case-based/caselet questions (each case having 5 questions) totaling to 100 marks.**

**\* Negative marking – 25% of the marks assigned to the question.**

**+ Payment Gateway Charges extra.**

**# Passing Certificate will be issued only to those candidates who have furnished/ updated their Income Tax Permanent Account Number (PAN) in their registration details.**

## Frequently Asked Questions (Social Impact Assessors)

### 1. Who can take NISM-Series-XXIII: Social Impact Assessors Certification Examination?

NISM-Series-XXIII: Social Impact Assessors Certification Examination is suitable for: social impact assessors who would assess the impact of social interventions of various social enterprises who raise funds through the Social Stock Exchange platform.

### 2. How can I register for NISM-Series-XXIII: Social Impact Assessors Certification Examination?

Candidates can register with any of the following Test Administrators.

1. National Institute of Securities Markets (NISM) <https://certifications.nism.ac.in/nismaol/>

For registrations candidates may visit any of the above websites.

After successful registration, candidates may select a test centre, date and time slot of their choice on the Test Administrator website. Candidates are required to follow further instructions available on the Test Administrator websites.

### 3. What is the fee structure?

The fees for “NISM-Series-XXIII: Social Impact Assessors Certification Examination” is Rupees One Thousand Five Hundred only (Rs. 1500/-) plus taxes.

### 4. What is the assessment structure?

The examination consists of 3 case-lets with 5 multiple choice questions of 1 mark each and 85 independent multiple-choice questions of 1 mark each adding up to 100 marks. The examination should be completed in 2 hours. There is negative marking of 25% of the marks assigned to a question. The passing score for the examination is 60 marks.

### 5. Is there a study material available for preparing for this examination?

You will receive a soft copy of the workbook/study material after enrolment for the examination. For non-receipt of soft copy of the workbook/study material, you may contact the respective Test Administrator:

NISM: [certification@nism.ac.in](mailto:certification@nism.ac.in)

### 6. Do I have to pay for the study material?

You will receive a soft copy of the workbook/study material free of cost after enrolment for the examination. Candidate can buy NISM workbooks online through Taxmann Publications Private Ltd.

Visit <https://www.taxmann.com/bookstore> to place your orders for NISM workbooks.

If you prefer to order by phone, please call your nearest store directly to place your order. [Click here](#) to get the details of your nearest store.

### 7. I have passed NISM-Series-XXIII: Social Impact Assessors Certification Examination. When will I receive the certificate?

Only the candidates who have produced their Income Tax Permanent Account Number (PAN) during registration would receive the NISM Certificate within two weeks of appearing for the examination.

Candidates who produced other identification proofs would not receive the NISM certificate. They would receive only the temporary mark sheet at the end of the examination.

### 8. Where do I get sample questions for the Certification Examination? How can I appear for a mock test?

Candidates may refer to the chapter-end sample questions and the worked-out examples/ illustrations provided in the workbook. To appear for a mock test, candidates may [click here](#).

**9. I have passed NISM-Series-XXIII: Social Impact Assessors Certification Examination and also provided PAN details. However, I have not received the certificate. Whom should I contact?**

For non-receipt of certificate contact the test administrator you have registered with for this examination. The respective email ids are given below:

NISM: [certification@nism.ac.in](mailto:certification@nism.ac.in)

**10. What is the validity period of the certificate?**

The certificate will be valid for 3 years from the date of the examination.

**11. How do I renew my certificate?**

To renew your current certificate, you need to appear for the NISM-Series-XXIII: Social Impact Assessors Certification Examination before the expiry of such certificate.

**12. Can I request for re-evaluation of NISM Certification Examinations?**

**NISM Policy on Re-evaluation of performance of candidates appearing for Certification Examination and resolution of doubts about the questions forming part of such examination, if any.**

“No re-evaluation of the performance of candidates appearing for Certification Examination conducted by NISM (Mandatory & Non-Mandatory examination) is permitted since the assessment of answers, with respect to Certification Examinations questions which are in the nature of selection of only one correct answers from multiple choices offered, is carried out in an objective manner by in-built system architecture created for Certification Examination without any scope for human intervention and subjectivity element.

Also, considering the examination structure, no disclosure of the questions and/or answers is permitted as it will violate the confidentiality of the question bank, which is the essence of the examination.

In view of the above, no communication regarding re-evaluation, etc. will be entertained / serviced by NISM.”

Subject to the above, request/s received from a candidate for resolution of doubts about a question forming part of such examination will be considered as per the following policy.

(1) Candidate’s request/s will be considered only when he/she specifically mentions particular question or two which he/she thinks contain errors. Claims/ to recheck more than two questions shall normally be not permitted unless substantive material is provided by the candidate as to why he/she considers errors in such questions. In no case, claim/s to recheck all the questions appeared in his/her question paper shall be entertained.

(2) No request/s to disclose/discuss question/s and/or their answers shall be entertained as disclosure of the question/s will violate the essence of the question bank viz. breach the confidentiality/secretcy of the Question bank.

(3) Only those request/s made on-the-spot (before leaving the test center) will be considered for verification.

(4) When a valid request is received from a candidate at the Test Centre, it shall be forwarded by the respective TA to NISM. NISM’s team will look into claim relating to the contested question/s to verify whether there is a mistake in the question or answer. If it is prima facie found that the question or answer contains a mistake, no score will be computed and consequently no score card will be issued then at the Test Centre.

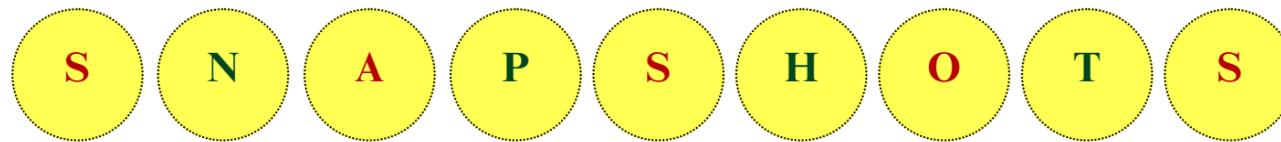
(5) Such matter will then be escalated with the question / answer to the Committee with the details of the nature of error, the

correct version of the question or contested correct answer and system recognized correct answer. The Committee, after due diligence and proper scrutiny, will arrive at a conclusion whether the claim made by a candidate in relation to a question or answer is right. Such conclusion will be recorded in writing and put up for formal approval to the authority of NISM.

(6) Score computation, kept in abeyance as per point 4, shall be carried based on the approval as per point- 5. Such score card will then be issued to the candidate by TA/NISM.

(7) Even though NISM endeavors best efforts and has put in place a robust mechanism to review its question bank intermittently, attributable to continuous changes taking place emanating from dynamics of market, encompassing products and features, and its regulatory framework, there is a possibility of inadvertently escaping some updation and/or escaping indirect impact on some question/answer. Therefore, to take care of such eventuality, the above process of entertaining request from the candidate in relation to the question/answer is put in place.

(8) The above policy and process will be subject to review from time to time and shall be binding and final in relation to any claim and/or matter when disposed off with the approval of the authority of NISM.



## Awareness Program organized by **ICMAI Social Auditors Organisation** on **Social Stock Exchange** at **(Chhatrapati Sambhajinagar)** on **21st January 2026**



**ICMAI Social Auditors Organisation**

In Association With

**Chhatrapati Sambhajinagar Chapter of ICMAI**

**Social Stock Exchange Awareness Program**

### Coverage

Introduction to SSE, Its evolution, objectives, advantages of registration on SSE, eligibility and process for registration, process for listing on SSE, Introduction to Social Impact Assessment process, compliances to be done by NPOs registered / listed, Questions and Answers

### Speakers



**Mr Dattabhau**  
State Convenor  
Mahavan



**Dr.S.K.Gupta**  
Chief Executive Officer  
ICMAI Social Auditors Organisation



**CMA Pravin Prabhakar Mohani**  
The Social Auditor



CMA Bhawan, Flat No. A-09/10,  
Chetan Super Market, Trimurti Chowk,  
Jawahar Colony, Chhatrapati  
Sambhaji Nagar, Maharashtra  
Pin Code # 431005



**21st January, 2026**  
From 09.30 am to 01.00 pm



**02 CEP Hrs. for CMAs**

[Click For Registration](#)

Contact Us :- 9990907530, 8586985549, 9457954906, 9411469499 or sao@saoicmai.in



**Awareness Program organized by ICMAI Social Auditors Organisation on Social Stock Exchange at Ranchi on 04th February 2026 from 09.30 am to 01.00 pm**



**ICMAI Social Auditors Organisation**  
In Association With  
**ICMAI-Ranchi Chapter**

**Social Stock Exchange Awareness Program**

**Coverage**  
Introduction to SSE, Its evolution, objectives, advantages of registration on SSE, eligibility and process for registration, process for listing on SSE, Introduction to Social Impact Assessment process, compliances to be done by NPOs registered / listed, Questions and Answers

**Speakers**



**Dr.S.K.Gupta**  
Chief Executive Officer  
ICMAI Social Auditors Organisation



**CMA Meera Prasad**  
The Social Impact Assessor

**Click For Registration**

 **04th February 2026**  
09.30 am to 01.00 pm

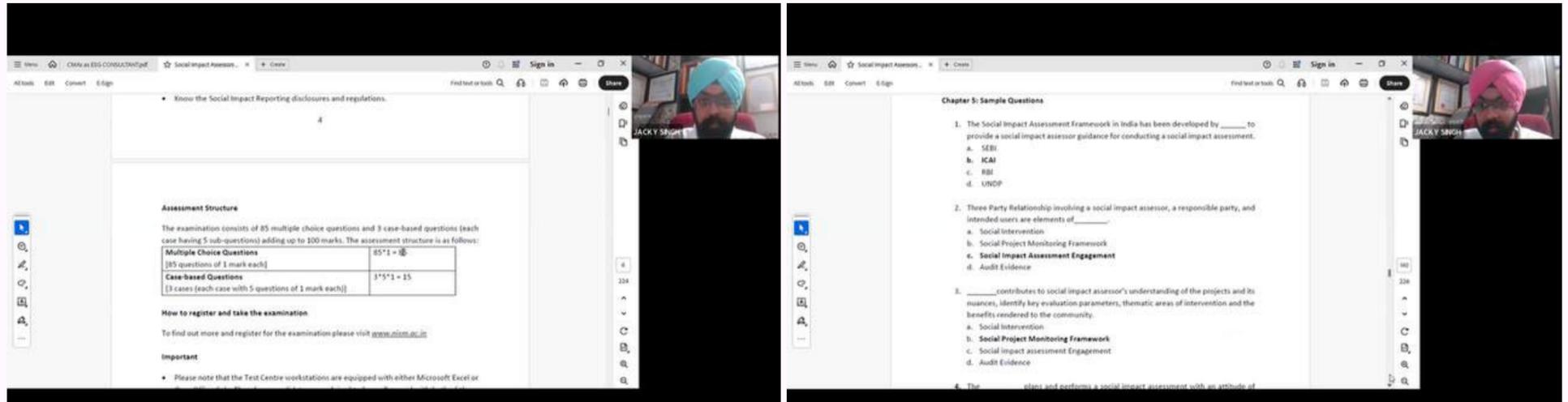
 **02 CEP Hrs. for CMAs**

 **Koyal Auditorium, Central Mine Planning & Design Institute Limited (CMPDIL), Gondwana Place, Kanke Road, Ranchi - 834008**

Contact Us :- 9990907530, 9411469499 or sao@saoicmai.in



## 21st Online Batch Preparatory Course for Social Auditors Examination on 14th-15th February 2026



## Compliances for Social Enterprises Registered / Listed on Social Stock Exchange on 19th February 2026 from 04.00 pm to 05.00 pm

**ICMAI Social Auditors Organisation**  
(Self Regulatory Organization specified by SEBI for Social Impact Assessors)  
(A Section 8 company promoted by the Institute of Cost Accountants of India)

### Compliances for Social Enterprises Registered / Listed on Social Stock Exchange

19 February 2026

04.00- 05.00 PM

Speaker

Mrs. Sheena Gandhi  
BSE SSE ,Mumbai

Moderator

Dr. SK Gupta  
CEO, ICMAI SAO

Speaker

Mrs. Prajakata Mony  
Social Impact Assessor

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More Info  
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Sheena Gandhi, BSE

### Key Considerations

PREPAREDNESS	TIME COMMITMENT	FUNDRAISING	COST
<ul style="list-style-type: none"> <li><input type="checkbox"/> SSE eligibility criteria as per the checklist.</li> <li><input type="checkbox"/> All compliance documents are in order.</li> <li><input type="checkbox"/> Board approval is mandatory, get a resolution passed.</li> <li><input type="checkbox"/> Maintain a strong M&amp;E with regular reporting.</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> CEO/leadership and Board involvement.</li> <li><input type="checkbox"/> Allocate 1-2 team members for documentation.</li> <li><input type="checkbox"/> Collaborate closely with Auditors.</li> <li><input type="checkbox"/> Time for document preparation and buffer time for query resolution.</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Project size should be min INR 50 lakhs.</li> <li><input type="checkbox"/> Fundraising requirements and proposal building.</li> <li><input type="checkbox"/> Refer to fundraising documents to prep your FRD.</li> <li><input type="checkbox"/> Internal team collaboration for project (TOC/LFA &amp; Outcomes).</li> <li><input type="checkbox"/> Funders outreach before you launch the Issue.</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> In-house resource vs hiring consultants.</li> <li><input type="checkbox"/> Company secretary or appointing an advisor.</li> <li><input type="checkbox"/> Registrars and Depositories</li> <li><input type="checkbox"/> Escrow account opening varies based on the bank.</li> <li><input type="checkbox"/> Social auditor cost (part of the proposal).</li> </ul>

### Why Impact Assessment Matters on the SSE

On the SSE, impact is regulated disclosure

**Impact assessment enables:**

- Investor trust
- Comparability across issuers
- Accountability for funds raised

SSE moves the conversation from:  
"Good intent" → "Verifiable impact"



## Awareness Program organized by **ICMAI Social Auditors Organization** on **Social Stock Exchange** at **Kolhapur** on **10th March 2026**



**ICMAI SOCIAL AUDITORS ORGANISATION**  
In Association With  
**COOPERATIVE AND NPO DEVELOPMENT BOARD OF ICMAI**

### Social Stock Exchange Awareness Program

**Coverage**  
Introduction to SSE, Its evolution, objectives, advantages of registration on SSE, eligibility and process for registration, process for listing on SSE, Introduction to Social Impact Assessment process, compliances to be done by NPOs registered / listed, Questions and Answers

**Speakers**

 <b>Mr Dattabhau</b> State Convenor Mahavan	 <b>Dr.S.K.Gupta</b> Chief Executive Officer ICMAI Social Auditors Organisation	 <b>CMA Jeevan Maruti Wagaskar</b> Social Impact Assessor
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 **Krishna Inn By Royal Hotels**  
Next to D-Mart, Tarabai Park, Kolhapur  
416003

 **10th March 2026**  
 **From 09.30 am to 01.00 pm**  
 **02 CEP Hrs. for CMAs**

[Click For Registration](#)

Contact Us :- 9990907530, 8586985549, 9457954906, 9411469499 or sao@saoicmai.in



## Awareness Program organized by **ICMAI Social Auditors Organization** on **Social Stock Exchange** at **Pachod** on **13th March 2026**



**ICMAI SOCIAL AUDITORS ORGANISATION**  
In Association With  
Cooperative and NPO Development Board of ICMAI

### Social Stock Exchange Awareness Program

#### Coverage

Introduction to SSE, Its evolution, objectives, advantages of registration on SSE, eligibility and process for registration, process for listing on SSE, Introduction to Social Impact Assessment process, compliances to be done by NPOs registered / listed, Questions and Answers

#### Speakers



**Mr Dattabhau**  
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Mahavan



**Dr. S.K. Gupta**  
Chief Executive Officer  
ICMAI Social Auditors Organisation



**CMA Pravin Prabhakar Mohani**  
Social Impact Assessor



Ashish Gram Rachna Trust  
Institute of Health Management, Pachod  
At Post Pachod, Chhatrapati  
Sambhajinagar, Maharashtra 431121



**13th March 2026**  
From 09.30 am to 01.00 pm



**02 CEP Hrs. for CMAs**

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# GUIDELINES FOR ARTICLES



The articles sent for publication in the journal “The Social Impact Assessor” should conform to the following parameters, which are crucial in selection of the article for publication:

- The article should be original, i.e. Not Published/ broadcasted/hosted elsewhere including any website.
- A declaration in this regard should be submitted to ICMAI-SAO in writing at the time of submission of article.
- The article should be topical and should discuss a matter of current interest to the professionals/readers.
- It should preferably expose the readers to new knowledge area and discuss a new or innovative idea that the professionals/readers should be aware of.
- The length of the article should not exceed 2500-3000 words.
- The article should also have an executive summary of around 100 words.
- The article should contain headings, which should be clear, short, catchy and interesting.
- The authors must provide the list of references, if any at the end of article.
- A brief profile of the author, e-mail ID, postal address and contact numbers and declaration regarding the originality of the article as mentioned above should be enclosed along with the article.
- In case the article is found not suitable for publication, the same shall be communicated to the members, by e-mail.

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**ICMAI Social Auditors Organisation**

**(A Section 8 Company promoted by The Institute of Cost Accountants of India)**



# **ICMAI Social Auditors Organisation**

**(A Section 8 Company promoted by The Institute of Cost Accountants of India)**

## **REGISTERED OFFICE**

**The Institute of Cost Accountants of India**

**CMA Bhawan 3, Institutional Area, Lodhi Road, New Delhi - 110003**

## **CORPORATE OFFICE**

**The Institute of Cost Accountants of India**

**CMA Bhawan, C-42, Sector-62, Noida, Uttar Pradesh - 201309**

## **CONTACT US**

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**[www.saoicmai.in](http://www.saoicmai.in)**