180Degrees
CONSULTING
SGGSCC

Industry Analysis Report 2021

SOCIAL IMPACT FUNDS

CONTENTS

EXECUTIVE SUMMARY:

PROBLEM STATEMENT:

Undermined and unutilised concept of social impact funds and problems and ineffectiveness faced by NGOs in procuring and allocation of funds.

Social Impact Funds are yet to be realised at their full potential as a source of fund acquisition. Pitched against ESG and investments, the true essence of impact funds for Non-profits is lost in the definition. Non-profits have been starved of funds due to lack of knowledge about the acquisitions and otherwise their utilisation.

The partnerships and competition in the panorama are often overlooked and undermined. More alarming fact is that the concept's presence goes unheard in the global and Indian market even after promising results and propitious future prospects. The most inquisitive and high held stakeholders- the donors, are not identified and approached with proper scanning.

With this report, we sought to delve into the social funds world and understand its standing in Indian and International markets as well as pinpoint and bracket the prime and dominant factors riding it towards success.

REPORT DELIVERABLES:

1. Understanding the social impact fund market

2. Analysing the competitive landscape between non profits

3. Assessing consumer needs, states and gaps

4. Evaluation of criteria to study how NGOs receive funds.

5. Determining how to measure the impact of funds allocated.

6. Methods used by NGOs to utilise funds and through what procedure alongside all aspects.

PROPOSED SOLUTIONS:

Social impact funds are entities that offer grants to local entrepreneurs working to improve the health of their communities. To facilitate this funding, the report consists of many strategies that social impact funds are required to adhere to so as to help increase the turnout for donors as well as increase funding in monetary terms. These strategies range from mobilising donors to partnership formations detailing and breaking down the strategies in exclusive and attainable targeted units.

VALUE:

The Social Impact enterprises in India have collectively raised $10.8 billion over the last decade for over 550+ for-profit social enterprises impacting 490 million beneficiaries, mostly from the low-income communities who are underserved by traditional businesses as well as public sector social service delivery. Of the $10.8 billion invested over the last decade, approximately $3.5 billion of the total has come from mainstream VC and PE investors (who may not have any impact criteria), demonstrating the success of impact investment in crowding in the commercial capital.

With a combination of high social needs with robust market forces, impact investors in India can make a strong case for growth. Impact investments have the potential to grow 20 to 25 percent a year between now and 2025, reaching US $6 billion to US $8 billion in deployment.

INTRODUCTION:

Who doesn't want good returns from their investments? Who doesn't want to be socially responsible and ethical while investing?

The thing that answers all these questions in affirmation and makes one morally correct and a responsible citizen along with a sensible investor is Social Impact Funds.

Social Impact Funds are based on the purpose to generate a positive social and environmental impact where the needs are greater and a positive financial return to those investors convinced of making a better and fairer world through investment.

Impact investing aims to benefit society *and* provide a profit to the investor by investing in companies, organizations and funds that are aligned with certain issues, causes or values. Think of it as a middle ground between traditional investing and charitable giving where you can match your investing with your beliefs.

As an investor, one must ideally make investments with an intention to generate positive, measurable, social and environmental impact alongside a financial return. For instance, investing in sectors such as sustainable agriculture, renewable energy, conservation, microfinance, and affordable and accessible basic services including housing, healthcare, and education would be clubbed under impact investing.

Impact investing is also referred to as socially responsible investing (SRI). The practice has a rich history and its introduction is not a very recent phenomenon.

However, there's another sort of investing that has been prevalent in recent times called Social Venture Capital. Here in, a group of social impact investors and social venture capitalists come together to provide seed funding investment for an enterprise that creates a social impact. Their motive is to have an outsized gain but while delivering social impact to the world.

This means most of these enterprises follow the concept of sustainable finance, that comprises 3 main elements- environmental, social and economical. Thus, investing your finance in a way that benefits the environment, society and the economy, in general.

In Biblical times, ethical investing was mandated by Jewish law. Tzedek (which means justice and equality), comprises rules to correct the imbalances in creation that humans cause. Then, socially responsible investing's origins in the United States began in the 18th century. America as a country forbid investments in slavery and war.

There continues to be growing demand by investors for impact options. Investors want impact. There is an overwhelming stack of reports, data and stories that point to this very real interest. The critical question: when will it move managers, advisors, and institutions to real action?

Macro scale political and economic forces have the potential to significantly influence the progress of impact investing in 2020. The global economy has experienced a long period of growth, and there are modest expectations and mixed outlooks for the year ahead and beyond.

The Great Recession was a significant turning point for the impact investing movement. Although it was already a decades old approach, the term "impact investing" itself was coined in the shadow of the recession and many organizations were catalyzed during that period.

We are also experiencing a period of political transition (some might say instability), where we are openly wrestling in the streets and legislatures over facts, culture, wealth, rights, trade, and democracy. And yet, governments continue to advance and support impact investing through policy commitments and investments.

This trend of social impact funds and impact investing is growing at a pace faster than expected. Indian citizens as well as the government are coming up with projects to promote social impact funding and investing.

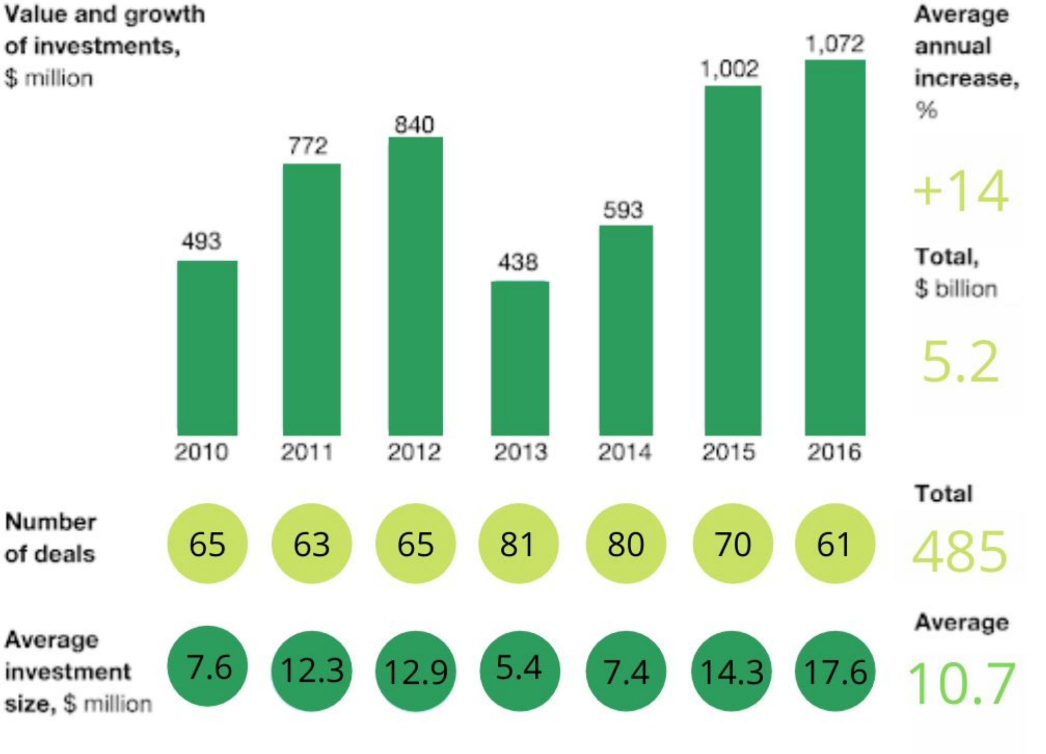
For instance companies like Caspian Impact Investments, based out of Hyderabad, and founded by S Viswanatha Prasad are one of the leading social impact companies. Caspian is a certified B-Corp, investing in enterprises that address problems of access and efficiency in business ecosystems with positive social and environmental impact.

Several other companies like Social Alpha, Villgro, Lok Capital and Acumen are some of the Indian companies that are determined to make a social impact by supporting social causes.

The global market for impact investments is projected to grow to $300 billion or more by 2020, according to the Global Steering Group on Impact Investment. Although this is still a fraction of the total private-equity assets under management (about $2.5 trillion in 2016), mainstream investors have entered the arena and are bringing scale to what was earlier considered a niche. And the dialogue is shifting rapidly from impact investing to “investing for impact.”

India is fast becoming a test bed for many of these activities. Between 2010 and 2016, India attracted over 50 active impact investors, who poured in more than $5.2 billion. About $1.1 billion was invested in 2016 alone.

IMPACT INDUSTRY TRENDS IN INDIA



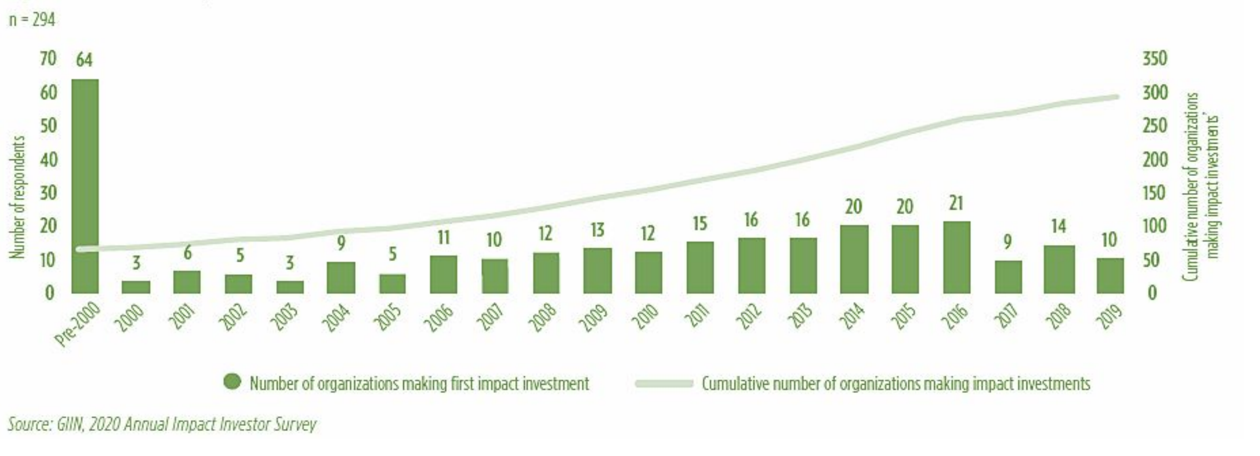
SOCIAL IMPACT FUNDS MARKET

MARKET SIZE

Global

The GIIN (Global Impact Investing Network) estimates that over 1,720 organizations manage USD 715 billion in impact investing AUM as of the end of 2019. The market comprises a range of investor types, in terms of characteristics like organization type, headquarters location, and investor size.

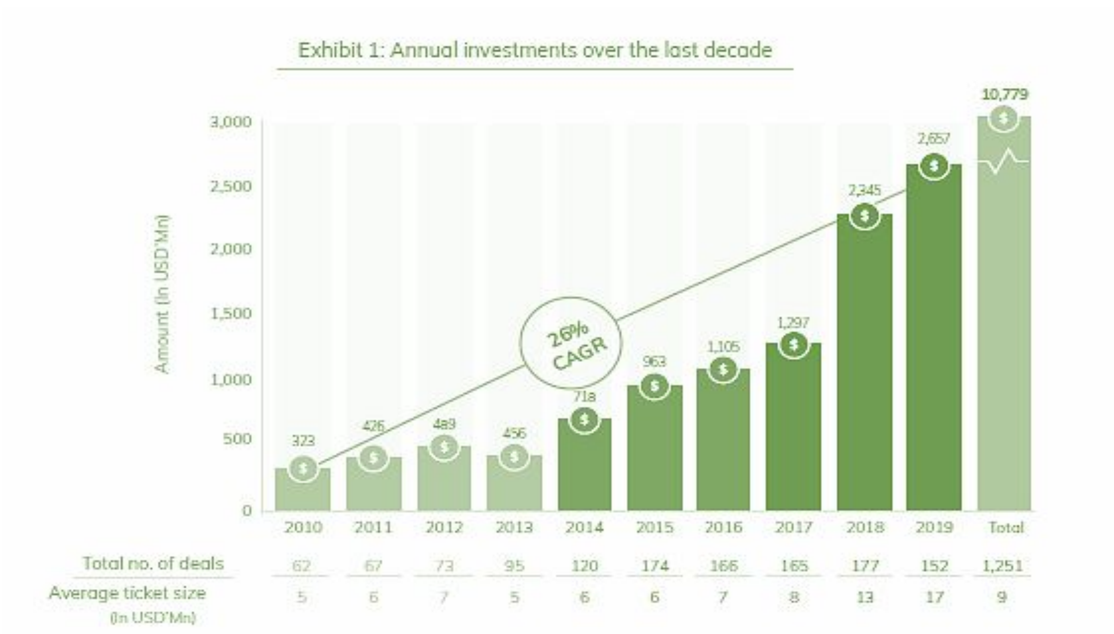
GLOBAL MARKET SIZE TREND



India

Impact enterprises in India have collectively raised $10.8 billion over the last decade (2010- 2019) into 550+ for-profit social enterprises impacting 490 million beneficiaries, mostly low income communities who are underserved by traditional businesses as well as public sector social service delivery.

Indian Market Size Trend



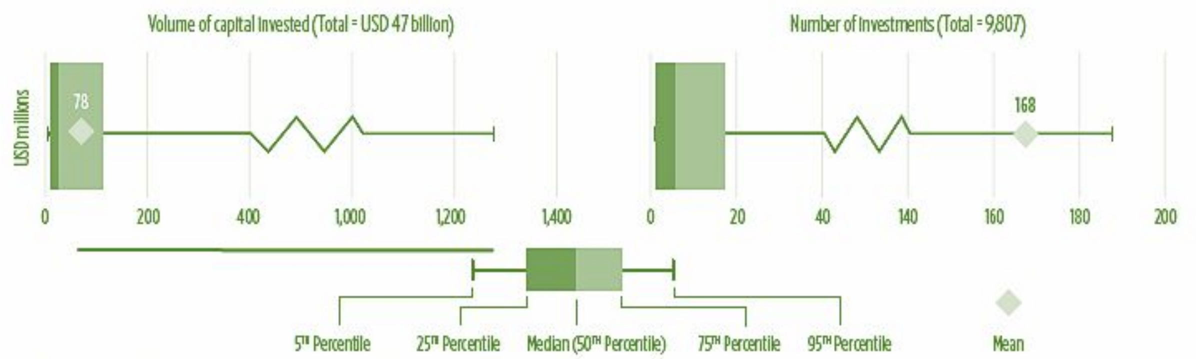
Impact investments in India have grown at a 26% CAGR over the last decade (CY 2010-2019), from $323 million in 2010 to $2.7 billion in 2019, bringing in $10.8 billion cumulatively into 550+ enterprises. This has been driven by a tripling of average deal size, from $5 million in 2010 to $17 million in 2019, a jump seen especially in the last two years (2018 and 2019) with the entry of commercial capital and larger, follow-on rounds raised by companies initially funded by impact investors. The last five years on average have consistently seen 160 to 170 deals per year (3-4 deals per week), driven by a larger pool of impact investors with a focus on different sectors and stages, and an improved pipeline of high quality entrepreneurs and social start-ups.

TYPE OF INVESTORS/INVESTMENT

Global

According to the GIIN Annual Survey report around the world collectively, 279 impact investors invested USD 47 billion in 9,807 impact investments during 2019. The median respondent invested USD 16 million into six investments over the course of the year, with the presence of larger investors in the sample driving a significant difference between the median and average respondent

Figure 15: Distribution of capital invested and number of investments in 2019
n = 279; capital invested figures in USD millions. Figures shown from 5th percentile through 95th percentile.



Note: Excludes six outliers, as well as nine respondents that did not report 2019 investment activity.
Source: GIIN, 2020 Annual Impact Investor Survey

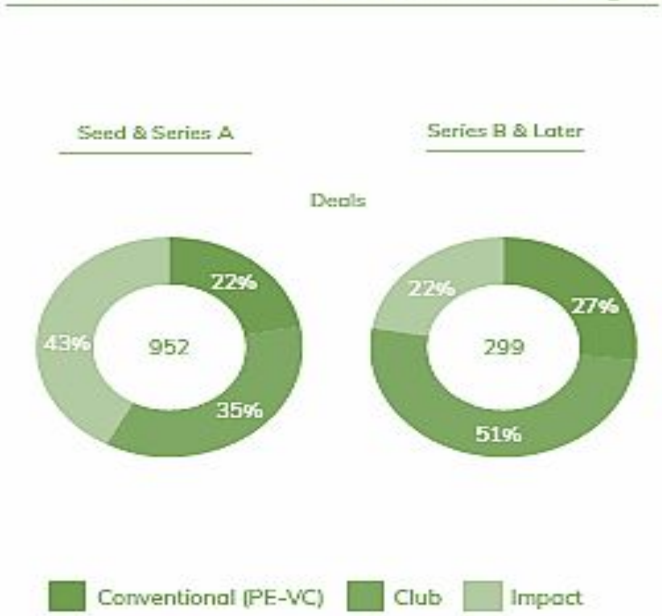
India

Of the $10.8 billion invested over the last decade, approximately $3.5 billion of the total has come from mainstream VC and PE investors (who may not have any impact criteria), mostly in the last few years, demonstrating the success of impact investment in crowding in commercial capital.

The amount of funding coming from impact investors (including club deals) has also increased dramatically from $860 million in 2010-12 to $4.9 billion in 2016-19, showing a commitment by impact investors with increasingly larger fund sizes to invest in follow-on rounds through early-stages and growth stages, and a much greater degree of collaboration in deal making between impact investors and commercial venture funds.

Exhibit 2: Funding mix by type of investor

Exhibit 3: Volume of deals by investor and stage



SECTOR WISE INVESTMENT

Current Trend

Global

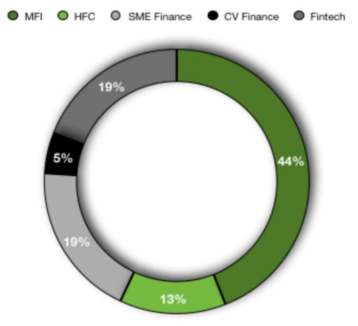
According to the GIIN Report, respondents allocate impact investing capital across a range of sectors, reflecting the overall diversity of the market and a commitment to providing basic services through impact investments. Excluding outlier respondents, the largest sector is energy, comprising 16% of sample AUM, followed by financial services (excluding microfinance), with 12% of AUM (Figure 28). Including outliers, financial services (excluding microfinance) is the largest sector, with 20% of sample AUM, followed by energy (17%).

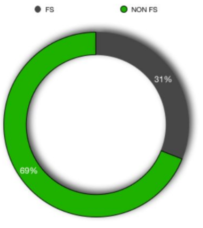
Food & agriculture, which accounts for 9% of sample AUM (excluding outliers), is the most popular sector, with 57% of respondents having some allocation. Respondents also continue to indicate growing interest in the food & agriculture sector; it is the top sector to which respondents plan to increase their allocation over the next five years. Healthcare is another popular sector, with almost half of respondents having some allocation to healthcare. Healthcare was also the third-fastest-growing sector among repeat respondents.

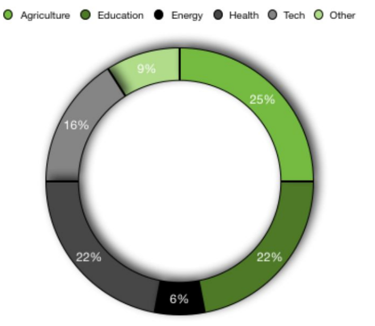
India

Traditionally focused on financial services, Indian impact investing has successfully diversified into core social sectors like agriculture, healthcare and education. Financial services used to account for 76% of investments in 2010 but was down to 43% in 2019, and just 30% of total deal volume over the decade. In the same time period, impact investments in health, education, agriculture, energy and technology for development have increased their share. Within financial services, there has been a dramatic shift away from microfinance to housing, SME, education, healthcare finance, and new fintech models.

INVESTMENT BY SECTORS







Future Ahead

Global

Collectively, respondents plan to allocate USD 48 billion to 12,534 investments in 2020, an increase over 2019 of 2% in terms of capital invested and 28% in terms of number of investments

EM-Focused Investors plan a 44% increase in their 2020 activity, compared to a planned decrease of 36% for DM-Focused Investors. Meanwhile, Private Debt–Focused Investors expect to invest 18% more capital in 2020, and Private Equity–Focused Investors plan to decrease their investment by 2%.

Table 3: Investment activity, reported in 2019 and planned for 2020

n = 279

	Capital invested (USD millions)		Number of investments	
	2019 reported	2020 planned	2019 reported	2020 planned
Mean	128	146	52	59
Median	18	20	6	8
Sum	46,875	47,967	9,807	12,534
Aggregate % growth (projected)	-	2%	-	28%

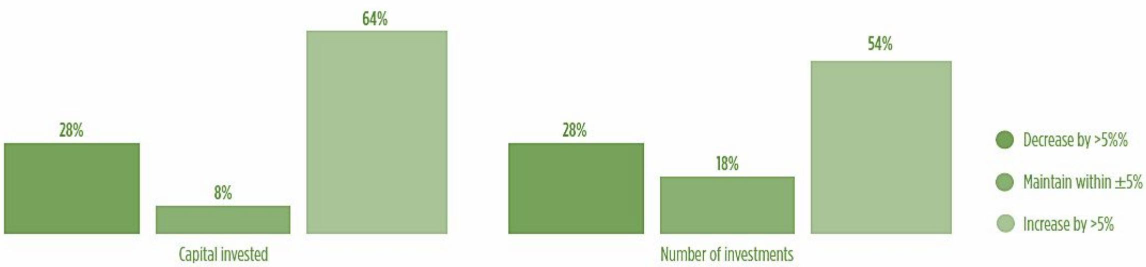
Note: Note: Excludes nine respondents that did not share data on investment activity for 2019, 2020, or both.

Source: GIIN, 2020 Annual Impact Investor Survey

Nearly two-thirds of respondents (64%) plan to increase the volume of capital they invest by more than 5% during 2020 , and over half (54%) plan to increase the number of investments they make. At the time of data collection, just over a quarter of investors planned to decrease their impact investing activity in 2020.

Figure 17: Expected change in 2020 investment activity

n = 285

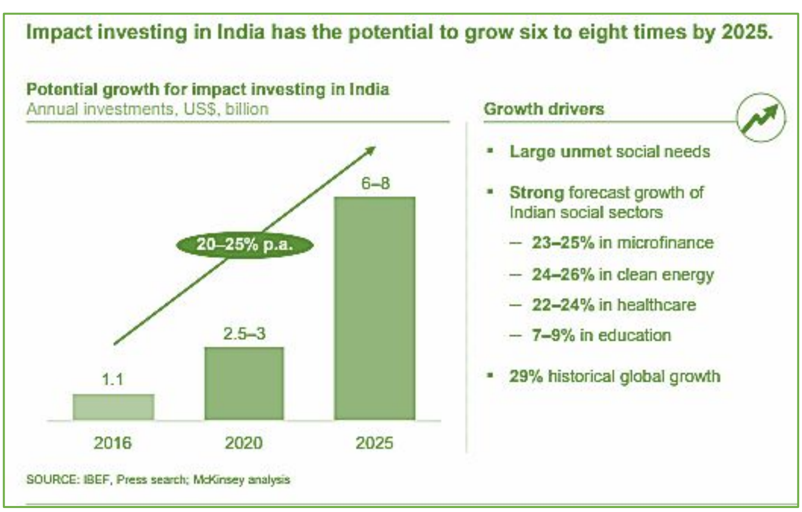


Note: Note: Excludes nine respondents that did not share data on investment activity for 2019, 2020, or both.

Source: GIIN, 2020 Annual Impact Investor Survey

India

With a combination of high social needs with robust market forces, impact investors in India can make a strong case for growth. Impact investments have the potential to grow 20 to 25 percent a year between now and 2025, reaching US $6 billion to US $8 billion in deployment



DEBUNKING THE MYTHS

Myth 1: No different from philanthropy

Impact investing has been confused with philanthropy. While both aim to create a positive impact in the world, philanthropy does not feature the financial return component.

Myth 2: Nothing but a marketing ploy

While impact investing began as an ethical investing concept, it has since become an integral part of fundamental securities analysis. The idea stems from good ESG decisions that tend to be less risky than those with bad ones because the latter are more likely to face financial losses related to ESG issues.

Myth 3: Impact investing is a niche asset class

The reality is that impact investments are not a separate asset class. ESG analysis can be applied to existing investment vehicles where financial professionals need not create a separate bucket for ESG strategies. ESG strategies may be considered a core part of a portfolio, or a satellite component, depending on what makes sense given the particular client and the particular ESG product option.

Myth 4: Returns may be compromised in exchange for doing good

When the intention of positive impact is genuine and incorporated into a firm's offerings and practices, it promotes better corporate health. It can also potentially lead to improved long-term returns for investors.

ROLE OF THE UN IN SOCIAL IMPACT FUNDS

United Nations Social Impact Fund

The United Nations Social Impact Fund was established in January 2015 by the UN Multi-Partner Trust Fund Office (NY, USA) as a unique Social Impact investment platform that shows a shift from a 'project-based' to a 'market-based' development approach . It was launched as a partnership between the UN Development Programme (UNDP), UN Environmental Programme (UNEP), UN Population Fund (UNFPA) and the UN Capital Development Fund (UNCDF) together with selected public, civic and private sector investors. It forms a unique investing architecture that leverages the traditional funding pathways of pooled grants with the private Social Impact debt and equity investments.

They have created a unique model of blended finance which involves impact funding from both the public and private sectors leading to generation of a larger amount of capital and to create both economic and social returns.

GOALS

They aim to maximize every dollar which is being invested in the developing world. UNSIF brings together philanthropists, foundations, corporations, private investors and governments to chart a new course towards a collaborative or blended financing model. By aligning capital across development financing needs, UNSIF will speed and enhance the scale-up of successful social business models and lead to greater social impact while providing the potential for sustainable and inclusive returns.

OBJECTIVES

UNSIF seeks to accelerate understanding and implementation of a pioneering approach to development finance. Some of the specific objectives include:

1. Extending the reach of official development assistance (ODA) through the complementary use of private investment tools.
2. Increasing public and private sector understanding, support and involvement in inclusive financing and social enterprise.
3. Expanding the amount of foreign and domestic capital available for social and economic development.

UNIQUE VALUE PROPOSITION

REACH

An unparalleled global reach by accessing development markets around the world – a knowledge base that is truly and uniquely global. By leveraging the UN partner network, UNSIF has unparalleled reach with 'eyes and ears' on the ground in 190+ countries.

DEPTH

Within UN agencies, UNSIF has access to a wide-range of sector expertise covering the complete dimensions of the United Nations Sustainable Development Goals 2030.

NEUTRALITY AND TRANSPARENCY

A neutral investment environment that depoliticizes funding and promotes transparency. It offers both downstream investment and upstream policy advice, helping to combat legal and financial barriers to social impact investments.

RISK MANAGEMENT

Through its multi-stakeholder partnerships, UNSIF employs best-in-class social impact and financial risk and return frameworks that support the quantification of environmental, social and economic impact. UNSIF opens regional and global expansion opportunities to scale social and economic impacts.

INTERLINKAGE OF SGD AND SOCIAL IMPACT FUNDS

The Sustainable Development Goals (SDGs) were created as a global call to action for positive change.

We can no longer think and act in silos

As we follow on to the Sustainable Development Goals.
These new sets of goals consist of 17 goals with 169 targets. These SDGs and targets focus on ending poverty, protecting the planet, and ensuring prosperity for all. The new goals recognise that environmental objectives are interconnected and affect everyone in the international community.

"It's about what the whole world must do to ensure we have a liveable planet and decrease inequality. All the goals are interlinked. For instance, climate change is related to our food system, economic growth, access to clean energy, and our soils among many other issues. What is clear is that we can no longer think and act in silos. Our society and planet simply don't have enough time," says Marilou van Golstein Brouwers, Chair of the Management Board of Triodos Investment Management.

How is impact investing connected to the SDGs?

When looking at the SDGs, there are such categories as reducing poverty, increasing gender equality, providing access to clean and affordable energy, and creating more sustainable cities and communities. Every goal has targets that require some sort of financial investment. The UN estimates that developing countries alone face a USD 2.5 trillion gap in financing.

Enterprises to improve social and environmental welfare are being started and built but need (more) funding to develop. Impact investment plays a pivotal contributing role as it has unlocked private capital to address societal issues. For impact investing to succeed, it requires looking at investing through a lens and asking the investor to question: "What is my money doing for a cleaner planet or for equal opportunities for all?" and taking action from there. **Impact investors aligning with SDGs to drive results:** The Global Impact Investing Network (GIIN) released a report featuring how impact investors are collectively driving results and how these results align to the SDGs which has been talked about below in detail.

Marilou van Golstein Brouwers: ***"The urgency to change how the financial industry looks at investing, and how investors are currently using their money is apparent. We can see it in climate change, mass migration, and the deepening social inequality in the world. This is an urgency that directly affects every country and everyone – at our homes, in our families, and in our communities."***

The United Nations adopted the Sustainable Development Goals in 2015 calling for the partnership of governments, private sector, civil society, and citizens alike to end poverty and economic inequality as well as ensure environmental sustainability by 2030.

While the governments of various countries are encouraged to integrate these missions in their development plans and policies, developing nations find it harder to implement them due to lack of funds, poor infrastructure, and resource constraints. They also find it difficult to efficiently use available funding in a highly targeted manner. This assumes further significance as sources of development finance dry up.

While impact investing is not a panacea for all the issues, it can make a significant difference by:

- Aligning interests of stakeholders in a manner that balances financial returns and environmental or social concerns;
- Adding to the available pool of capital to solve developmental issues;
- Having a positive influence on environmental and social issues;
- Improve targeting of spends and thereby ensure efficient use of available capital to maximize impact;
- Enabling people to attain a better economic status. Purpose of this guide Despite there being tremendous interest from impact investors, funders, and social enterprises, deal-making appears to be lower than expected.

To better understand how impact investors are approaching the SDGs and how this growing community can collectively drive results, we have profiled a variety of impact investors.

1. Encourage Capital

It is an asset management firm specializing in strategic investments to solve critical social and environmental problems. It is currently managing and/or developing investment strategies in five impact areas, all of which are aligned with the SDGs: financial inclusion, climate change, sustainable infrastructure, sustainable seafood, and water conservation. Encourage is currently launching a private equity strategy in financial inclusion in emerging markets. Encourage posits that financial inclusion empowers individuals, businesses, and countries to reach their full economic potential, and contributes to the achievement of the SDGs.

Encourage Capital sees alignment between sound business and impact metrics in its work in financial inclusion. In evaluating the impact of its investments, Encourage Capital examines three levels:

(a) **DIRECT IMPACT,** the impact that the investee has on people and ecosystems;

(b) **SYSTEMIC IMPACT**, the impact that the investee's business model has on the wider landscape of financial inclusion in the country of investment; and

(c) **ENCOURAGE CAPITAL'S IMPACT,** the impact that Encourage has on the investee's ability to operate effectively as a result of portfolio engagement and sector expertise. They collect and report on several IRIS metrics in their financial inclusion strategy. The direct and systemic impact highlighted above also align with specific SDGs.

2. RobecoSAM

It manages and advises a USD 10.7 billion portfolio, which includes a substantial allocation to impact investing. RobecoSAM invests its impact investment portfolio into companies that seek to improve access to basic services, such as clean water, energy, health, and food security, to improve conservation efforts (including natural resources and water conservation), and to improve gender equality. For all of its investments, RobecoSAM tracks performance across a set of non-financial metrics.

IMPACT MEASUREMENT PRACTICE

Across its portfolio, RobecoSAM collects data on 100 non-financial impact metrics. For each investment, it collects and monitors a subset of approximately 20 sector-relevant metrics. In an effort to assess its alignment with the SDGs, RobecoSAM mapped each of the 100 impact indicators to one or more of 16 of the 17 goals.

For RobecoSAM, this process confirmed the natural alignment of its **impact objectives** with the SDGs. It noted, however, that following this mapping exercise, some impact metrics remained inherently more **tangible** than others, such as metric tons of water saved in an industrial process compared to an increase in social equality; both types of metrics are included in RobecoSAM's current portfolio monitoring process. This process has enabled RobecoSAM to review its impact measurement practice and ensure that it efficiently pursues appropriate and achievable impact objectives.

INDIA AND IMPACT INVESTING

The Sustainable Development Goals (SDGs), launched in 2015 by the United Nations, address the major development challenges facing the world in the form of 17 goals to achieve by 2030. The SDGs are useful to enable convergence of effort in capital mobilisation for creating large-scale impact and benchmark country level progress and contributions from governments, private sector and philanthropy. To achieve the goals by 2030 requires mobilisation of $5-7 trillion annually at a global level of which approximately $4 trillion is the need in developing countries. India's financing gap – after accounting for government spending – is estimated at $565 billion annually. Approximately 50% of this need stems from 3 SDGs – SDG 8 (jobs and economic growth), SDG 11 (sustainable cities) and SDG 5 (gender equality). Impact investing is particularly well suited to help mobilise this much needed private capital as it is extremely well aligned with the SDG priorities.

With an overall rank of 115 out of 193 countries on the SDG index, India has recently improved its relative performance in five SDGs – SDG 3 (good health and well being), SDG 6 (clean water and sanitation), SDG 7 (affordable and clean energy), SDG 9 (industry, innovation, and infrastructure), and SDG 11 (sustainable cities). However it has lagged in other areas including on the first two critical SDGs – SDG 1 (no poverty) and SDG 2 (zero hunger), as well as on SDG 5 (gender equality).

Impact investment can make a significant contribution in helping India achieve its 2030 SDG targets.

Impact investing, which has mobilized **$10.8 billion** over the last decade and catalyzed several highly innovative delivery models across sectors, is particularly well suited to help achieve the SDGs related to the three core social sectors – agriculture, healthcare and education. Cumulatively SDGs 2, 3 and 4 require ~$100 million in additional annual funding focused specifically on addressing inequality and exclusion, which is at the core of what impact investment supported social enterprise models in these sectors focus on. In financial inclusion, the major success story of impact investment over the last decade and accounting for over 50% of total capital, the social impact and SDG contribution are manifold with 4 major SDGs impacted: SDG 1, 5, 8 and 9. Finally, the total impact investment from 2010-2019 to the major SDGs, impact investing also helps in contribution towards SDG 7 (clean energy).

With a fifth of the planet's population, India will play a major role in how close or far the world is able to come to SDG achievement in the decade ahead. Impact investing, in turn will play a critical role in determining India's success, in improving its own performance in providing inclusive growth and poverty alleviation in a manner that is environmentally sustainable.

It will also allow India to export its successful social enterprise models to other developing economies which are equally or more challenged and stand to benefit from the innovative solutions to social challenges that can be scaled across regions.

Impact investment has come a long way over the last ten years and has already made a meaningful contribution to India's development story over the last decade. As this first of its kind study on the sector has determined:

- Indian impact investing has impacted ~200 million people through improved service delivery across four key social sectors: financial services (FS), education, health, and agriculture; and further 300 million people through the strategic use of technology for development. Importantly, it has done this by driving business models and technology innovation focused on service delivery at the last mile in a financially sustainable and scalable manner needed for sustained impact.

- $10.8 billion of total equity capital has flowed in over the decade, at a CAGR of 26%, with rapid growth over the past two years. The sector has been around since early 2000, but picked up pace post 2005 on the success of financial inclusion. In late 2010 the impact investing industry faced a severe test with the microfinance crisis, but since then it has grown 8x in terms of annual deployment.

- Every dollar of impact funding has been able to crowd in at least twice as much commercial capital. Impact investors have played a critical role in bringing in seed and Series-A capital and also participated in 70% of later-stage transactions. However, ~80% of the total capital into the space has come from commercial VC-PE funds and club deals involving both commercial and impact investors.

- Traditionally focused on financial services, Indian impact investing has successfully diversified into core social sectors like agriculture, healthcare and education. Financial services used to account for 76% of investments in 2010 but was down to 43% in 2019, and just 30% of total deal volume over the decade. In the same time period, impact investments in health, education, agriculture, energy and technology for development have increased their share.

- Impact investing has contributed towards 11 of the 17 Sustainable Development Goals and can help unlock part of the $600 billion of additional private capital needed per annum to achieve India's SDG targets, especially on the first two goals which are a priority for our country (No Poverty and Zero Hunger) where it has a disproportionate impact and across a range of sector-specific SDGs.

COMPETITIVE LANDSCAPE

Any company, whether for profit or not, faces competition. Businesses with even a small overlap in services gives rise to rivalry. To be effective as a nonprofit, the organisation need the people to hear and understand their mission.

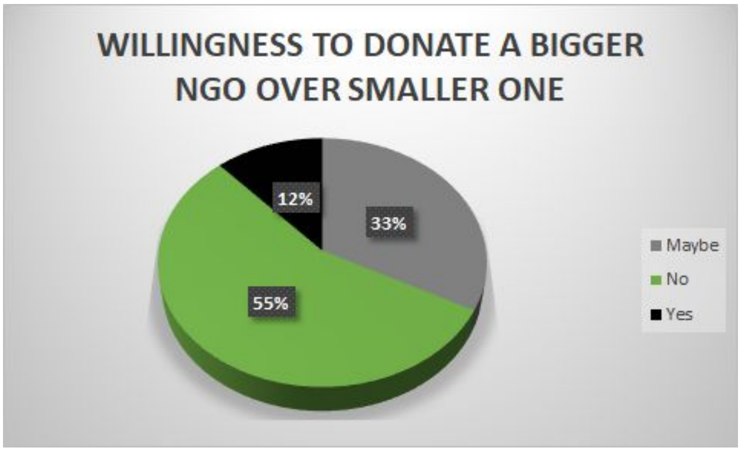
However, a variety of approaches raises the following questions:

Should one go alone or join forces with another establishment to survive the storm?

Due to the vast complexity of the nonprofit sector, there is no single correct response. Knowing one's establishment and how competition in the industry impacts one, on the other hand, will make the decision easier.

In the end, they will stop getting too wrapped up in the comparison game if they consider their own priorities and the effect of their nonprofit.

First and foremost, nonprofits must consider their real social return on investment. It is critical to assist the group in comprehending how and why the problems that their establishment tackles are so critical to resolve. It's important that they consider the people their establishment serves and consider how their efforts are actually changing lives. When one closes the gap between the people who affect progress for the cause and the people who are directly impacted by it, mission-driven organizations become stronger.



Though mission is important for nonprofits, it is not often to set them apart. Causes in all shapes and sizes abound in the charitable sector. There is expected to be convergence with so many organizations operating all over the world. One can distinguish oneself by adopting a unique style and approach to one’s task. It is how the general public perceives such distinguishing characteristics that makes the difference, among comparable services. One must consider the best path to take when communicating the message by identifying the people who both support and are motivated by the cause.

After developing the internal strategy, keep an eye on the rivalry that's forming outside the business. Competition is a problem that cannot be overlooked in any industry. It can, however, operate in a number of ways depending on how you conduct business.

How Competition is the Same Between Sectors?

Two nonprofit organizations can compete over similar causes and target audiences in the nonprofit world. As a result, each company must take a specific approach. The first organization, for example, would provide free services to its recipients, while the second focuses on raising public awareness and recognition of its cause. In the for-profit sector, the situation is identical. Organizations that can not convince the public to join them – or for-profits that can't persuade consumers to purchase their product, service, or goods – will ultimately fail.

How Competition is Different Between Sectors?

Nonprofit rivalry is not just between organizations. There are a multitude of products, goods, and services vying for the consumer's dollar in the for-profit world. In the nonprofit sector, one's looking for money that has nothing to do with that stuff. Nonprofits compete not only with other organizations working on the same subject, but also with the general public for attention to their project and why it should be sponsored. Donors are not really the primary recipients of their donations, but some organizations are founded on the premise that people would happily contribute money to support others. Since all charities are competing for the same dollar to benefit the people they represent, competition arises.

Nonprofit partnerships

When the going gets tough, collaborating with other nonprofit or for-profit organizations can have a "Justice League impact," bringing together forces for the common good. Organizational collaborations aren't for everybody, though; finding a team with whom you're comfortable in the first place is challenging, and putting a strategy in place between two organizations requires a lot of effort. Partnerships, on the other hand, may provide significant benefits in today's dynamic market; for certain companies, they are the most successful way of fulfilling a goal.

Problems and perks

Getting to a point where both organizations are willing to seek a partner is usually the most difficult aspect of forming a relationship. In every region, there is a great deal of pride and ownership, but the nonprofit sector is particularly proud of the work it does for beneficiaries. The road to cooperation is not easy from there. It can be difficult to shape mutually beneficial goals and a compatible partnership when two teams combine with different operations and metrics.

Given this, establishing a relationship has its benefits. It may have obvious benefits such as lower operating or programmatic costs, but it also expands the options when one thinks outside the box. Partnerships do not have to be between organizations doing similar work. A more systematic approach, on the other hand, will help alliances progress to the next level by addressing several issues for one’s cause.

An organization in the cancer field focuses on the person who is diagnosed with cancer, and it may suggest collaborating with a caregiver-focused organization. A collaboration like this may result in a more holistic approach to assistance. Since you have twice the brainpower, your collaboration has the ability to have twice the effect.

How to make it work?

When it comes to pursuing a relationship, clarity is paramount. The best relationships are formed when both parties have a clear understanding of their positions and the relationship's long-term value. Compatible relationships are formed when there is a strong distinction between each organization's success and how each performance contributes to a single desired result for the benefit of the beneficiary.

Furthermore, companies should have precise benchmarks in place to assess their respective success, as well as an understanding of how the public will perceive and engage in the relationship. It will be easier to leap into action later if both organizations have a solid understanding of this from the start.

What is the most effective way for a nonprofit to stand out in a crowded market?

The trick is to start from within and then expand the vision outward. Understanding the business is a critical first step in approaching competition and exploring other choices such as corporate collaborations. One won’t advance in the nonprofit world until mastering those components.

FEASIBILITY CRITERIA

IMPACTS BONDS

As innovation continues in the segment of social sector funding, the more recent entrant on the horizon is the "Pay for Success" model in the form of Social Impact Bond (SIB) and Development Impact Bond (DIB). Under these models, the Non-Govt investors cover the upfront costs of the project implemented by the service provider and the Govt or a development agency would commit to provide a return if desired outcomes are achieved. Public funding is freed from the risk of uncertain outcomes and the government would pay only if the desired social outcomes are achieved. Risks are spread across the investor pool. Since returns are tagged to results, projects covered would be those where impact is clearly measurable.

Impact Bond Feasibility Criteria

Four basic criteria are necessary for impact bonds to come to fruition . In addition to these criteria, there must be a set of actors who possess the expertise, will, and dedication required to carry out the transaction.

1. **Meaningful and measurable outcomes:**

Meaningful outcomes should minimally be indicative of outcomes that are predictive of the life trajectory of an individual. If an outcome has no evidence that demonstrates that it will lead to better outcomes later on, paying for it doesn't make a great deal of sense. While interventions should by no means be limited to the outcomes that are interesting to outcomes funders, when choosing outcomes for repayment, ultimately the outcome must be attractive to them. This likely means that the outcome metric should be a meaningful proxy for longer-term economic outcomes or be aligned with a broader political agenda of some kind. 18 Outcomes may represent cost avoidance or potentially fiscal savings. The term often used to describe this is that outcomes are "monetizable." Measurable outcomes are outcomes that can be measured in a specific context, particularly given resource constraints. In other words, not only must you have the tools with which to measure the outcomes, but systems must also be in place to accurately and consistently measure them. For that reason, the simpler the outcomes to measure, the better they are for the success of an impact bond. Hence, the use of administrative data, where available, makes good sense as an outcome measure. There is potentially even more promise with the collection of real-time data that can be used to manage programs and make course corrections along the way.

2. **Reasonable time horizon to achieve outcomes:**

A time horizon for achieving outcomes is reasonable if there is substantial evidence from previous evaluations that the specified outcomes will occur within this time frame. At the same time, a reasonable time horizon is one in which outcomes are measurable and therefore indicative of future lifelong opportunities for the individuals. A reasonable time horizon will also be one in which investors and outcome funders are able and willing to make and receive payments given, for instance, legal and political conditions in a country.

3. **Evidence of success in achieving outcomes:**

Evidence of success in achieving outcomes should come from evaluations of interventions that closely mirror the services and how they are delivered in an intervention supported by an impact bond. These evaluations are best if they come from a context similar to the one in which an impact bond is planned, though this is not absolutely necessary. At the very least, evidence should probably be available at the country level for an impact bond to be considered feasible.

Rigorous evaluations are recommended, such as randomized control trials or other techniques that compare outcomes for a group receiving a service with another group that does not receive a service, while also accounting for differences between the groups compared. Ultimately however, the extent to which evidence must be rigorous is very dependent on the risk appetite of the investors and the requirements of outcome funders.

4. **Appropriate legal and political conditions**:

Appropriate political conditions are those that demonstrate support for the services delivered in an impact bond by relevant stakeholders, including local, state, and national governments, as well as investors. Support for a particular service may be found in a policy framework or strategy document or may be demonstrated in previous funding allocated to services. In addition, appropriate legal conditions will enable governments (in their role as outcome funders) to pay for outcomes beyond the fiscal year in which a contract is made and for that matter to pay for outcomes at all. This is often necessary since most public expenditure is committed on a yearly basis. It may also be necessary for legal conditions to support the ability of the government to direct funds to an intermediary in a transaction and for the intermediary to have the authority to make certain decisions, such as selecting a service provider. Legal conditions will also facilitate a transaction such that investors have contract protections and are incentivized to provide capital for the impact bond. Other relevant issues that may influence the feasibility of an impact bond include how governments treat hybrid investments, which include debt and equity components, and how they treat various stakeholders involved in a deal that may be located outside of a country.

CORPORATE SOCIAL RESPONSIBILITY

With Corporate Social Responsibility (CSR), organizations take responsibility for the impact of their activities on customers, employees, shareholders, communities and the environment in all aspects of operations. This effort extends beyond simply obeying local laws, as organizations voluntarily take steps to improve the quality of life for employees and their families, as well as society at large. CSR is sometimes called “corporate citizenship,” meaning that an establishment should be a good neighbor to the communities that are affected by its presence (Catalyst Corporation, 2002).

FEASIBILITY CRITERIA FOR CSR

1. **Alignment with CSR Policy:** Does the program address at least one or more of the predetermined focus areas of the corporation?
2. **Community Impact:** Does the program benefit a vulnerable community in a positive way and help the community move towards sustainable social or economic independence?
3. **Financial Need:** Does the program proposal demonstrate that there exists a real need for financial assistance for the proposed project?
4. **Management Capability:** Does the current organisational structure reflect integrity and capability in administering the proposed programme in a fair and transparent manner?
5. **Alignment of Organisation:** Does the beneficiary organisation have religious or political objectives or affiliations? Is the organisation secular in serving the broader community?
6. **Leverage Potential:** Does the project take advantage of opportunities to leverage Branch's funding from other private, foundation and government sources to ensure sustainability of the programme?
7. **Inclusive Growth:** Does the organisation promote inclusive growth?
8. **Innovative Solutions:** Is the project promoting innovative ways to provide long-term benefits?
9. **Volunteer Engagement Potential:** Can SBI General's staff be involved in volunteering activities in the project? Does the project aim at encouraging proactive engagement of community stakeholders in all development processes of the project?
10. **Measurable Results**: Does the project envisage producing measurable results which are quantifiable and have feasible monitoring and evaluation indicators with the ability to be tracked?
11. **Sustainability:** Does the project showcase potential for replicability, scalability and sustainability?
12. **Exit:** Does the project have a clear exit strategy?

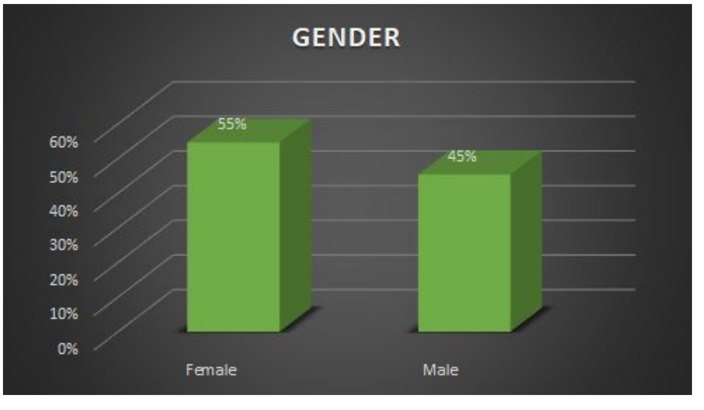
DONOR BEHAVIOUR

The purpose of this section is to analyse the thinking that goes on in an individual's head while making donations to a non-profit institution. The reason for this very topic is that there is very little research that has been qualified and previously engaged by a Non-Profit organisation to raise funds for their cause. Therefore understanding consumer behaviour at a primary level is vital.

1. Demographic Factor

- **Age:** The older you are, the more likely you are to donate.

- **Gender:** Women are more inclined to donate than men.



- **Income:** Families that earn more usually give larger donations than families that earn less.

- **Number of children:** Having more children makes you more inclined towards making donations to charitable organizations.

- **Religion:** People who follow a religion tend to be more inclined to donate.

- **Social class:** Upper class individuals usually donate less as they relate less with social problems and issues.

2. Socioeconomic Factor

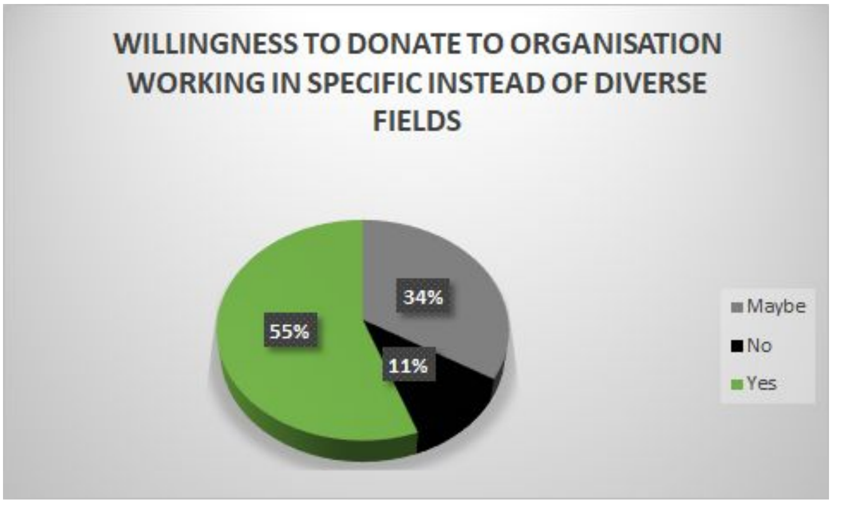
- **Be Employed:** Working individuals are more inclined to be potential donors than those that are unemployed.
- **Be Recognized:** Individuals seeking widespread recognition often donate to be more well-known.
- **Financial Security:** Financially well-off individuals have a larger likelihood of being donors.
- **Social Reputation:** Giving donations are a stepping stone to garnering social reputation within society.
- **Social Responsibility:** Individuals who feel they have a duty to be socially responsible usually donate more.

3. Psychological Factor

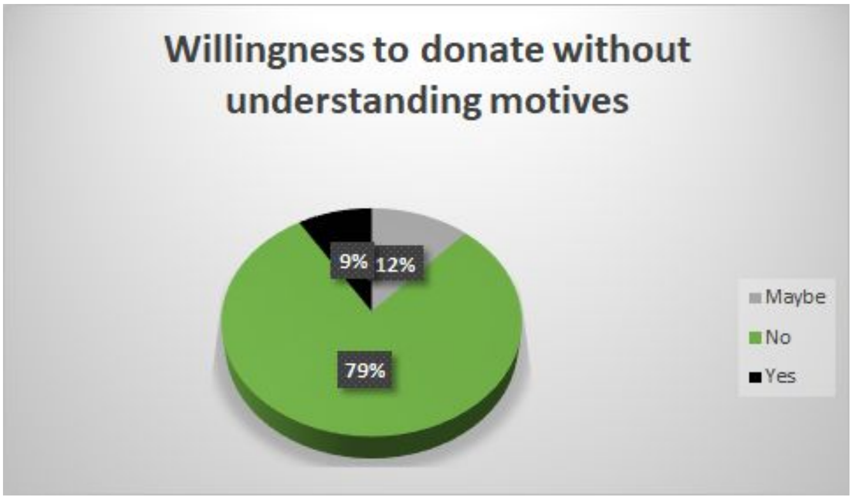
- **Altruism:** Individuals harbouring altruistic tendencies are more likely to donate.
- **Anxiety:** When confronted with people in distress, individuals feeling anxiety feel the need to donate to help out.
- **Calm/ Spirit of Peace:** After donating, an individual may feel content and calmer with them.
- **Compassion:** Compassionate individuals donate more.
- **Empathy:** A sense of empathy can influence humanistic behaviour increasing the chance of donating to causes.
- **Fear:** Individuals who are in a situation where they feel scared or threatened feel motivated to donate.
- **Joy in Donating:** Donating can bring about euphoric, joyous emotions in an individual
- **Personal Distress:** Distressed individuals feel inclined to donate.
- **Personal satisfaction:** Individuals donate to gain a sense of personal contentment and gratification .
- **Pity:** Feelings of pity on people affected by causes can motivate people to donate.

4. Behavioural Factor

- **Concern:** Individuals donate in order to be seen a person who cares for the wellbeing of others
- **Desire to Help:** Individuals wanting to make a difference to benefit society try to do so by making donations
- **Desire to make a difference:** Individuals who want to make a positive impact on the world usually make donations
- **Donation history:** An individual who donated before is probable to donate again
- **Family tradition:** Individuals coming from a family history of donating are more likely to donate
- **Generosity:** How generous an individual usually is affects the way the way the make donations
- **Identification with the Cause:** Individuals who relate or identify with the cause tend to usually donate.



- **Loyalty to the organization:** The loyalty of the individual with a philanthropic organization influences their donation
- **Need perception:** The individual perceives that charity they are donating to needs the help



- **Obligation:** Individuals donate because they feel morally obligated to do so
- **Public Prestige:** The individual is motivated by a desire to achieve public prestige as a result of their contributions to charity
- **Self-image:** Individuals wanting to create a positive image of themselves among people tend to donate
- **Thinking about death itself:** Individuals tend to donate more when thoughts of death are a recurring thought in their minds
- **Volunteering:** Individuals who volunteer at a particular charitable organization are more likely to donate to it

IMPORTANT PSYCHOLOGICAL FACTORS

ALTRUISM

Altruism is the practice of concern for the happiness of other individuals at some cost to oneself. It may include a vast range of behaviours such as donations, volunteering or even holding the lift door for someone. The term is majorly used as a way to refer to a behaviour that is of benefit to others, regardless of its motive. **It's what some call the "warm glow effect."**

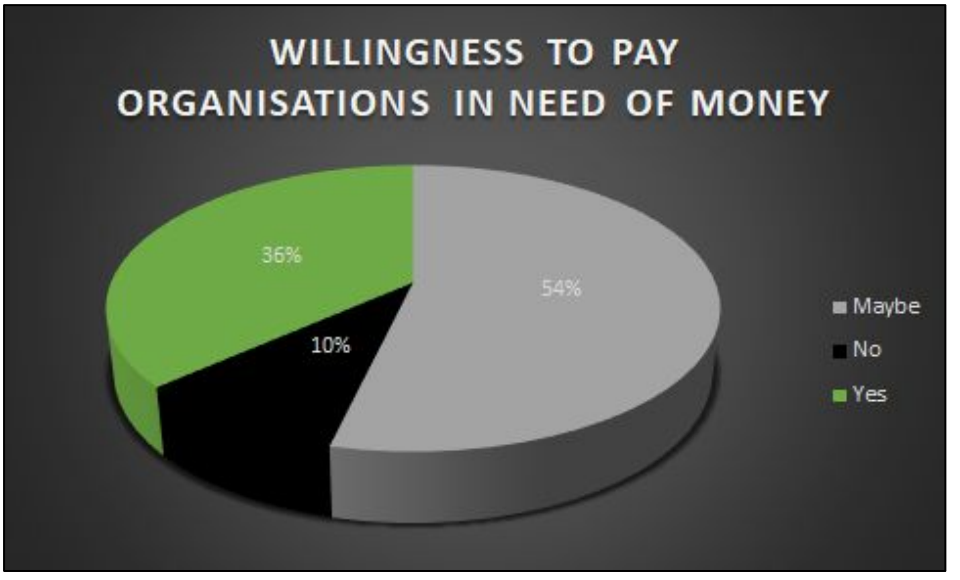
Altruism is an important part of the society, it binds everyone together and helps them to coordinate and thrive. Altruism doesn't have a specific characteristic. In a way, It can be both selfish or selfless. A person might put others' interests ahead of their own, but it also makes them feel good about themselves which results in long term gains for the giver.

Sometimes Altruisms tend to be sort of a built-in feature in some individuals. Many of these altruistic reactions are spontaneous and are somewhat a natural response for some people. These people will help others in pain and in need of help, compassionately and unconditionally.

Imagine there are 3 buckets. The 1st Bucket has a sign that asks you to donate all the change that is in your pocket. You notice the bucket is almost full of coins. The 2nd Bucket has a sign asking you to donate Rs. 50 and is maybe half full of Rs. 10 and Rs. 20 notes. The last bucket has a sign asking you to donate Rs. 100 and has some notes crumpled at the bottom.

Which approach is likely to raise the most money?

According to research, the bucket filled with loose change will actually generate more money than a bucket only partially full of larger denomination notes. Because donors want to feel they are part of something bigger than themselves. A bucket full of change suggests that lots of other people support the cause and momentum is building. Most people will see that and want to be part of it. Besides, it's easier to fish the loose change out of your pocket than it is to pull out a wallet and find the right number of notes in the right denominations.



SOCIALLY CONSCIOUS BEHAVIOR

Let's return to the bucket scenario. An individual is more likely to throw some change or a few Rupees into a bucket if a few of the people he is with are willing to do the same.

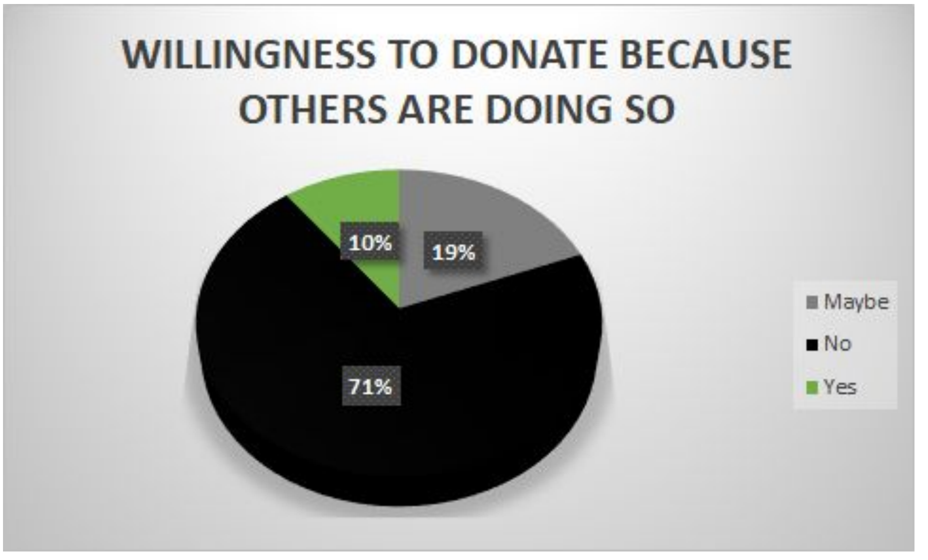
It is closely related to altruism but with keeping societal needs in mind. There is no definite definition but it is accepted that this type of behaviour is carried out in an effort to help others or even to bring about social changes. In other words, it is the behaviour that takes into account the public consequences of their actions. Types of behaviours include financial contributions to educational and religious institutions, active participation in society and being extremely active in politics.

It is imperative to understand the minute differences between altruism and socially conscious behaviour. Firstly, the word socially conscious suggests the influence of social awareness. This may be perceived as either social pressure or need of social awareness; socially conscious people remain very sensitive to their social surroundings, which is something that is totally apart from altruistic behaviour. Secondly, a socially conscious consumer might be motivated by self-interest as well as social interest.

SOCIAL STATUS BEHAVIOR

The behaviour that is carried out in an effort to uphold social image and stature is called social status behaviour. The most influential factor for these behaviours is the group's structure and the role and requirements of the gift giving behaviour. Hence, social status behaviour can be defined as an individual's actions to maintain a favourable status or position within a self-selected group of individuals. Gift-giving in this context is a form of maintaining one's position or status within one's peer group.

Previous researches indicate the effects of social influence on consumer behaviour may be substantial. These researches shows us the importance of situational variables and suggests that an individual's social status and image may have a considerable effect on the selection, presentation, consumption, and reciprocity of the gift-exchange process. It is important to note that the social behaviour dealing with interpersonal relationships is entirely separate and distinct from the socially conscious, altruistic behaviour directed towards society at large.



NON-ALTRUISM

This is the complete opposite of Altruism; it is a gift giving behaviour that is generally qualified as non-altruistic. It comprises characteristics that are purely of self-satisfying and ego-involved nature, which is totally contradictory to altruistic behaviour. In other words, non-altruism is defined as a person's actions designed to reward him with self-satisfaction and pleasure.

MEASUREMENT OF IMPACT

The first and foremost question to be answered shall be how an organization measures its impact. Some use general community or staff feedback to gauge impact.

Quantitative measurement: Using numerical data to measure whether things are getting better or worse.

Social Impact Measurement is a process of understanding how much social change occurred and can be attributed to an organization's activities. Impact Measurement is not about measurement at all. Real impact measurement is about integrating stakeholder voice to understand community outcome over a long time. Impact may be assessed using a range of tools including interviews, focus groups, sophisticated statistical techniques and randomized control trials. Many NGOs are beginning to assess impact using randomized control trials (RCTs), which compare the impact of a development intervention on a certain community with a "control group" community. Nonprofits measure their impact by tracking their performance by metrics such as dollars raised, membership growth, number of visitors, people served, and overhead costs. These metrics are certainly important, but they don't measure the real success of an organization in achieving its mission.

What is an impact statement?

An impact statement is a simple yet powerful statement of what your organization will accomplish based on its present situation or market conditions. Typically a short paragraph, this statement is a focal point and the driving force for your organization's goals. An organization transforms when it shifts from a programs-and-services model to an impact model.

EXAMPLE

AN IMPACT STATEMENT IN ACTION! (Based on a real nonprofit, which we will call ABC) A nonprofit's mission statement defines its reason for being.

ABC's mission statement: "To improve the lives of poor children in America's most devastated communities."

Intended impact is a statement or series of statements about the organization's goals and responsibilities within some manageable period of time. It identifies the benefits and beneficiaries of the organization's impact.

ABC's intended impact statement reads, in part: "Over the next decade, ABC Nonprofit's primary focus will be on children aged 0-18 living in the ABC project, a 24-block area of central Big City bounded to the south and north by xxth and xxrd streets, and to the east and west by XXX and XXX avenues. ABC's objective will be to equip the greatest possible number of children in the ABC project to make a successful transition to an independent, healthy adulthood, reflected in demographic and achievement profiles consistent with those in an average middle-class community."

Theory of change explains the cause-and-effect logic by which organizational and financial resources will result in the desired social results. Theories of change often consider resources from within and outside of the organization.

ABC's theory of change reads, in part: "The organizing principles of [our] plan are: First, **critical mass:** Success in raising healthy children entails rebuilding the institutions and functions of a normal, healthy community, something that has been undermined in central Big City by years of neglect, disinvestments, and demographic upheaval. Building such a community requires the participation of a critical mass of parents and children in common undertakings, including both effective child rearing and community building.

Second, **early and progressive intervention:** Effective early intervention pays long-term benefits by making later interventions less necessary for many young people, and by making those interventions more likely to succeed when they are needed."

Measuring and evaluating is not new! The philanthropy sector has been doing that for decades. Depending on challenges, different techniques have been adopted in **M**onitoring, **E**valuation, **R**esearch, and **L**earning (MERL). Organizations use **R**andomized **C**ontrol **T**rials (RCT), Monetization/**S**ocial **R**eturn **o**n **I**nvestment (SROI), or Lean Data. While there is merit to each of these approaches, they all are backward-looking, often focused on impact reporting or impact justification, and NOT **continuous learning and improvement.**

The concept of measurements, such as **Net Promoter Score (NPS)** and **product/customer success analytics**, has been successfully used in the corporate world.

So, why does the social impact sector lag behind when it comes to using similar concepts? Bringing stakeholders' voices into the mainstream economy is critical for improving the social sector efficiency. Often, today's technology focuses on the top of the pyramid - 20% of stakeholders.

What are the challenges, and what is the right approach in understanding stakeholder want in terms of social change?

While many, especially from impact investing, tout the benchmarking approach for better investment and predictiveness. This approach often comes from the Wall Street mentality. They often miss the point that finding a reliable data source with the right context is challenging in the social sector. On the other hand, the impact rating approach also has limitations. It misses the context of each enterprise's impact by using standardized questions and analysis.

Approaches like Lean data are promising but have limitations as it requires the right technology to drive better results. Lean data requires expensive data collection through an enumerator and provides a snapshot of data and not continuous learning data. Their analysis is often based on proprietary benchmarking, which may have the same benchmarking challenges described above. Most important, without continuous learning by front line managers, we cannot scale social impact.

Focus on monetization and monitoring, and evaluation often demonstrates the impact or justification of funding of the program. This precise goal is a significant barrier to improving stakeholder impact. Stakeholder impact requires continuous learning and improvement from the stakeholders.

SOCIAL IMPACT INVESTING V/S ESG INVESTING

Social Impact Investing V/S ESG Investing

Social Impact Investing is one of the best investments out there to create social and environmental impact along with financial returns. It generally brings together capital and expertise from public, private and non-profit sectors to collectively achieve a social objective. These investments can be made into companies, organizations or funds, which may be non-profit or for profit. The returns are dependent on the level of social outcomes achieved. These investments are made in both the emerging and developed markets.

Social Impact Investing can be defined by a few key characteristics

- **Intention**: An investor must have an intention to make a positive social or environmental impact through his/her investments
- **Investments with Returns**: The investments are expected to generate a good return on capital.
- **Range of return expectations**: The investments target returns that range from below market to risk-adjusted market rates and can be made across multiple asset classes.
- **Impact measurement**: Investors must measure and report the social and environmental performance and progress of investments to ensure transparency and credibility of their practice.

Why social impact investing

It has been assumed that social and environmental issues should be addressed by philanthropic organizations only and that market investments should only focus on targeting returns. The social impact investment market offers a range of opportunities and ideas to come up with solutions through investments and at the same time produce financial returns. The global market for impact investments is projected to grow in excess of $300 billion by 2020, according to a study conducted by the Global Steering Group on Impact Investment. This has also led many mainstream investors to venture into this space and there is change from investing to investing in impact projects.

Social Impact Investing in India

India is gradually becoming a hotbed for all investment activities. Between 2010 and 2016, the country had over 50 active impact investors, who put in more than $5.2 billion (Rs 37730 Crores) worth of investments into the economy.

There is a high demand for these investments owing to the growing population, underlying economic growth and stable financial markets. There are mainly four reasons behind this trend shaping India: **diversity in capital sources**, **spurt in deal sizes**, **more diversity in sectors** and **alignment of investment objectives**.

Benefits of Social Impact Investing

Helps in meeting the global challenges	**Stabilizing the portfolios**
Achieving market-rate returns	**Efficiently puts capital to work**

ESG Investing (Environmental, Social, Governance) is used to measure ways in which companies interact with stakeholders as a part of their business processes. ESG is not only about socially responsible business but a much broader way of capturing sustainable business practices. Investors bank upon ESG analysis to identify the long-term sustainability of a business as well as any risks involved. A healthy ESG practice helps an organisation to maintain a good credibility in the market. They usually carry a lower risk probability because they incorporate sustainability as a core value. This results in steady and more long-lasting performance of the business. On the contrary, organisations with a weak ESG run on the risk of instability, high-risks and a much more significant potential for sudden losses over the long term. ESG accounts for one-quarter of all the professionally managed assets around the globe.

For ESG investing, the environment stands for a company's environmental disclosures, environmental impact, and any other efforts to curb pollution or carbon emissions. Social refers to the workplace mindset such as diversity, human rights and management. This also includes any relationship surrounding the community via philanthropy and corporate citizenship. Governance accounts for shareholder rights, compensation, and the relationship between management and the shareholders. In India, ESG investing has increased manifold over the last several years, thanks to better policy reforms and awareness.

Growth of ESG Investing

Ethical considerations and alignment with values continue to be the common motivations for most ESG investors.

For the asset owners who are responsive to climate changes, solutions in the marketplace have traditionally focused on mitigation. They are trying to reduce the effects of climate change on the portfolio, by increasing exposure to green energy companies and reducing exposure to greenhouse gases. With the increasing awareness of climate change and its impact on human life and on the earth, investors now require companies to fully disclose how they are adapting their business strategies to accommodate the effects of climate change. Thus, many investors are looking to incorporate the ESG factors into the investment process. While doing this, the investment firms collect ESG data on companies and use the data to make decisions on valuation and risk that a stock poses. With many investors looking to ESG as a value-based measure, they are willing to measure ESGs' performance in the companies the same way they would have measured any other traditional financial performance. Once, ESG was a niche service for institutional clients, now it has gone mainstream, spanning multiple asset classes, and caters to a diverse group of investors. For any organisation, ESG provides an opportunity to create long-term value and foster innovation of new products, services and response to changing customer preference.

ESG Investing Factors

ESG factors are often interlinked, and it can be challenging to classify an ESG issue as only an environmental, social, or governance one. These factors can often be measured (e.g., what the employee turnover for a company is), but it is often difficult to assign them a monetary value (e.g., what the cost of employee turnover for a company is).

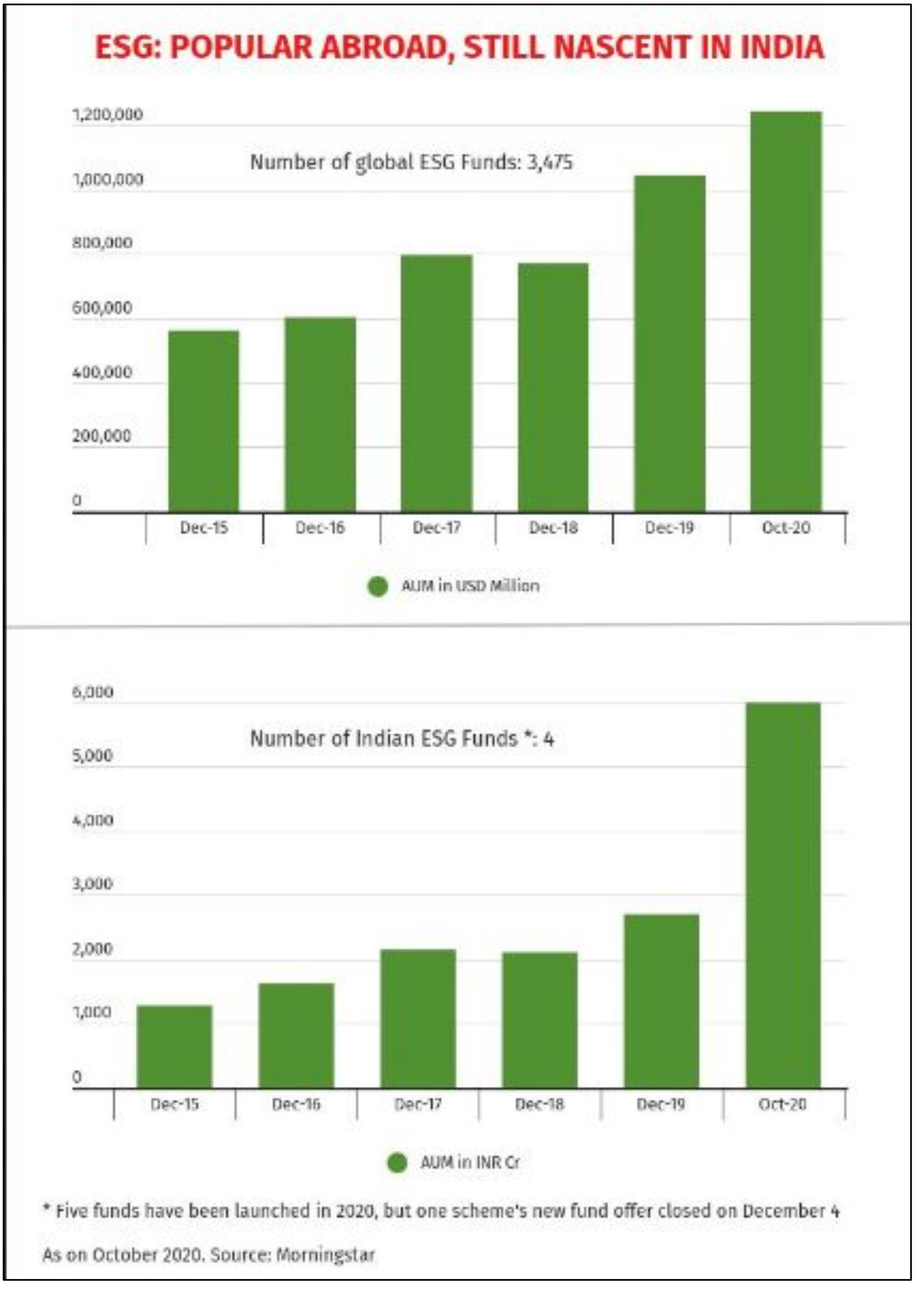
Environmental	Social	Governance
Conservation of the natural world	Considering people and relationships	Standars for running a company
-climate change and carbon emissions	-customer satisfaction	-board composition
-air and water pollution	-data protection and privacy	-bribery and corruption
-Biodiversity	-gander and diversity	-executive compensation
-Deforestation	-employee engagement	-lobbying
-Energy efficiency	-human rights	-political contributions
-Waste management	-labor standards	-whistleblower schems
-Water scarcity		

Source - CFA institute

ESG advantage in India	ESG challenges in India
A move towards greener economy	Lack of quality data
Turning India ESG plan into a global plan	Lack of any market standards
Gradual interest from domestic investors	Conventional mindset of Indian investors
Increasing reform measures	Lack of track record of ESG funds
Sustainability indices in India	Lack of Advocacy

ESG Indices in India

ESG Index is the access to a suite of indices providing a benchmark of companies exhibiting best corporate social responsibility (CSR) practices. The index tracks performance of companies with superior ESG index ratings for environmental, social, and governance practices. In India some of the ESG Indices include S&P BSE Greenex, S&P BSE Carbonex, S&P BSE 100 ESG Index, NIFTY 100 ESG Index, NIFTY 100 Enhanced ESG Index.


ESG: POPULAR ABROAD, STILL NASCENT IN INDIA
Number of global ESG Funds: 3,475
1,200,000
1,000,000
800,000
600,000
400,000
200,000
0
Dec-15
Dec-16
Dec-17
Dec-18
Dec-19
Oct-20
AUM in USD Million
Number of Indian ESG Funds *: 4
6,000
5,000
4,000
3,000
2,000
1,000
0
Dec-15
Dec-16
Dec-17
Dec-18
Dec-19
Oct-20
AUM in INR Cr
* Five funds have been launched in 2020, but one scheme's new fund offer closed on December 4
As on October 2020. Source: Morningstar

ESG Investing V/S Social Impact Investing

ESG Investing	Social Impact Investing
ESG investing is its own class of investing and is the integration of environmental, social and governance factors into the fundamental investing process. Using ESG factors, investors can select companies to invest in. ESG factors such as environmental friendliness are considered factors in the longevity of a company. Companies that follow high quality of environmental, social and governance standards are more likely to outperform their peers in the long-run.	Social Impact investing involves generating a measurable environmental and social impact along with financial returns. The two may or may not be mutually exclusive. Though profits and impact may conflict and contradict, social impact investing rests on finding a way of implementing both financial profitability and a positive environmental and social impact.

STRATEGIES ADOPTED FOR FUNDRAISING

As defined by Heart.org, social impact funds are entities that offer grants to local entrepreneurs working to improve the health of their communities. To facilitate this funding, social impact funds are required to adhere to certain strategies that can help increase the turnout for donors as well as increase funding in monetary terms.

Some of these strategies have been explained in the following section:

1. MOBILIZING DONOR

Donors are the most crucial element when it comes to fundraising. The key to successful fundraising is to find the best way to engage donors and excite them into action. Under this broad category the following methodologies can be adopted:

a) Incentivizing Top Fundraisers

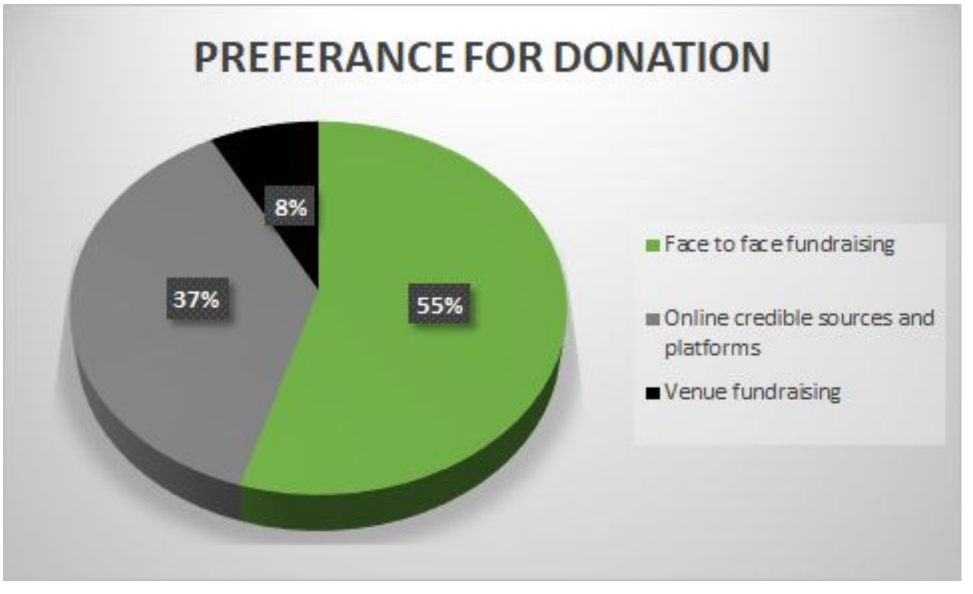
This is a classic strategy adopted by many NGOs wherein fundraising volunteers facilitate the maximum the donations are provided with additional perks, usually in the form of monetary compensation. This could be in the form of share in donations obtained (10%, 20% etc.) or a fixed amount upon breaching a particular milestone.

b) Donor Recognition Programs

Many donors, especially major ones like big reputed corporates and conglomerates wish to be publicly recognized for their philanthropic efforts. Running such programs in collaboration with strengthened marketing and PR can help attract big names of the industry to help join the cause.

c) Facilitating Grassroots Fundraising

Many large organizations have adopted peer-to-peer fundraising or grassroots fundraising for their campaigns and events. This strategy is not helpful in creating mass awareness for the cause in hand but also helps in getting local communities involved. Supporters help advocate the cause and raise funds online from their family, friends and personal networks.



d) Exerting influence on Public Opinion

Creating wide-spread awareness of the cause also helps in attracting media attention. Once the media and the press cover the topic, politicians and celebrities start endorsing the campaign, thus creating greater reach as well as opening new channels of funding. This can be done by using a combination of Petitions, Endorsements, Lobbying, Emailing, Targeted messaging to politicians, social media posts and collecting contributions.

2. MARKETING AND ADVERTISING

Marketing is crucial to the organisation. Without the right marketing and advertising, the organisation cannot target the correct segment of donors that are the most likely to make donations. Under this category, the following methodologies can be adopted:

a) Branding

Non-Profit PRO writer Sean Norris said, "With so many nonprofits focused on development through fundraising methods with measurable ROI, it's easy to overlook something as abstract, as seemingly cosmetic, as branding." Branding is often misunderstood. Strategies like Name change, Updated messaging, updated UI and UX not only enhance the funding but also create public awareness about the cause.

One caution NGOs must take into consideration is that branding must always resonate with the identity of the donors which would compel them to donate.

b) Digital Marketing

In the modern day and age of social media, platforms such as Instagram, Facebook, Twitter and LinkedIn play a vital role in an organisation's performance. According to a study conducted by Statista.com, by the year 2023, about 444.2 million or about 35% of the country's population would become regular users.

All the above mentioned platforms offer several services and plug-ins helping one grow their engagement and reach. These services can be easily exploited by any NGO seeking funding.

c) Traditional Media

In contrast to the above mentioned tech-savvy digital marketing methodologies, one can still not undermine the power of traditional sources of media such as newspapers and magazines.

3. FUNDRAISING DIGITALLY

Taking into the consideration the current scenario, COVID-19 has impacted us all into shifting to online platforms to facilitate daily operations. Vast majority of donors won't consider making donations by mail or delivering it in person unless offline collection camps are being run in close proximity. Hence, it becomes imperative for an NGO to ensure that from collection to content creation, everything is done via 'E' means.

a) A/V

According to a survey conducted by Cisco in 2020, video content will account for 82% of all internet traffic. Therefore it becomes important for NGOs seeking funding to create content resonating with the cause, make it attractive for the target donors to make big donations and help develop a virtual identity for the cause.

b) Live Coverage

With the arrival of the 'Live' feature on facebook and instagram, NGOs are enabled to conduct their activities in regular fashion as well as use it for marketing purposes.

4. PARTNERSHIP FORMATION

Strategically pairing up with sponsors can be an excellent way for the non-profit to expand its reach. Under Partnership formation, an NGO can adopt the following strategies:

a) Corporate Partnership

While individual contributors will likely account for the majority of fundraising support, there are a host of non-profit partnership opportunities with the corporate and for-profit world that will support the mission. Forming a partnership is mutually beneficial. Companies get an opportunity to improve public opinion and the non-profit gets to expand their reach.

b) Internet Solutions

Often partnerships can be formed virtually as well. Many popular websites have programs in place that allow them to give back by splitting a portion of earnings with non-profits who help them advertise or conduct research. A few such opportunities are:

1. GoodSearch
2. Amazon Affiliates
3. Welzoo

c) Offline Events

Another way to improve the fundraising is to create a fundraising calendar wherein various activities can be done to engage the supporters. Some of these activities include-

1. Fundraising events
2. Stewardship events
3. Major donor events

Events not only motivate supporters but also help in attracting viewership, hence greater funds.

IMPLICATIONS OF COVID-19 AND FUTURE PRESUMPTION

One of the biggest effects of the pandemic is that it is creating significantly more uncertainty, which is one thing that investors really don't like. As a result, we are seeing a pausing and slowing down of capital deployment in general.

That said, sense is that this is happening at a slower pace than what we're seeing with traditional commercial investors, perhaps because impact investors are not only focused on money when investing; they are also committed to the impact they can create.

The current context has raised questions around the right form of capital and the right time to invest. It has also increased a lot of risks, or at least the perception of risk, particularly around investment opportunities that rely on trade and supply chains. Supply chains have been greatly disrupted, and we're not sure when and how they will return to normal. For instance, In India, plastic recycling businesses are not seen as essential and have not been operating during COVID-19, leading to a lack of recycled raw material for other manufacturing businesses.

In addition, the lockdown has also impacted the informal waste management sector, seeing fewer workers collecting and sorting waste, and being able to earn a living, resulting in limited feedstock for recycling businesses and more waste entering landfills and the environment. Both of these things have created breaks in the supply chain.

Similarly, consumer purchasing patterns and behaviours have changed and will continue to change in the coming months, and risks associated with them have become more pronounced. When it comes to industries such as healthcare, for instance, impact investors are putting in as much capital as they can right now. While we are all thinking on how to '*build back better*', there is a powerful opportunity to invest in deals that generate positive, measurable social and environmental impact alongside a financial return.

If one is looking for a way to invest capital and also create impact, there can not be a more opportune moment than right now. There are good deals out there, as it is a buyer's market, and many investors are thinking about this period as an opportunity to close deals while others are sitting on the sidelines.

How has the pandemic fundamentally changed investing philosophies?

In the near-term, we will see significant changes in how impact investment is approached. A lot of investors rely on in-person connections and due diligence to help inform investing decisions, and because we can't travel or meet people in the same way now, this will become a lot trickier. There will be a shift in focus towards 'future-proofing' critical services and supply chains, as well as localisation—businesses that can work locally or regionally, without relying on the international market, will be preferred. In the long-term, the only thing we do know is that there is going to be a lot more uncertainty, hesitancy, and conservatism. The free markets would re-establish themselves and as things stabilise over the next few years, we will start to see institutional capital that has been waiting on the sidelines come back in. And so, we don't anticipate fundamental shifts in the sector in the long-term.

Overcoming the Impacts

It is an important institution in the for-profit world providing feedback on how firms are perceived on their capacity to generate returns. Now, India has announced its intent to bring this well-established, market-based concept to the nascent world of social impact investing. In the previous Union budget, finance minister Nirmala Sitharaman proposed the idea of setting up a social stock exchange (SSE). This was followed up by the Securities and Exchange Board of India (Sebi), which set up a working group to look into the idea.

In this backdrop, it may be important to take a deeper look at the idea and the issues around the idea. As of 2017, McKinsey estimated that the cumulative investments in the social sector (impact investments) stood at $5.2 billion. This is an emerging area, where funds operating on market principles are possibly crowding out the old-fashioned grants for projects of social intervention.

The prevailing system of stock exchanges, rating agencies, analysts and the ecosystem around the markets measure and interpret primarily one thing—the returns generated on investments. Both commercial and social enterprises require a scarce resource: Capital. While the commercial enterprise promises a unifocal reward of generating returns on capital, the returns that a social enterprise promises are necessarily social, working towards greater equity, and a more just and sustainable world. How can we apply the principles of a market to enterprises that are supposed to correct the failure of the market system and deal with problems created by markets, which tend to promote and rely on self-interested behaviour?

The idea of creating a market has a natural, instinctive appeal but carries a paradox. The strongest supporters of markets agree that markets have contributed towards economic inequality, environmental degradation, the weakening of communities and, as the current pandemic reminds us, fragile public systems—the root causes of many of the challenging social problems we encounter. So, with these limitations, can we bring market instruments judiciously to tackle social problems; identify and support organisations that negotiate the tensions of generating profits, especially when 'purpose' is placed at a higher pedestal?

Distinguishing social firms

India is not the first country to be experimenting with the idea of an **SSE**. Attempts have been made in Brazil (BOVESPA), Canada, Portugal, Singapore, South Africa (SASIX) and the United Kingdom. While the idea is much extolled, there is surprisingly little information on how it has actually worked. From what is available publicly, the privately-run Impact Investment Exchange (Asia) (IIX), based out of Singapore, is a "crowdfunding platform" which has issued debt under a series called Women's Livelihood Bonds. Empirically, the idea of SSE has failed or at best functioned in ways not different from existing platforms and that too at small scale. This does not foreclose a possibility of future success but points to the need for more critical thinking.

Defining social enterprises is tricky, but regulations rest on definitions, measurements, compliance and verification. Structuring an enterprise on the market system and adding a label "social" on top does not suffice. We need a sharper distinction. The signals and commitments under a distinct regulatory oversight allow the enterprises an entry in sensitive domains and the ability to avail tax benefits.

For instance, the not-for-profit organisations (NPOs) are legally prevented from distributing any “residual earnings" to contributors of capital. In voluntarily tying their hands up, they signal their commitment to their purpose over promoters' financial interest. In the case of a social business—a concept being popularised by Bangladeshi social entrepreneur Muhammad Yunus—the signalling is in the form of the promoters not taking anything out of the enterprise beyond the nominal value of investments and a one-time premium of 20% without consideration of the time value of money.

The **Community Interest Companies** (CIC) in the UK similarly set a limit on the share of profits that can be redistributed to shareholders, hardcoding a balance between competing interests. The most significant intervention in trying to create a distinct ecosystem for differentiated enterprises is by B Labs which is working on a new form of incorporation as a Benefit Corporation (B-Corp). This experiment creates an elaborate system of incorporation and certification of a B-Corp. Several states in the US have passed the B-Corp law and provide tax benefits.

The SEBI Attempt

In the Indian context, the Sebi working group report on SSE has created a buzz. Ideally, the SSE should standardize information, create a better ecosystem and bring in more funds into the social sector. The report offers NPOs and for-profit enterprises (FPEs) a platform to list themselves as social enterprises in a “market" that promotes social impact. The potential benefits include access to financial instruments and tax incentives.

Organisations that merit special dispensation for targeted investments are the ones that work for a cause and are unable to provide returns; where investors are happy with the “cause". How do we identify and distinguish organisations committed to a social purpose without financially rewarding those who may try to gain from just the label? In not defining the distinguishing behaviour or signalling of “social" in a social enterprise, Sebi’s attempt leaves much ambiguity. The unwillingness of the working group to define a social enterprise is problematic. We need to start with an unambiguous hard code and be responsive to innovations rather than relying on hard-to-interpret voluntary declarations.

The report suggests verified and certified information sharing as per a proposed framework without any tests on long-term measures of their commitment to the social sector, suggesting that any organisation willing to bear the costs of meeting reporting requirements could be a self-declared social enterprise. Usually, enterprises working on large social problems and difficult sectors are already stressed for resources, constantly measured, and penalised for having non-programmatic expenses by their funders.

Social impact investing drives entrepreneurs to build self-sustaining systems to serve a wider cross-section of the population and provide returns, both social and capital. The ability to deliver benefits on a large scale is the wellspring of impact investment. With appropriate scale, scope and focus, impact investment in social entrepreneurial approaches, can go a long way in complementing social sector organisations in ushering sustainable development. Given the priority sector requirements and significant deficiencies in public spending, there are multiple market opportunities for investments, collaborations and exits for social entrepreneurs, to develop innovative and differentiated businesses to foster inclusive growth. Thus, a suitable policy impetus in the forthcoming Budget for impact funds will have a significant positive effect on the Indian economy.

To begin, the company law in India places Corporate Social Responsibility (CSR) requirements on all companies meeting minimum net worth, turnover and profit criteria. These companies are required to deploy 2 percent of their average net profits in approved CSR activities. The rules permit companies to undertake their own CSR activities in specified areas or contribute to government funds such as the PM's Relief Fund. The category of Social Venture Funds under Category I AIFs is designed for social impact through curated CSR projects, with strict controls such as periodic disclosures and external audits. It is suggested that CSR rules in the Companies Act permit investments by companies in Social Venture Funds of Category I AIFs (Schedule VII of the Companies Act, 2013). These funds can be allowed to recycle their capital through debt funding, with the proceeds donated to the PM’s Relief Fund or other social causes.

Another amendment required is to Section 11(5) of the Income-tax Act, to include investment in social venture funds as one of the forms and modes of investing in specified instruments. Presently, a large majority of charitable trusts can only invest in eligible and safe instruments such as RBI bonds. To spur financial innovation in the social sector, public trusts should be allowed to invest in social venture funds of Category I AIFs which in turn will invest in recognised social enterprises. While the aforesaid incentives seek to open avenues for increased capital inflow into social venture funds, allowing few tax deductions would also help increase the investor's return on investments in impact funds. Typically, an impact fund would incur 15-20 percent of the investors' capital commitments towards fees payable to the investment manager, bankers, advisers, lawyers, accountants, administrators, and other service providers. Therefore, the amount actually invested by the impact fund stands reduced by this amount and only 80-85 per cent of the capital commitments are actually invested. Such expenses are not allowed as deduction for computing capital gains from an income-tax perspective. This means that the impact fund will have to write-off the expenses, which further means that neither the impact fund nor its investors are able to offset the expenses against income/gains from the investment.

Since impact funds are only pooling vehicles and do not provide any service, there is no output GST liability on them, and hence they are not able to obtain any benefit of input credits. Consequently, the GST paid becomes an incremental cost to be borne by investors. In the context of foreign investors, this violates the taxing principle of destination-based consumption tax, as services rendered to the impact funds are ultimately for the benefit of its underlying investors who include foreign investors as well. The services rendered are effectively consumed outside India to the extent that there are foreign investors. Therefore, an exemption from GST to impact funds which have foreign investors, would provide much-needed tax clarity to such investors, bringing certainty on tax outcomes and ensuring greater consistency in extending export-related incentives.

THE ROAD AHEAD

Clear Distinction between NPO and FPEs: The objectives and instruments available to NPOs and FPEs are very different and so are current governing standards. It would serve the interests of both forms of organisations and their supporters to keep them in separate exchanges, with different reporting standards. We do not need the threat of implicit (and unfair) comparisons.

Measuring Practices, Setting Standards: Experience shows that even while desirable, the measurement of social impact is horribly expensive and notoriously difficult. The report hopes that this can be resolved by developing the social ecosystem in India. If this were true, countries with better ecosystems would have resolved this, but they have not. Besides issues of measurement, issues of values need to be resolved in assessing social impact. For instance, Ducks Unlimited claims ***"$235+ million in total revenues and conservation of more than 14.5 million acres in North America since its inception in 1937"***, but the twist in the tale is that the organization's primary supporters are duck hunters.

What might work are measures aligned with the values that the SSE promotes but also reflective of the organisation's operations, internal processes, practices and governance structures. These could include ownership patterns, caps on the share of profits distributed, remuneration ratios and rules for decision making. In addition, some oversight on investors themselves on these measures would help keep the impatient ones out. For these measures to have teeth, standards will have to be specified. If organisations are expected to report on "compensation ratio of highest-paid and lowest-paid employee", then specifying a standard to be adhered would help organisations signal their values and commitment.

Avoiding Conflict of Interest: The potential beneficiaries from the creation of an SSE also include intermediaries that will get into the business of verification and certification. While marketising the field is about signalling efficiency, specialised certification adds significant costs. The gains of marketing may get nullified by the cost of certification. Be that as it may, we need to identify professionals who understand the social sector well enough to certify and not reduce it to a site of profit mining. The report talks about minimum reporting standards.

Seeking inspiration outside the for-profit world: The significant challenges faced during the covid has highlighted that while there is a lot of expertise as well as fearless commitment in the private sector, aligning the interests of private hospitals, schools and the pharma industry to larger public interests is a complex and daunting task. Unfortunately, the language, idiom, instruments and instrumentalities in the design of the SSE comes primarily from the for-profit world. A bulk of the recommendations consequently speak less to the functioning of the SSE and more to creating an ecosystem for the flow of funds from the for-profit investment world to the social enterprise world. The report describes the Indian social sector as “early in its development", ignoring the significant contributions of organisations like Amul and Aravind Eye Care that have been internationally cited as leading examples of social enterprises. We do hope it would help the SSE realise its aspiration of becoming an instrument for transformative change in the social sector.

CONCLUSION

The purpose of this report was to establish an understanding about the concept of social impact funds and its alternatives. The current trends of the Social Impact Fund markets both globally and in India are promising and offer great opportunities ahead. And yet, there is misinformation and ignorance with respect to the Social impact fund market. This report seeks to topple down such myths regarding the social impact funds.

To supplement our research, a survey was rolled out to gather relevant data on pressing factors. The survey was carried out keeping all age groups in focus to cover a wider scope while complimenting accuracy. Through this research, we were able to analyse the impact, the market range, the competitive landscape, and the thought that goes behind a single investment.

The primary and secondary research conducted to aid the findings of this report identifies the pressing and elementary bearers affecting the donor behaviour while conducting the stakeholder analysis. The research found paramount indicators including demographic, sociological, psychological and behavioural factors inducing donors and investors to donate.

The report gives competitive landscape bifurcation and answers many dominant questions. The report furnishes fundraising strategies that social impact funds are required to adhere to, that can help increase the turnout for donors as well as increase funding in monetary terms along with feasibility criteria and measurement of impact in all its refined form.

REFERENCES

APPENDIX:

https://idronline.org/this-is-the-most-opportune-time-for-impact-investing/

https://www.forbesindia.com/article/real-issue/how-covid19-will-affect-impact-investing-in-india/61321/1

https://www.livemint.com/market/stock-market-news/how-india-can-boost-social-impact-investing-11597327728761.html

https://idronline.org/impact-is-the-new-mainstream/

https://www.orfonline.org/expert-speak/is-impact-investing-the-road-ahead-for-csr-in-india/

https://www.firstpost.com/india/covid-19-impact-is-massive-but-other-social-causes-need-csr-funding-too-say-ngos-8673811.html/amp

https://www.triodos-im.com/articles/2016/what-is-the-link-between-sdgs-and-impact-investing
ACHIEVING THE SUSTAINABLE DEVELOPMENT GOALS: THE ROLE OF IMPACT INVESTING
tps://thegiin.org/impact-investing/need-to-know/
HIGHLIGHT
https://www.orfonline.org/research/impact-investments-in-india-towards-sustainable-development-68378/

https://www.brookings.edu/research/the-promise-of-impact-investing-in-india/

https://thegiin.org/assets/GIIN%20Annual%20Impact%20Investor%20Survey%202020.pdf https://thegiin.org/assets/GIIN%20Annual%20Impact%20Investor%20Survey%202020.pdf

https://ashaimpact.com/Admin/CMS/PDF/IIC%20Asha%20Impact%20Report_The%20India%20Impact%20Investing%20Story_June%202020.pdf

https://www.brookings.edu/research/the-promise-of-impact-investing-in-india/

https://www.esg.adec-innovations.com/about-us/faqs/what-is-esg-investing/

https://www.cfainstitute.org/en/research/esg-investing

https://www.livemint.com/money/personal-finance/esg-investments-are-fast-gaining-traction-in-india-11605111323843.html

https://www.yesbank.in/pdf/esg_investing_scenario_in_India

https://www.angelbroking.com/knowledge-center/share-market/esg-investing

https://www.aegonlife.com/insurance-investment-knowledge/what-is-social-impact-investing-and-how-does-it-benefit-society/

https://www.blackrock.com/us/individual/investment-ideas/sustainable-investing

https://www.spglobal.com/en/research-insights/articles/what-is-the-difference-between-esg-investing-and-socially-responsible-investing

https://www.googleadservices.com/pagead/aclk?sa=L&ai=DChcSEwjZwujNj8vwAhUOWmAKHUn5AScYABAAGgJ0bQ&ae=2&ohost=www.google.co.in&cid=CAESQeD2SNaaPJmd7HQvW2zsmu83TcJ_fcDp5XPyxlhRsp9wKNj7h39rMXJY3f5YT4kJtaC3REmGfyMHd2kiSjJu-7Kc&sig=AOD64_0G6NRYY15LM7vO87ZpOluic0TdXg&q&adurl&ved=2ahUKEwiIitrNj8vwAhW_zDgGHcunB5YQ0Qx6BAgEEAE

https://www.hbs.edu/socialenterprise/Documents/MeasuringImpact.pdf

https://hbr.org/2019/01/calculating-the-value-of-impact-investing

https://files.lsecities.net/files/2013/10/Measuring_Impact-full-length-Oct-2013.pdf

http://www.thenonprofittimes.com/wp-content/uploads/2016/04/Donor-Loyalty-Study.pdf

https://www.acrwebsite.org/volumes/6496/volumes/v13/NA-13

http://spihub.org/site/resource_files/publications/spi_wp_119_gang.pdf

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3444113

https://www.google.com/url?sa=t&source=web&rct=j&url=https://www.roots-of-impact.org/wp-content/uploads/2019/03/OECD-Social-Impact-Investment-2019.pdf&ved=2ahUKEwj14peF3c3uAhUTxzgGHTK9B6IQFjABegQIAhAB&usg=AOvVaw1HFlmi3h6CTyJ1f40NVQpi
https://www.google.com/url?sa=t&source=web&rct=j&url=https://www.unquote.com/digital_assets//Impact_2020_v3_lo.pdf&ved=2ahUKEwj14peF3c3uAhUTxzgGHTK9B6IQFjASegQIBRAB&usg=AOvVaw2YcLLm3A_5pO2SKNat6hZj
https://www.google.com/url?sa=t&source=web&rct=j&url=https://www.brookings.edu/wp-content/uploads/2019/07/The-promise-of-impact-investing-in-India.pdf&ved=2ahUKEwjp56_g3c3uAhVmyDgGHVBhAvoQFjAOegQIFRAB&usg=AOvVaw0-UHyvD2RhK-iXkGRZVT81

https://drive.google.com/file/d/1MZiz-OolgYVFCH9NE07hB29Zp1pulKAT/view?usp=drivesdk
https://www.livemint.com/market/stock-market-news/how-india-can-boost-social-impact-investing-11597327728761.html
https://www.barrons.com/amp/articles/impact-investing-market-expands-to-715-billion-survey-says-51591873206
https://drive.google.com/file/d/1XA5WCwRgJBcNKg876mhJZzsqPcYzI3D2/view?usp=drivesdk
https://www.barrons.com/amp/articles/impact-investing-market-expands-to-715-billion-survey-says-51591873206
https://thegiin.org/research/publication/impact-investing-decision-making-insights-on-financial-performance
https://drive.google.com/file/d/1OpAlmtCa6wQ2xISSG1lZhdd-Ty3lTzhz/view?usp=drivesdk
https://drive.google.com/file/d/1OurTbYds0DxGFhnMn-H4ZIN9W9UjDzF5/view?usp=drivesdk
https://drive.google.com/file/d/1O2wLsAKe7b8Nu5t_OhD4sjOcrXeZeHW8/view?usp=drivesdk
https://drive.google.com/file/d/1OmWKhCNUvxMHLQLbXzpno9hsxbrjcIrA/view?usp=drivesdk

https://www.esg.adec-innovations.com/about-us/faqs/what-is-esg-investing/
https://www.yesbank.in/pdf/esg_investing_scenario_in_India
https://www.aegonlife.com/insurance-investment-knowledge/what-is-social-impact-investing-and-how-does-it-benefit-society/
https://www.spglobal.com/en/research-insights/articles/what-is-the-difference-between-esg-investing-and-socially-responsible-investing
https://www.livemint.com/news/india/delhi-decoded-impact-of-covid-19-on-social-sector/amp-11604559028956.html
https://www.devex.com/news/if-covid-19-changes-finance-will-that-help-development-funding-98754/amp
https://www.firstpost.com/india/covid-19-impact-is-massive-but-other-social-causes-need-csr-funding-too-say-ngos-8673811.html/amp
http://www.oecd.org/coronavirus/policy-responses/the-impact-of-the-coronavirus-covid-19-crisis-on-development-finance-9de00b3b/
https://www.orfonline.org/expert-speak/is-impact-investing-the-road-ahead-for-csr-in-india/
https://home.kpmg/xx/en/home/insights/2018/09/ngos-and-impact-investing.html
https://www.ipe.com/measuring-social-impact/41198.article

https://nonprofithub.org/human-resources/understanding-competition-partnerships-nonprofit-sector-ft-derrick-feldmann/
https://www.globalgiving.org/learn/psychology-of-giving-research/
https://www.classy.org/blog/3-psychological-triggers-to-win-donations/
https://www.hbs.edu/ris/Publication%20Files/WhitePaper_ac7c4ea5-a635-4338-8d1e-4aa736fbe263_b9a54c18-be5e-4cd8-b166-7442361fb64b.pdf
https://www.google.co.in/amp/s/www2.fundsforngos.org/featured/quick-tips-boost-fundraising-efforts/amp/
https://asianngo.org/magazine/post-magazine/article/article-detail/84/15-techniques-used-by-top-nonprofits-to-boost-online-fundraising-results
https://www.google.co.in/amp/s/www.livemint.com/market/stock-market-news/how-india-can-boost-social-impact-investing/amp-11597327728761.html
https://www.sereinprivate.com/theme-content/uploads/2019/05/Serein-FT-Investing-For-Global-Impact-2017-Full-Version.pdf

https://www.law.umich.edu/clinical/internationaltransactionclinic/Documents/May%2011%20Conference%20Docs/NGO%20Ready.pdf
https://www.thebalancesmb.com/stakeholder-2502118
http://thestatenislandfoundation.org/report%20forms/Comp%20Analysis.pdf

https://home.kpmg/xx/en/home/insights/2018/09/ngos-and-impact-investing.html

https://www.google.co.in/amp/s/www.salsalabs.com/blog/best-fundraising-strategies-nonprofits%3fhs_amp=true

https://www.gdrc.org/ngo/funding/cafe-strategies.html

Research Paper- https://www.croptrust.org/wp/wp-content/uploads/2014/12/Crop-Trust-Fundraising-Strategy-2014-2018-sml.pdf

http://www.thenonprofittimes.com/wp-content/uploads/2016/04/Donor-Loyalty-Study.pdf

https://www.acrwebsite.org/volumes/6496/volumes/v13/NA-13

http://spihub.org/site/resource_files/publications/spi_wp_119_gang.pdf

https://www.devex.com/news/can-a-un-social-impact-fund-spark-further-reform-at-the-organization-91141

https://sustainabledevelopment.un.org/partnership/?p=37629

https://www.sparkblue.org/sites/default/files/2017-04/UNSIF_brochure_v8_20170317_2.pdf

https://www.futurelearn.com/info/courses/impact-investing/0/steps/49393 https://www.un.org/en/sections/about-un/funds-programmes-specialized-agencies-and-others/#:~:text=The%20United%20Nations%20Development%20Programme,achieve%20the%20Sustainable%20Development%20Goals.

https://www.roots-of-impact.org/wp-content/uploads/2019/03/OECD-Social-Impact-Investment-2019.pdf

https://assets.kpmg/content/dam/kpmg/xx/pdf/2018/08/ngos-and-challenge-of-impact-investing.pdf

REACH US