GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS
RAJYA SABHA
UNSTARRED QUESTION NO. 1025
ANSWERED ON TUESDAY, JULY 28, 2026

TRANSPARENCY AND IMPACT OF CSR FUNDING THROUGH SOCIAL STOCK EXCHANGE

QUESTION

1025 Shri Sanjay Kumar Jha:

Will the Minister of Corporate Affairs be pleased to state:

(a) whether the recent decision to allow companies to route their Corporate Social Responsibility (CSR) funds through Social Stock Exchange-listed Zero Coupon Zero Principal instruments is expected to help address the long-standing funding gap faced by social enterprises and not-for-profit organizations; and

(b) if so, the measures the Ministry has put in place to ensure proper monitoring, transparent use of funds and clear assessment and whether such funding is delivering genuine and measurable social impact?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS AND MINISTER OF STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS

[SHRI HARSH MALHOTRA]

(a): Yes Sir, The Ministry has recently published Gazette notification dated 27.05.2026 widening the ambit of Schedule VII by introduction of new item no. (xiii) i.e. “Subscription to zero coupon zero principal instruments on Social Stock Exchange." This amendment will help Not for Profit Organisations to raise funding for public welfare projects in a transparent and regulated manner.

(b): SEBI Social Stock Exchange (SSE) regulatory framework provides for comprehensive disclosure and monitoring mechanism through the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Circulars for framework on SSE, issued from time to time.

As per the said regulations, the Not for Profit Organisation (NPO) is required to submit quarterly disclosure on utilisation of funds, filing of audited financial statements on annual basis and annual impact report on SSE. The annual impact report shall be assessed by a Social Impact Assessment Organization employing Social Impact Assessor(s) for listed project(s), provided that the annual impact report shall cover at least 67% of the program expenditure in the previous financial year.

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