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## Social Entrepreneurship in India

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### Introduction

Social Entrepreneurship (SE) is a way to bring about positive change in the society by adopting a mission to create and sustain social value and not just private value (Zahra et al., 2009). It is a composition of several sub-concepts like social value creation, the social entrepreneur, the social entrepreneurship organization, market orientation and social innovation (Choi & Mujumdar, 2014). SE involves recognizing and pursuing new opportunities to serve that mission of creating social value, engaging in a process of continuous innovation, adaptation and learning, acting boldly

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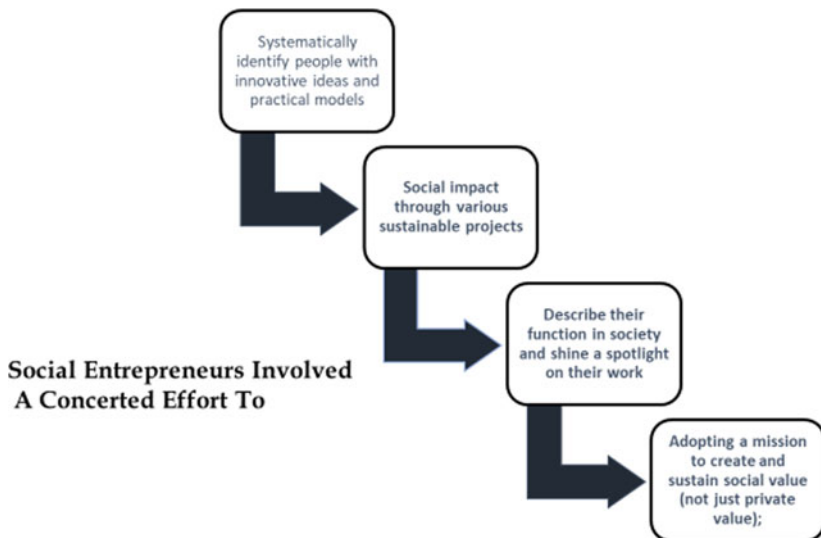
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without being limited by readily available resources, and exhibiting a heightened sense of accountability to the constituencies served and for the outcomes created (Dees, 1998). It is a response to failure of market, state or both in meeting needs of society at bottom of pyramid (Wallace, 1999). SE is increasingly recognized as a strong force to bridge the gap between the demand and supply for fulfilment of socio-economic and environmental needs (Gupta et al., 2017).

SE focus on working while considering the societal values and move forward in the directions that can pave the way for the development at the bottom of the pyramid. Therefore, SE results in new forms of organizations that move away from the solely following a market logic to the organization which incorporate the institutional logic of society and community along logic of the market (Di Domenico et al., 2010). Social enterprise is a hybrid organization that tries to achieve both market orientation and social value creation for a double bottom-line. The phenomenon is strongly influenced by contextual, structural and institutional forces, thereby leading to regional perspectives (Kerlin, 2010; Sengupta & Sahay, 2017). Figure 11.1 summarizes how social entrepreneurs emerges and life cycle of social enterprise.



**Fig. 11.1** Emergence of social enterprises (Author creation)

This chapter is written with the twin objectives of explicating the emergence, cultural foundation and nuances of social entrepreneurship in India and to develop a research agenda for the field. This chapter is structured in nine sections. In the second section, we present a historical account of SE in India based on few remarkable case examples. Remaining sections elaborate on how social entrepreneurship works, why social entrepreneurship is important for India, social entrepreneurship and cultural values of India, taxonomy of entrepreneurs, theoretical foundations of social entrepreneurship add implications for research before drawing conclusion.

## Social Entrepreneurship in India: A Historical Perspective

The term ‘social entrepreneurship’ was formally introduced in India when Ashoka Foundation set up operations in 1981 which formed a community of change makers who sought to design, launch and scale high-impact ideas in low-income markets. The founder of Ashoka Foundation gained the practical exposure to the Gandhian approach in the Sarvodaya movement under the mentorship of Vinoba Bhave in 1960s. Gandhian thought goes into the basic tenets of Ashoka Foundation.<sup>1</sup> However, there are many social movements and organizations in India emerged in last seventy years which have formed and shaped the basic approach of SE in India and many other parts of the world.

In this section, we describe the Bhoodan (Land Gift) Movement, Gujrat Milk Marketing Federation (GMMF), Self Employed Women’s Association (SEWA), Mysore Resettlement and Development Agency (MYRADA) which set the precedent for India’s future social enterprises. These four examples symbolize the four very different types of organizational designs employed to address the social issues and to address the needs of society not addressed by the market or state. We also describe the newer SEs like Solar Electric Light Company (SELCO), Bhartiya Samruddhi Investments and Consulting Services Ltd., promoted by

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<sup>1</sup> <https://www.ashoka.org/en-in/story/bill-drayton-half-population-out-game>.

Professional Assistance for Development Action (PRADAN). That owns the brand name BASIX (BASIX is the brand name of a group of companies belonging to Bhartiya Samruddhi Investments and Consulting Services Ltd.), to present the evolutionary trajectory and the unique features of SEs in India. We also provide a note on National Bank for Agriculture and Rural Development (NABARD) which has played a very crucial role in nurturing SE in India.

### **Bhoodaan Movement in India: Tale of Imagination and Inspiration Meeting Core Indian Values**

Mahatama Gandhi had worked on translating the model of Gramswaraj (rural independence) into practice. The followers of Gandhiji consolidate this idea of Gramswaraj and formulate a new structure for rural reconstruction. Known as spiritual heir of Mahatama Gandhi, Vinoba Bhave, can probably be called the India's first social entrepreneur who founded and led the Land Gift Movement.

Acharya Vinoba Bhave, born (September 2, 1896) in a village in Maharashtra, gave the provision of Land by gift for the common benefit of the landless and marginalized. This proposition of donating land to landless farmers was the foundation of the Bhoodan movement. Bhoodan means land gift. 'Bhoo' in Sanskrit is Land and Dan is gift. Daan in Hindu religion and tradition is considered very pious. Bhoodan for land gift had great appeal among the people. Bhoodan (land gift) began in 1951 and soon became a movement in whole of India, about 4 million acres of land was received as daan (gift) till 1970.

Nanekar and Khandewale (1973) studied the Bhoodan experiment in early seventies and divided the Movement into two phases; first is from 1951 to 1957 and the second is from 1958 to 1969. The first phase was divided (1951–1957) into four distinct phases by intensity of the Movement. First, palliative; i.e. phase of removal of local grievances; second, calling attention, i.e. a phase of creating a wider understanding of the movement and calling attention of the nation; third, fortification of faith,

i.e. a phase of building confidence among the workers about the possibility of the giant mission, and fourth phase was the extensive land gift phase.

Land distribution took place as soon as the declaration was made by the donor. Grantee was given a kachha patta, and only after the gift was verified and approved as legal, a pucca patta was given to the lessee. It entered the record of rights of village revenue record.

Although, Bhoodan was not an official programme but the then Prime Minister of India, Jawaharlal Nehru, constituted and supported it by legal provisions for legalizing the transfers of land. State governments developed legal arrangements for accepting the gift and for redistribution. Procedures were laid down for transfer of land by a person owning a transferable interest in land to the Bhoodan Mandal. A declaration had to be made by any person desiring to transfer the land to the Revenue officer. It was examined and when found legal and without any problem relating to title etc., the gift was registered under Indian Registration Act of 1908. To provide it legislature support, a model Gramdan Bill was prepared by Dr. Ram Krishna Patil a prominent Sarvodaya worker and the member of Planning Commission. A number of states like Bihar, Orissa, Assam, Madhya Pradesh, Maharashtra, Gujarat and Tamilnadu formulated such laws.

The Bhoodaan movement gradually culminated into Gramdan, where the land of the entire village was donated to the community and treated as community property. There were three stages under Gramdan. In the first stage, village would agree to donate all its land. In the second stage, after the gift papers were received by Sarvoday Mandal, the village would be declared as Gramdan village. In the third stage, the village would be registered as a Gramdani village in government records. Gramdan was the voluntary approach by the land owners to relinquish the right of land in favour of the village community. It was conducted with democratic procedure where decisions were taken by the Gramsabha as a whole of which each adult resident was a member. The movement was very well planned and stepped in a systematic ways in the mind of villagers. By removal of local grievance first they made them comfortable with each other and then created wider understanding of the movement. The

entire movement became possible by building faith and creating confidence among workers. Evaluating the movement in terms of getting land as achievement is not a right criterion, it should be considered as one of the remarkable experiments to provide a peaceful solution of the grass-roots problem of labours and farmers which was not properly solved by the government and market forces but it was solved through voluntary action involving the masses. It was original in its conception, novel in methods, and yet revolutionary to bring equality in society.

### **Kaira District Co-operative Milk Producers' Union, Gujrat Milk Marketing Federation and Amul India**

Over seven decades ago, farmers in Kaira, Gujrat were living in adverse conditions. Their income was derived from seasonal crops. Many poor farmers faced starvation during off-seasons. Their income from milk was unreliable. The milk marketing system was controlled by contractors and middlemen. As milk is perishable, farmers were compelled to sell their milk for unreasonable prices. They were in general illiterate. But they could see that the system under which contractors could buy their produce at a low price and arrange to sell it at huge profits.

As a result of the farmers' poor conditions, who were also receiving low prices of milk products and unreasonable behaviour by the middlemen, Kaira District Milk Union Limited was created in 1946 (later Renamed as Amul) by Tribhuvandas Patel under the guidance of Sardar Vallabhbhai Patel. Tribhuvandas was the founding chairman of the Kaira District Co-operative Milk and led it until his retirement in 70s. He was a freedom fighter, a Gandhian, a fearless leader, a social worker, a tireless advocate, a cooperative philosopher who worked selflessly for the benefit of millions of people in India.

Under the chairmanship of Tribhuvandas, Dr. Kurien was initially the general manager and helped in the technical and marketing efforts of Amul. Dr. Kurien was elected as the chairman of Amul after Tribhuvandas Patel died in 1994. The cooperative was further developed and managed by Dr. Verghese Kurien with H.M. Dalaya. Dalaya's innovation of making skim milk powder from buffalo milk (for the first time in the

world), and a little later, with Kurien's help, making it on a commercial scale, led to the first modern dairy of the cooperative at Anand.

The trio's (T. K. Patel, Kurien and Dalaya's) success at the cooperative's dairy soon spread to Anand's neighbourhood in Gujarat. Within a short span, five unions in other districts—Mehsana, Banaskantha, Baroda, Sabarkantha and Surat were set up, following the approach sometimes described as the Anand pattern. There are, in all, 18 District Co-operative Milk Producers' Unions federated to Gujarat Co-operative Milk Marketing Federation Limited (GMMF), Anand which markets milk and milk products under the brand of Amul & Sagar.<sup>2</sup> Amul is one of the most reputed and well-known brand created and owned by GMMF. This was probably the first business model where low-income dairy farmers formed a professionally managed and privately owned supply chain in Gujrat. They took ownership of distribution and lifted themselves out of poverty.

### **Self Employed Women Association (SEWA)**

SEWA is a trade union registered in 1972. It is the oldest union of self-employed workers. Ela R. Bhatt is the 'founder' of SEWA. She hails from family of the freedom fighters and the ardent followers of Gandhiji. She describes herself as a product of the later years of the freedom movement, the independence movement of India.

It is an organization of poor and self-employed women workers. These are women who earn a living through their own efforts or small businesses. They do not obtain regular salaried employment with welfare benefits like workers in the organized sector. They are the unprotected labour force of our country. The SEWA movement is enhanced by its being a *sangam* or confluence of the labour movement, cooperative Movement and women's Movement. The main goal of SEWA is to organize women workers for full employment. Full employment means employment whereby workers obtain work security, income security, food security and social security (at least health care, child care and shelter).

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<sup>2</sup> <http://www.amuldairy.com/index.php/the-organization/an-overview>.

Practically, the strategy is carried out through the joint action of union and cooperatives. Gandhian thinking is the guiding force for SEWA and follows the principles of SWAV—satya (truth), ahimsa (non-violence), sarvadharmā (integrating all faiths, all people) and khadi (propagation of local employment and self-reliance). Microcredit is a very important element of the co-trade union cum operative model of SEWA. More than 100 cooperatives helped women to improve the marketing, quality, and design of the handicraft and woven items to ensure consistency, timely delivery and saleability. Cooperatives also promote new agricultural products and techniques that add value to traditional products. Other cooperatives include a rural marketing organization and a Trade Facilitation Centre. SEWA was successful by mass transformation of behaviour, public participation from village, partnership from government and local bodies, financed by World Bank and supported by government. SEWA attained the status of Union Federation in 2011 and has members in their Union exceeding 100 trades. SEWA has a membership of over 700,000 with 535,000 from the State of Gujarat alone, the membership is growing at a rate of 25–35% per annum.

One of the notable achievement of SEWA has been to promote unique types of institution dealing with different themes such as banking, Mahila Udyog, Insurance, education of women, schools, apex federation of women etc. SEWA has given various aspects of women's movement in the informal sectors. It is an achievement because a concept of SEWA is a union of unorganized women labour is itself an innovation and therefore to sustain, the SEWA has introduced nearly 20 organization. In addition, SEWA has setup organizations of social security and also introduced international network in South Asian region. Further, services of regarding child welfare, housing, etc., are also addressed by SEWA. Cooperatives complement SEWA's union efforts against employers by giving informal workers an alternative income source drawing from group-based support. In addition to its cooperative, in 2003, SEWA launched the Trade Facilitation Center (TFC), which is registered as a non-profit company with worker shareholders.<sup>3</sup> What is noteworthy

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<sup>3</sup> Rina Agarwala *Redefining Exploitation: Self-Employed Workers' Movements in India's Garments and Trash Collection Industries* International Labor and Working-Class History No. 89, Spring 2016, pp. 107–130.



about all this development is that SEWA has been able to bring out nearly 50 publications on various aspects which suggest that the promoters and management have included the concept and practices of knowledge management—production and distribution.<sup>4</sup>

### **Mysore Resettlement and Development Agency (MYRADA) and Other Examples**

MYRADA is a non-government organization started in 1968 working in backward and drought-prone areas. It has worked with more than a million families in 18 districts of Karnataka, Andhra Pradesh and Tamil Nadu, for strengthening community based organizations (CBOs), promoting livelihood activities, improving health and education status of the community to raise and manage resources independently. Its focus right through has been on building local people's institutions. The pioneering work done in forming and establishing self-help groups of poor rural women is what has put MYRADA on the national and international map and remained a grassroots organization.

'Influencing policy' has been overarching feature of their work—in favour of the poor, MYRADA has constantly advocated for policy changes at every level—from the district to the state to the national level. They have influenced state policy in many sectors—from livelihoods, to natural resource management to skill training and health. In particular, MYRADA has achieved important success in two focused areas; savings and credit management through self-help affinity groups and participatory watershed management. Both of which have been built on and mainstreamed in Indian State policies for poverty alleviation, women's empowerment and natural resources management. The Community Managed Resource Centers (CMRC) concept was started by MYRADA and is gaining traction with governments beginning to consider it as a viable option.

Harish Hande, a social entrepreneur, had set up a Sustainable Business Model in 1995—Solar Electric Light Company (SELCO), which provided low-cost products, servicing and financing through rural banks

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<sup>4</sup> [http://www.sewa.org/Sewa\\_Services.asp](http://www.sewa.org/Sewa_Services.asp).

and cooperative societies. SELCO Solar has installed over 450,000 solar solutions for the poor which have been paid for by the poor using various financing methods designed by SELCO and its financial partners that match their cash flows.

In 1996, realizing the need to attract mainstream financial resources, Vijay Mahajan (the President of Microfinance Institutions Network of India) conceptualized BASIX, an institution devoted to promoting livelihoods for the poor on a sustainable basis. At a time when limited financial and non-financial support was available to social entrepreneurs, SELCO and BASIX developed sustainable business models for bringing rural services to poor households.

In 1997, Grassroots Innovations Augmentation Network (GIAN) became India's first non-profit socially minded venture capital fund (VCF), and in 2001 Aavishkaar became the country's first for-profit counterpart. It marked the beginning of what is now an extensive network of social enterprise enablers. India saw its first impact investment in 2001 when Acumen Fund invested in Aravind Eye Hospital. Unique model of Arvind Eye hospital is described in Chapter 9 of this handbook. The presence of the Acumen Fund and Aavishkaar in India spurred the demand for early stage investments in for-profit organizations with a social impact.

In India, social entrepreneurs adopt social innovation at various level, they build applicable and sustainable solutions, work as bridge between capitalism and socialism and create both economic and social values with market-oriented approach to sustain in the market. Most observed and identified drivers to motivate these change makers are their market-oriented capabilities, business modelling and their leadership style.

### **National Bank for Agriculture and Rural Development (NABARD)**

The importance of institutional credit in boosting rural economy has been clear to the Government of India right from its early stages of planning. Therefore, the Reserve Bank of India (RBI) at the insistence of the

Government of India, constituted a Committee to Review the Arrangements for Institutional Credit for Agriculture and Rural Development (CRAFICARD) to look into these very critical aspects. National Bank for Agriculture and Rural Development (NABARD) was approved by the Parliament through Act 61 of 1981. NABARD was set up in July 1982.

The mission of NABARD is to promote sustainable and equitable agriculture and rural development through effective credit support, related services, institution building and other innovative initiatives. In pursuing this mission, NABARD focuses its activities on: Credit functions, involving preparation of potential-linked credit plans annually for all districts of the country for identification of credit potential, monitoring the flow of ground level rural credit, issuing policy and operational guidelines to rural financing institutions and providing credit facilities to eligible institutions. It also provides facilities for training, dissemination of information and promotion of research in the field of rural banking, agriculture and rural development. NABARD functions on overall rural development by ways of capacity building and income generating interventions. The organization is also aimed at supplementing the credit functions as well as making credit more productive, supervisory functions, ensuring the proper functioning of cooperative banks and regional rural banks.

The contributions of NABARD in directly or indirectly creating a base for promoting SE in India is by setting up Alternate Investment Funds, financing and supporting Producer Organizations (PO) like Producers Cooperatives, registered Farmer Federations, MACS (Mutually Aided Cooperative society) and Industrial Cooperative Societies. NABARD has many off the form initiatives to its credit to promote social enterprises like Rural Innovation Fund (RIF), Rural Entrepreneurship Development Programmes (REDPs) and Skill Development Programmes (SDPs) for facilitating generation of self-employment and wage employment opportunities in rural areas. NABARD has been implementing the Cluster Development Programme under the National Programme on Rural Industrialisation (NPRI) since 1999–2000. NABARD has cumulatively approved a total of 119 clusters in 110 districts across 22 States. Focus was given on development of clusters in north eastern region (NER) with

as many as 23 clusters in the NER and backward regions. Prominent clusters supported under the programme were Handloom (57), Handicrafts (43) and Food processing and rural tourism (7 each). NABARD, through its' Micro Credit Innovations Department, has continued its role as the facilitator and mentor of microfinance initiatives in the country. It has been continuously focusing on bringing in various stakeholders on a common platform and building their capacities to take the initiatives forward. This has resulted in tremendous growth of microfinance sector in India through different approaches like Self Help Group–Bank Linkage Programme (SHG-BLP).

## How Social Entrepreneurship Works?

SEs address the social and unaddressed problems in a systematic ways. First of all, social entrepreneurs identify stable but unjust equilibrium in prevailing society, for instance health problem in unauthorized housing slums. The families living in these slums are stable but having numerous health issues which are not taken care by state or local government. These problems create unrest and also create meaning for these change makers. This is the first stage when social entrepreneurs start thinking to solve the problems and create change. In second phase, they start to develop solution, scaling, testing, refining their own actions and plans and deploy a social value proposition to challenge the status quo of the society which is suffering from various problems. For example, founder of Mann Desi Bank, first collected information from all the villages and women suffering from their husbands and troubled by the social trauma. The founder then proposed a new bank for the rural women in Maharashtra who can save their own earned money. She proposed a new social value proposition to challenge stable equilibrium and created new equilibrium in the village by starting women driven bank in the village (Bhushan, 2018).

While the other types of entrepreneurship engage in value creation and appropriation, social enterprises engage only in value creation. In this case, the value is to be appropriated by the primary and secondary

stakeholders. In the second phase, they prepare a background and strategies to implement their solutions made to address the unaddressed social problems.

In the third stage, they create new and stable equilibrium by implementing innovative social value proposition proposed in second phase. In new equilibrium, the solution of unaddressed problem start working. New solutions start to deliver results and satisfaction and also give directions to face new challenges. This proposition becomes the new stable model. For example, Ms Chetna Gala Sinha who proposed the bank for women, now this bank ('Mann Desi') has started to work for women, by the women to support them for saving day to day earning (Bhushan, 2018; Shukla, 2019). Starting new bank in the village with the help of Government and with her passion, Ms. Chetna has created new and stable equilibrium. Figure 11.2 represents the way SE works in any society.

Sengupta and Sahay (2017) proposed a comprehensive framework based on their findings on social entrepreneurship in the context of the emerging economies. As per their findings, there are five constructs that are identified as sub-concepts coming together under the concept of social entrepreneurship, they are: Social Welfare (creating significant social values), Social Capital (creating a rich human resources

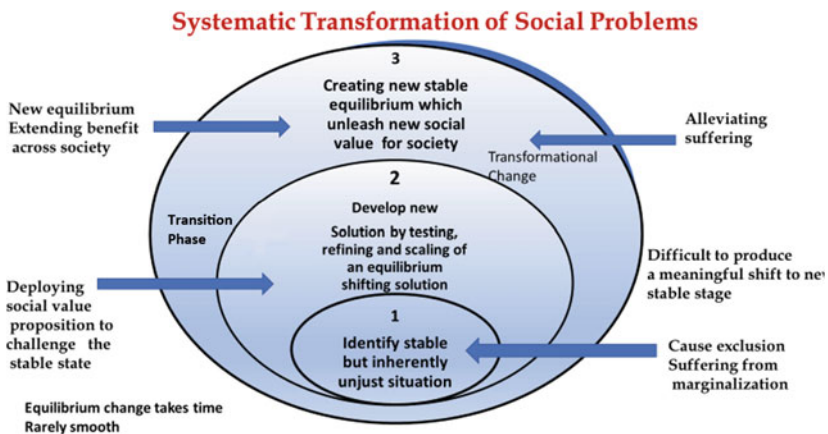


Fig. 11.2 Ways the SE works in a society (Author creation)

through community participation), Economic Values (for financial sustainability), Collective Endurance (efforts to battle challenges at regulatory and institutional level) and Social Entrepreneurs (who takes all initiatives).

Social entrepreneurs focus their efforts on identifying the positives which can be leveraged, build capacities to develop more empowered participants from local communities to address social and market dynamics. They aim at re-crafting the value chains which connect players and locations. They need the collaboration among diverse stakeholders like participation from Government, community, NGOs, and technology and experts from various domains. Continuous learning, innovation and self-correction are the inherent aspects of the success of social entrepreneurship. The social problems are complex, multi-faceted and multi-layered like malnutrition among village children, conditions of landless farmers and gender discrimination; hence, the solutions to social problems are also not simple and linear. The impact of social interventions is not immediately visible. The time required to get the positive impact on these challenges is prolonged due to these complexities. Hence, social entrepreneurs require long-term engagement and creating solutions for the marginalized segments and changing the socio-economic equilibrium which is self-sustainable (Shukla, 2019).

## **Why Social Entrepreneurship is Important for India?**

Social enterprises support the financial and regulatory sustainability of civil society by supporting disadvantaged groups, mobilize community resources and develop partnerships for social innovation. Social entrepreneurship is most applicable in nations which have developmental challenges and institutional voids. India has its own social challenges and social developmental issues like around 40% of the world's poor lives in India and 30 per cent of the population living below the poverty line. It ranks 131th among 188 countries in the Human Development Index (UNDP, 2020). The country is facing various socio-economic challenges like illiteracy, malnutrition, and poor healthcare, gender issues, poor

housing and poor infrastructure in rural India. Institutional voids are referred to as situations where formal institutions supporting market such as property rights, governance structures, etc., are either absent or are too weak to perform (Mair & Marti, 2009). The institutional voids hinder market activities aimed at alleviating poverty which in turn help in addressing various challenges of socio-economic development (McKague et al., 2015). SE helps in filling the institutional voids (Stephan et al., 2016).

The government alone cannot address these challenges at the grass-roots level and remove the inequalities prevailing in society. These factors and driving forces underscores the emergence of social entrepreneurs in India who work as public welfare bodies, developmental aid provider, some time they work with close engagement with key stakeholders, individual training provider, crises management and poverty alleviation. This leads to a transformation of the production process and the ways in activities are undertaken; the providers and users work jointly in the creation of demand and supply and also the management of activities and services (Defourny & Nyssens, 2013). Challenges related to socio-economic development and institutional voids are addressed by SE in India by enhancing social cohesion, values-based development and addressing social inequalities.

## **Social Cohesion**

Social cohesion is one of the main objectives and focus areas of activities of SEs. In this sense, their ultimate objective is to remove the roadblocks to social cohesion such as a lack of social and healthcare services, the lack of education, skills or employment, welfare benefits, societal and cultural norms that moves people away from social inclusion.

## **Value-Based Development**

Value-based development is creating employment and enhancing employability in various forms of business by changing or substantially redrafting the traditional way of doing business. Companies like Essence

Fibres and Champs Eco Sign Unit operating in Maharashtra are the examples in this regard. They make yarn from banana fibres for Saree making by employing rural women from the lower socio-economic strata of the locality. The example of making fibres from Banana Stems is redrafting the traditional way of saree making and use of banana stem. The business has created employment as well as enhanced employability of rural poor women. Similarly, the Help Us Green enterprise, initiated by two young students from Kanpur for creating values from used and waste flowers from religious places offered by devotees. They created new proposition and convert the waste material into a new for-profit social business. Social enterprises like Essence Fibres and Help Us Green provide employment to those who belongs to bottom of the pyramid. The enterprise created employment and employability for these unskilled women.

## **Addressing Social Inequalities**

Addressing social inequality is the driving force of taking initiative by social entrepreneurs. In this case, the change makers observe that there are inequalities in society in the form of economic status, social structure, gender disparity, availability of nutritional food or human rights. Inequality makes them restless and provokes them to work for some sustainable solution to remove or decrease the inequalities appearing in various forms in the society. For example, founder of Microfinance—Yunus started giving a small loan of only \$27 to those poor people who were suffering because of a traditional money lender and exploited by them.

Another example of addressing social inequality is Jayshree Industries in Coimbatore who are providing dignity to women by making sanitary towels affordable and provide them with an income at the same time. The founder of Jayshree Industries—Arunachalam Muruganantham changed the life of poor women who were using dirty clothes during their menstrual period. He created the world's first low-cost machine to produce sanitary towels.



## Social Entrepreneurship and Cultural Values of India

Indian culture suggests that human life be organized on the basis of four ‘Purusharthas: Dhrama (nature, acquisition of knowledge, right path, duties and intrinsic code of conduct), Artha (wealth and resources), Kama (satisfy needs, mainly something that gives happiness through matter or material) and Moksha (attain salvation, or free oneself from the circle of birth and death). Indian culture promotes a holistic approach to life, and this has been captured aptly by Sharma (2007) in Basket of Needs, where he discusses six needs—biological, economic, sociological, psychological, power and spiritual that exist in tandem. Interesting aspect here is that, as per the Bharatiya (Indian) philosophy, materialism and spirituality can go hand in hand. Dharm is the essential feature of the Indian cultural value that is defined as thing that ensures both Abhyudaya (materialistic development) and Nishreyas (spiritual development).<sup>5</sup>

Indian culture embraces the notion of *Shubh-Labh* where in *labh*, i.e. gains of profit preceded by *shubh*, i.e. auspicious demarcate that profit is not bad, but it should not be just profit after tax, it should be ‘*shubh*’ that takes care of self, family, society, nation and environment in all aspects. *Loksangrah*, *Nishkam Karma* and *Karma Yoga* are the examples of other Indian constructs explained in detail in the Chapter 3 on Karma yoga which symbolize the idea that material wealth has to be earned with *Dharmik* means and in conjunction with spiritual goals. The notion of *R̥ṇa* or pious obligations is also an integral to the Indian value system which is explained in Chapter 1 that signifies the ways of day to day action in life can attain spiritual significance. The notion of *R̥ṇas* or ‘pious obligations’ still remains a popular notion in Hinduism that suggests that all human beings must discharge certain obligations towards parents, masters and teachers, fellow human beings, other creatures and general natural environment.

<sup>5</sup> यतोऽभ्युदयनिःश्रेयससिद्धिः स धर्मः । १.१.२। yato’bhyudayanih̥sreyasasiddhiḥ sa dharmah̥ । 1.1.2 ।  
Ref: Maharshi Kanada, Vaisheshika Sūtras.

Meaning: That which leads to the attainment of Abhyudaya (prosperity in this world) and Nishshreyasa (total cessation of pain and attainment of eternal bliss hereafter) is Dharma.

In the folk literature, such as the Panchtantra, the Hitopadesa, the Kathasaritsagara and the Buddhist Jatakas, one finds the description of two types of merchants in the society of those days; the ordinary shopkeeper and the travelling sales-man of goods called setthis moving from one ward of the city to another and making far from substantial profit. Further, Indian society has had an ethos of giving, Daanam (in Sanskrit) or Daan (in Hindi) altruistic giving is recognized as an important value in the Vedic tradition and core of the Indian culture (Narayanan, 2020). Once Daan is given, the donor is not supposed to have 'any attachment or relationship with the recipient Bornstein (2004)'.<sup>6</sup> This idea of non-reciprocity is deeply ingrained in the Hindu ethos. 'Sarva loka hitam' or 'well-being of all' is the ideal of human life and signifies the greatness in the Vedic literatures. Buddhism and Jainism in ancient India flourished with remarkable support of mercantile class in general and by setthi in particular (Gokhale, 1977). Mercantile class provided perhaps the most substantial support to their monastic and other needs. That the traditional businessmen invested in temples, orphanages, community drinking water points (*pyaus*) and low-cost hotels (*sarais*) is evident from our literary references. This thought was in the name of charity and philanthropy rather than corporate sustainability.

Sundar (2000) identified four phases of social engagement and responsibility of business in India in the modern times. During the early years of industrialization (1850–1914), social responsibility of business corporations in India was predominantly related to business philanthropy, as rich business families set up trusts and institutions such as schools, colleges and hospitals. During the years of the Indian freedom struggle and independence (1914–1960), Indian businesses supported the freedom movement and various social and cultural causes associated with the nationalist movement. During the next phase—1960–1980, the general climate of mistrust towards corporations in socialist India corresponded with a decline in business philanthropy and an increase in state-led development. Finally, after economic liberalization in the 1990s, a combination of extreme social need, limited public finance, improved

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<sup>6</sup> Eck (2013) quotes Bornstein, E. (2004). *The spirit of development: Protestant NGOs, morality and economics in Zimbabwe*. Routledge.

returns to industry, a pro-business environment and the emergence of a strong civil society called for increased initiatives in social work by the business community (Mohan, 2001; Sundar, 2000). The influence of Gandhian thoughts on the business and its social engagement is a very important aspect to understand the emergence of social entrepreneurship in India and across the world. It is important to note that Ashoka Foundation has played very important role in supporting and developing social entrepreneurship in the world. The founder of Ashoka Foundation gained the practical exposure to the Gandhian approach in the Sarvodaya movement under the mentorship of Vinoba Bhave in 1960s. Gandhian thought goes into the basic tenets of Ashoka Foundation.<sup>7</sup> The following sub section elaborates social entrepreneurship from the Gandhian perspective.

## Gandhian Perspective and Social Entrepreneurship

Mahatma Gandhi is the most influential thinker of twentieth century. As a social reformer, political thinker and activist, spiritual seeker and interpreter and a prolific author and communicator who has great sensitivity towards natural environment, Gandhi has inspired and guided almost every vocation and profession in India and the world. We would like to quote his statement about the business enterprises. In 1908, in his book *Hind Swarajya*, Gandhiji initiated a concept of Sarvoday Society. Sarvodaya is a Gujarati term that roughly translates into 'well-being for all', 'progress for all' or 'universal uplift'. He believed in living in harmony with nature and a simple life. The crux of it being to 'generate more, from less, for more people'. In 1928, he wrote that 'God forbid that India should ever take to industrialism after the manner of the West. If an entire nation of 300 million took to similar economic exploitation, it would strip of the world bare like locusts'. During India's struggle for freedom, Mahatma Gandhi's influence and his coinage of the term 'applied trusteeship' was behind the engagement of several industrialists in social activities. Even before India got freedom, Gandhiji propagated

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<sup>7</sup> <https://www.ashoka.org/en-in/story/bill-drayton-half-population-out-game>.

the thought that corporate responsibility extended to public welfare instead of being restricted to their owners, employees and customers, or state and legal requisites.

Gandhi held that the individual happiness lies in the happiness of society. The essence of Gandhian philosophy is that the human values and not the market should govern life. Ghosh (2007) brings out the basic objectives of the Gandhian scheme of holistic development:

Human development for capability expansion.

Balanced Development (development of body, mind and soul).

Development with social justice, rights and freedom.

Accomplishment of self-sufficiency and self-reliance by rural development.

The commonality of the objectives and espoused goals of SE and Gandhian perspective of societal development is quite evident here. Many of these ideal have inspired the earliest development of SE in India during the freedom struggle and after attaining freedom which we explain in the next session.

## Taxonomy of Entrepreneurs

In an analysis of many case studies of social entrepreneurs, it is found that all of them had given different and innovative solution to solve a given problem. Although, they are similar in common features like mission orientation, addressing social problem, use of entrepreneurial strategy, innovative and cost effective and sustainable solutions, they differ in their style of addressing social problems.

Shukla (2019) gave the typology of SEs suitable for the Indian context based on his extensive field work. According to him, social entrepreneurs can be categorized as Local change maker, Public goods providers, Constructive opportunist, Social transformers and Ecosystem builder. Each of these categories, their name in hindi according to our understanding are explained in the next sub section with suitable examples.

## **Local Change Makers (*Sthaniya Parivartankari Udhya*)**

Local change makers see local problem to meet the need of local community. They are more sensitive about solving local problem and leverage the highly contextual and local knowledge to identify critical social problems, mobilize local resources and develop a solution which is relevant and viable in the local context. The issues addressed by these social entrepreneurs are unique, and both the problems and their solutions are relevant to a locally unique condition. Their impact in terms of size of the population or regions covered is limited to that particular location. Their impact is limited to local context, but at times these projects are scalable and replicable.

Aarti Naik, a slum-based young girl is an example of ‘Local change-maker’. She has been building basic educational capacities for other girls living in slums to create quality learning spaces for girl in the slums of Mumbai, India (Matofska & Sheinwald, 2019). Aarti is working to teach life skills to the girls and allows them to learn with confidence. Initially, these slum girls were struggling to read and write but the continuous effort of Aarti enable slum girls to build basic literacy and numeracy skills within their community.

## **Public Goods Provider (*Jan Sansadhan Pradayi and Vistarak Udyami*)**

Providing social goods and services was mostly considered as an act of philanthropy rather than entrepreneurship in traditional system (Martin & Osberg, 2007). Over the period, it was realized that only philanthropy will not provide sustainable and long-term solution to solve unaddressed problems of society.

Many social entrepreneurs create models of delivering public goods, services and goods which are different than the conventional ways of doing like affordable housing, roads, electricity and health. These solutions are innovative, sustainable and create visible impact. Some of the social entrepreneurs work towards generating more employment, earning

nominal profit to sustain with the objective of social mission. The public goods providers work for building stronger community for promoting equity and social justice.

The Council for Advancement of People's Action and Rural Technology (CAPART) is an example of Public Goods Provider. It was setup in September 1986 by the amalgamation of the People's Action for Development India (PADI) and Council for Advancement of Rural Technology (CART) to encourage, promote and assist voluntary action in the implementation of projects for the enhancement of rural prosperity. The objective of CAPART is to strength and to promote the voluntary efforts in rural development with the focus on injecting new technological inputs. It aims to act as the national nodal point for coordination, as a catalyst for development of technology appropriate for the rural areas and funding research and development efforts. CAPART works to enable participatory decentralized planning by communities, peoples' networks and state institutions and the advocacy of the policies and programmes for the well-being of rural people, particularly of the vulnerable, excluded and marginalized communities. CAPART also works for supporting to enhance inner capacity and skills for innovation and entrepreneurship in rural India (Shah, 2007).

The Social Goods providers adopt specific strategies for making stronger community like first they identify opportunity in the neglected problems of society. They identify a gap in the nature of services provided by the government and other agencies. After analysis of prevailing conditions, they craft innovative solutions to leverage the opportunity they have identified and focus on scale and sustainability of proposed solution.

### **Constructive Opportunists (*Rachnatmak Avasargrahi Udyami*)**

Constructive Opportunists are sensitive to and actively seek opportunities in the unattended markets and then leverage them to create ventures to address a social problem on an ongoing basis. Mostly these ventures are for-profit in nature, or at least have an earned-income strategy.

However, their focus remains on their social goals and aim at remaining profitable rather than on profit maximization.

Saral Design Solutions is a for-profit social enterprise focused on designing products to provide access to affordable and quality menstrual hygiene in India. It was an opportunity for those who want to solve social problems with for-profit approach. Due to poor infrastructure, either distribution costs make the products 60% more expensive in products like pads and diapers, or the existing brands not catering to remote locations. The Founder, Suhani Mohan, created change by recognizing the opportunity about the immense potential of local production which not just reduces distribution costs but making sanitary pads becomes affordable. This local production of low caste napkins created local livelihood opportunities for women also (Mohan & Bagayatkar, 2019). Using decentralized automatic machine technology for last mile menstrual health delivery.

### **Social Transformers (*Samaj Sudharak Udyami*)**

Many social problems are so deeply rooted in society that they cannot be solved within the existing social institutions, cultural practices and regulatory systems like child labour, caste-based discrimination, gender violence, and exploitation of poor and marginalized.

The reasons for the continuance of such problems can be varied. The only way in which such social issues can be addressed is by changing the very nature of institutions and systems. It seems that the institutions and regulations to manage these issues are inadequate or do not have proper instruments or resources to solve these problems.

The change makers who address this type of problems create change in existing bureaucratic institutions, regulations and social practices. They are ideologically inclined social activists and advocates for causes. The story of Right to Information (RTI) movement, which finally resulted in the RTI Act (Bakshi, 2000; Roy, 2018) is the best example to understand how Social Transformers operate by working with the support of community, and create permanent solution and that's how social transformations happen.

## **Ecosystem Builders (*Paritantra Nirmankarta Udyami*)**

The success or failure of the ventures also depends on the support systems and services provided by other stakeholders (e.g. funding, domain expertise and advisories, pipeline of talent and policy guidelines). The support system and other service providers are essential for the growth of both the mainstream ventures and the sector or industry for providing sustainable and creative solutions for grassroots problems.

Asha Impact is an impact investment and policy advocacy platform for business leaders is an example of Ecosystem builder. Asha Impact is a venture capital firm specialized in early stage investments. The firm co-invests and engaged at the board level and prefers to invests in basic infrastructure and services which includes affordable housing, access to energy, water & sanitation and waste management, vocational training, education technology and livelihoods.

Another example of this category is Bamboo Finance (BF). BF is a commercial private equity firm investing in business models that benefit low-income communities in emerging markets. BF uses a market-oriented approach to deliver social and environmental value with a goal to demonstrate that private capital can be profitably deployed as a tool for effective change. BF invest in three sectors—finance, energy and healthcare—where BF found mass-market opportunities for high growth and social impact.

## **SE Education in India**

Social entrepreneurship as a course, stream and discipline is at its very early stage in most higher education institutes in India. SE in India has moved beyond a few management schools to university programmes beyond business management to social work, law, innovation, design, engineering, sustainability studies and other institutional homes. There are also courses, both online and full or part time, outside formal academic institutions—like the Centre for Social Innovation and Management (CSIM) or Deshpande Foundation, in some cases for over a decade—that have not been included in this collection.



Prof Trilochan Sastry first introduced social entrepreneurship at the Indian Institute of Management Bangalore (IIMB) in 2004. Ashoka foundation's roadshow in Indian campuses celebrated its 25th year in 2005 and helped a few institutes like XLRI (Xavier Labour Relations Institute), XIMB (Xavier Institute of Management) and IIFM (Indian Institute of Forest Management) start their own courses in 2006 for the first time. Villgro with IIT-Madras's Centre for Social Innovation and Entrepreneurship (CSIE) instituted awards for academic contribution to the field in 2012 and 2013. The Tata Institute of Social Sciences (TISS) took the big leap and became the first academic institution to create a specialized Masters programme on social entrepreneurship in 2007. A landscape document by Ashoka indicates four kinds of engagement by academic institutions that included an SE module in current courses (e.g. Indian Social and Political Environment at IIMA (Indian Institute of Management Ahmedabad)); SE classroom courses at IIMB, XLRI, XIMB and IRMA (Institute of Rural Management); SE lab courses (e.g. Shodh Yatra in IIMA). The university structure provides for greater opportunities to enhance learning over a semester as in the case of TISS, Azim Premji University or Jindal University whereas the term-based business school structure can be constricting. IRMA has a compressed 0.5 credit core but XLRI has chosen to run the course over two terms. There is clearly no one size fits all which needs to be welcomed given India's diversity as well as the institutional contexts of individual programmes. As SE teaching deepens its roots in academia, academia needs to play an active role as part of the larger (social) entrepreneurial ecosystem both within India and elsewhere. It is hoped that a long standing need of cases and material by Indian academia that would better reflect field level realities and complexities of running social enterprises or being a social entrepreneur would be part of future course curriculum.

## Theoretical Foundations of SE

The field of SE is shoring up its theoretical foundations as it is maturing. A robust theory of SE will help to clarify what is and is not known and guide the answers to questions like is social change driven by SE, by

movements, teams or networks, or through regulation and their inter-connection; why do some SE ventures grow well and others do not; role of socio-cultural factors in success of SE, identifying the sites for the natural experiments, ways of measurement of the performance of SE and so on.

Mair and Marti (2006) suggest the structuration theory wherein agency and the structure are considered as the constantly interacting and influencing entities for the study of SE. The examples of the Aravind Eye Hospital of Dr. Venkataswamy in Tamilnadu and 'Society for Education, Action and Research in Community Health' (SEARCH) of Dr. Abhay and Rani Bang are the relevant examples in India. Their actions altered the socio-economic context. The SE of the category of social transformer in the above shared typology by Shukla (2019) can be studied using structuration theory.

Institutional logics approach can also be a very relevant theoretical lens to study SE. Institutional logics are the guiding principles on 'how to interpret organisational reality, what constitutes appropriate behaviour, and how to succeed' (Friedland & Alford, 1991). Institutional logics are societal logics based on the logics of institutions in society at large such as state, market, religion, family, corporation profession and community. SE generally combines two or more logics in their functioning. Institutional theory can be use lens to study SE in India. Alexander et al. (2019) proposed the cultural-religious-spiritual logic as an important form of the institutional logics in India. With examples of Art of Living Foundation and Patanjali Yoga Peeth they proposed that religious-spiritual logic is visible in the success of many SE ventures. This aspect of institutional logic can be further examined in Indian context.

In terms of Positive theory of SE, Santos (2012) argues that what distinguishes social entrepreneurship from commercial entrepreneurship is a predominant focus on value creation as opposed to value capture. Here, value creation is a concept measured at the societal or system level, while value capture is measured at the organizational or unit level. The traditional notion of profit is no more than an estimate of the value captured by an organization. SE addresses the opportunities for value creation in a distributed way and drive the economy closer to an efficient outcome by systematically identifying unmet social problems. Santos

(2012) distinguishes that the capitalist system is based on ideas of self-interested individual behaviours resulting into benevolent invisible hand that in turn results into socially optimal outcomes whereas SE is based on other rather than self-interest. Individuals who are inclined to work on others-interest incline to associate together in the context of value creation to maximize the benefits for the society, in contrast with the persons who inclined to work for value appropriation or value capture.

Many of the Indian notions and constructs can be very relevant to understand SE in Indian context. We mention four examples here; Dharma, Paropkar, Daan, Sewa and Loksangrah. The universe is a large social system and human beings are its integral part. Dharma is the common thread which entwines the components of this larger system with 'self'. Dharma means that which one lays hold of and which holds things together, the law, the norm, the rule of nature, action and life (Aurobindo, 1922). The actionable definition given in the Vaisheshiks Darshan of Indian tradition says that *yato bhyudayanihshreyasasiddhish sa dharmah*; i.e. Dharma is that which brings about the worldly progress (bhyuday) of every living being and causing progress in the spiritual realm (nihshreya). Paropkar (beneficence or benevolence) and Daan (giving or generosity) are the two of the most prominent values in the worldly interactions. Widely referred couplets in Indian society say that in all the eighteen Puranas (scritures), only two messages of Maharshi Vyas (the author of all Puranans) hold prominence: Doing favour to others is the 'Punya' and giving troubles to others is the 'Paap'. Similarly, another very popular couplet says that दानेन तुल्यो विधिरास्ति i.e. there is no vidhi (ritual) which is as noble as donation. SEWA is representing selfless service through community action as goodwill towards fellow members. In scripture, the theology, and hermeneutics a service is which is performed without any expectation of result or award for performing it for needy (Hīnasevā), parents (Pitrāseva), teachers (Guruseva) and so forth. Such services can be performed to benefit other human beings or society. 'Loka' means a society (people) and a larger cosmic system (nature). 'Samgraha' means to gather, protect, nourish, regulate, etc., and bring collective prosperity. Radhakrishnan (1948), one of the most reputed scholar in the Indian philosophy and wisdom literature, defined Lokasamgraha as 'working for world maintenance' (Chapter on Karm

Yoga explains this in detail). An urge for taking the responsibility to make a positive difference to the world (dharma), values of selfless service (SEWA), giving (Daan), benevolence to others (Paropkar) and performing work for the world maintenance (Loksangrah) are the recurring themes of the motivation and functioning of social entrepreneurs. These constructs can be micro foundations for SE research in Indian context.

## Implications for Research

Intended beneficiaries of SEs generally are the uneducated and poor with limited communication skills and language barriers and there are severe challenges of managing stakeholder (Arvind Eye care, JaipurFoot, Jaipur rugs, Goonj and Pratham) relations. Local institutions are often inefficient or corrupt or both which create conflict between them and the SEs. There are risks from the entrenched bureaucracies at the block, district and state levels in India. There is also an absence of an institutional mechanism which will monitor at the local level the interactions between SEs and various stakeholders. These situations warrant the need for field studies, case studies using grounded theory approach for developing fresh propositions in the field of SE which have novel theoretical insights and strong policy implications.

Social enterprises are the hybrid organizations that combine institutional logics of society, community and market (Battilana & Dorado, 2010). Generally, they are market-based hybrids that combine the principles of market such as efficiency and profitability to solve complex social problems (Di Domenico et al., 2010). Stephan et al. (2016) point out that research in social entrepreneurship is predominantly centred on social entrepreneurs and rarely examines the SE organization in relation to their context. Organization design, supply chain, networking of the different social groups and actors in SE ventures are some of the promising areas of research in the field of SE in India. In this chapter, we presented the case examples of Bhoodan movement, SEWA, MYRADA and GMMF. All these organizations are exemplar social enterprises but employ very different organizational designs.

In spite of the divergence on the specific objectives and constituency of theses, SEs there seems to be common features and principles behind the success of these SE. These may be arising out of the unique cultural and social situations and level the maturity of different institutions of India. Promotion of local human and social capital, enhancing and supporting village development and local economic development, empowering poor and grassroots development, insistence on social harmony and equality on the basis of cast, creed or community are some of the common core principles of the successful SEs in India.

Research in strategy, human resource management, leadership, motivation and performance management can be greatly informed after adding value creation in development agenda, and it can also be managed by the various aspects taking into consideration like involving promoters, donors for establishing small business at community level in the field of SE. In management education, competitive strategy is taught to the management students and the practicing manager whereas SE works in collaborative strategy for creating larger impact in society. There will be certainly a positive impact in the field of strategy for commercial enterprises if they adopt strategies from SE's perspective. The field of SE has a wide scope to study in the field training and development, reward system and means of recruitment etc. How the business strategy and value creation by social enterprise are guided by the social mission, which is not applicable in case of commercial enterprise, this could be a novel area for researchers, to look at both the perspectives (Gupta et al., 2020). SE marketing strategies, values creation and dissemination and the internationalization are another set of research field parallel to the ways these activities are carried out and research upon in the context of commercial organization.

Social enterprises emerge when institutional voids exist (Dacin et al., 2010). Strategy and management scholars argue that this situation impedes market development and economic growth (Khanna & Palepu, 1997). In developing economies, arguably it is not just the absence of formal institutions that prevent market development but also the presence of constraining informal institutions like caste, religion and gender role that prevent the poor from participating in markets (Mair & Marti,

2009). These issues are pertinent in Indian context and indicate the need for research.

Social enterprises adopt capabilities to penetrate potential markets for awareness, revenue generation and to attract additional resources for more growth opportunities (Dohrmann et al., 2015; Liu et al., 2015; Mottner & Ford, 2005). Despite current understanding that market orientation is an important ingredient for the success of SE the research is scarce on how social enterprises actually develop market orientation (Dohrmann et al., 2015; Liu et al., 2015). This is another important area for research.

In a recently issued statement, shareholder primacy as the core concern of the existence of the corporations has given away to the concern for most stakeholder i.e. customers, employees, suppliers, communities and shareholders by the Business Roundtable, a large group of top CEOs. This shift has implication on firm boundaries, the nature of value creation systems and theory regarding the destruction of stakeholder value (Harrison et al., 2020). Moreover, the COVID-19 pandemic has exposed the societal inequalities (Bapuji et al., 2020). Many of these inequalities can be attributed to the irresponsible business and economic activities and inherent imperfections of market mechanism (Bapuji et al., 2018). While organizations do contribute to increasing inequalities in society, they also have a role in reducing these inequalities. SEs brings human well-being and societal concerns to the centre of the business. SEs can be the predominant way of conducting business for sustainable development of societies and mankind. That demands a reexamination of the macro foundations about business organizations in terms of role of firm in society, organization design, business and community development and micro foundations like motivation, identity and leadership. Indian examples of SEs and Indian values can be fruitful areas for inquiry to examine and realize this possibility which seems to be the ideal scenario but essential for the sustainable future. From the above perspectives, several areas are emerging as future direction of research like social capital formation, social innovation and development, community managed enterprises, collective actions of local communities in improving socio-economic development, social learning through interactive, adaptive and encouraged learning process, ways and means of

bringing changes in social and economic well-being through upskilling etc.

Indian Government initiated steps in the budget presented in 2019 towards creating an electronic fund-raising platform, a social stock exchange, under SEBI for listing social enterprises and volunteer organizations. Exchanges like these already exist in countries like United Kingdom, Canada, Singapore, South Africa and Brazil and it may be useful study the factors of success and obstacles in flow of funds from the masses and from impact investors to the social enterprises. The success of SE in an economy needs finance and business support, availability of human capital and infrastructure, social support in the form of media and publications, professional associations, social organizations that support a culture of entrepreneurship, market support, scientific and research support. The nature and extend of support required in India for developing an ecosystem of SE in India is an important area for research.

Regulatory interventions, actual or plausible, impacting SE is a very important area for research in India. Regulatory efforts to consolidate and recognize the organizational forms that compose the social enterprise sector are still not formed in India. Developing networks of social entrepreneurs and enterprises is another important area for nurturing the field. Among other things, networks can facilitate productive alliances, foster human resource development, leadership and knowledge dissemination in the field SE. These are important areas of exploration for action and research in the field of SE.

Most of the research studies in the field of SE are about the success stories of social entrepreneurs. Research about the challenges faced by social entrepreneurs and ways of developing competencies of SE is a rarely explored area of research. Research in this field will have practical implications on education and policy formulation in SE and theoretical implications on leadership, stakeholder management, community mobilizations and so on.

Generally, SEs pick up social problems such as poverty, health, education and unemployment and at times the less explored areas gender difference, gender discrimination, women and children rights, safety and women's empowerment. The study of SE in these areas may inform the

regulatory policy as well as in these fields. For example, home care developed and popularized by Abhay and Rani Bang has influenced the health policy in Maharashtra and then many parts of India. SE may take shape of social movement and pave the way for policy formulation or cause cultural shifts and lead to formation of new organizations.

## Conclusion

The literature on entrepreneurship has focused on the psychological and sociological aspects of personality of entrepreneurs; their sources of origin; leadership and management styles; business orientations; negotiation skills and achieving and servicing success. However, more specifically, this literature is extremely meagre in regard to these aspects of social entrepreneurship. While in generic terms reports and studies by the international institutions, government sources and consultants analyze the role of SE in an economy, they do not shed enough light on when and how SE as an organization graduates to an institution. Since by the very concept and nature SEs are individual driven, small scale and limited resource base organizations they need a longer lead time to move successfully towards the growth and later at the maturity stages of organization life cycle. SEs are the promoter driven organizations with informal internal organization management practices. Since they move further towards growth and maturity stages of organization life cycle they need to have more professional orientations, trained cadres of people, specialists as also generalists and a distinctive management style of their own.

If social enterprises replicate their experiences in creating and servicing their social value country wide, they are more likely to contribute to public welfare in an economy. Initially and individually, social enterprises may not create an apparent social value but over time as they grow and diversify they do create social value which can be measured. As in the long run, their coverage and outreach expands and their process and delivery mechanisms get institutionalized. So, a group of social actors tend to create collective welfare rather than a single actor in a society. SEs represent the core notion of inclusive growth in which all the local target stakeholders derive social value.



The notion of social entrepreneurship represents a social mission, that arises to serve social cause. Such a cause can be pursued only by those individuals or institutions that are willing and capable of confronting the existing social issues. There is a collective belief in India that the social cause is not fulfilled by either the market or the state. It can be served at best only partially; and hence, the alternate space is provided by the social entrepreneurship actions. Many social entrepreneurs are creating added social value and their work also brings about a sustained shift in the social and economic changes in context of relations of disadvantaged and marginalized groups. For example, when the state government of Rajasthan in India was running a few primary schools in some rural areas, there was no consistent effort to convince the parents of the girl child for her enrolment in the primary schools; hence, the rate of enrolment of girl child was very low but when Bharti Foundation took over and organize stakeholder dialogue gradually they were able to overcome local resistance to girls' education. In this instance, there was a need to change the mindset of the village elders and community leaders. SE naturally support the dialogue among governing bodies, local governing bodies and social leaders to work on creating social values with economic values.

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