

If not for profit,  
for what and how?

S O C I A L  
E N T E R P R I S E

# Social Entrepreneurship in India: Recent Trends and Change

M. A. UDAY KUMAR & N. K. RAJALAKSHMI  
Mangalore University College

*EMES-SOCENT Conference Selected Papers, no. LG13-55*

4<sup>th</sup> EMES International Research Conference on Social Enterprise - Liege, 2013

Interuniversity Attraction Pole (IAP)  
on Social Enterprise (SOCENT) 2012-2017

and



 **EMES network**



© M. A. Uday Kumar & N. K. Rajalakshmi 2013. EMES-SOCENT Conference Selected Papers are available on the EMES website ([www.emes.net](http://www.emes.net)) and on the SOCENT website ([www.iap-socent.be](http://www.iap-socent.be)). These papers do not undergo any editing process. They are published with the support of the Belgian Science Policy Office, within an Interuniversity Attraction Pole (IAP) on social enterprise entitled "If not for profit, for what? And how?".

## A PRELUDE

Ideally human life in Indian society was organized on the basis of four 'Purushartha's namely Dhrama (Nature, acquisition of knowledge, right path), Artha (Wealth, 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. Acquisition of knowledge (in whatever form, need not be in the institutionalized manner) to generate resources to exchange it with material things to satisfy human needs was central design of Indian mind set. The life journey of an individual was heavily influenced by life 'before' and 'after': i.e. if a person at present is blessed with good things- it is believed as the product of good deeds in the previous birth and to ensure the same in future, one is expected to commit to such good deeds. It is a general idea embedded in most of the religious philosophy in India. This is to state that there is a school of thought in India that argues for extending a helping hand to those who are in need of.

With colonization of the continent, the Indian society underwent an economic and social transformation. The process of modernization resulted in provision of modern education, creation of modern institutions and setting up of industries. Consequently, a class society started emerging. Though the entry barriers to the new found class was (theoretically) visibly absent, for majority of the people from lower strata it was very difficult to walk over to new found class in modern society. Poor representation of down trodden in the modern institutions made strong case for state intervention. Development design (guided by the spirit of mixed economic model) of Independent India that attempted to transform life of people from all walks of life also met with poor results<sup>1</sup>. Economic performance and social impact of the functioning of both public and the private sector could not meet the expectations of the citizens. It is to bridge this gap, that we in India have variety institutions formal and informal, visible and invisible operating to address the needs of the marginalized. Almost all these institutions are mission driven, voluntary, and supported substantially by public

After four decades of independence there has been a paradigm shift in the development policy.<sup>2</sup> Consequent to this the balance tilted from left of the center to the right of the center. There was a clear shift from the earlier socialistic pattern to market economy with a new economic policy. The changed economic policy opened sufficient space for the 'Third Sector' initiatives that was believed to play an active role in pursuing inclusive growth.<sup>3</sup> In post liberalization India on the one side we have built globally competitive sectors like Information technology, bio-technology, whilst at the same time the economy is bogged down by a huge army of unemployed youth, large number of mal nourished children, large-scale migration from rural area to the urban, feminisation of jobs, and burgeoning informal sector. Problems connected to above dichotomy of diverging economic condition within economy, necessarily called for agencies to address the challenges emerging in the post-reform period. It is in this context that 'Third Sector' and initiatives within this sector like social entrepreneurship are attracting attention of policy makers and practitioners.

It is evident from the above explanations that a tradition of social investment is considered a social necessity and has a history in the Indian continent. Human activities, economic and otherwise are driven by self and social interest. Intensity of drive for society and individual is a complex issue, and it varies from persons to person.<sup>4</sup> But one can always find a connection between the society and the self, which takes different forms of expression depending on the circumstances or social and

---

<sup>1</sup> Paul R Brass (1990) "The Politics of India Since Independence" Cambridge University Press" U.K. Also see "Political Economy of Development in India" OUP 1990

<sup>2</sup> It is stated that a change in the economic policies in India are necessitated by the developments taking place at the Global level.

<sup>3</sup> Emphasis for Third Sector had to be given because 'state' cut down heavily on welfare measures. The vacuum created by withdrawal of state in many sector had to be filled in by some other agencies and Third Sector was found most suitable under the given circumstances.

<sup>4</sup> See Phillip M. Santos (2009) "A Positive Theory of Social Entrepreneurship" INSEAD Working Paper # 23, Fountainhead Bleau France. [www.insead.edu/se](http://www.insead.edu/se)

economic conditions. We have ample cases of social investment in the flow of capital for the start up and sustain, or grow individual, group, organizational action aimed primarily at generating social value often in the form of public goods or positive externalities. In the light of social enterprise attracting attention in the recent past, it has become important to put these debates surrounding social investment, social enterprises and social entrepreneurship in a proper perspective.

## II

In the prelude it was attempted to explain how in Indian continent we have space for the non-state and non-business entrepreneurs to address social and economic issues of the marginalized. Emergence of such 'Unique Entrepreneurship' is necessitated by the conditions prevailing in the context of wide range problems emerging in a society studded with variety of culture. Over a period, those initiatives broadly fell under the purview of charity, philanthropy, reform, social service and the like. But if we go by the spirit of the concept or idea of social entrepreneurship, it fits well within the frame work of social entrepreneurship.

### Social Entrepreneurship in India

A specific brand of social entrepreneurship is being prioritized over the rest during the recent past despite a tradition of entrepreneurial initiative with a social value creation in India. A number of organizations are encouraging the sector's growth and development, spurring discussion and debate.<sup>5</sup> During the recent past microfinance in India has caught on as a new model for rural development, women's empowerment, and poverty alleviation.<sup>6</sup> Social enterprise activities include organic food and herbal production, distribution of energy efficient stoves, decentralized power generation, recycling programs, environment friendly building products, bio-fuel production, Education for children with learning disability, development initiatives for tribal people, and distribution of eyeglasses. Many enterprises aim to solve environmental problems. Programs developed by government and NGO addressing issues connected growth and development of socially- and environmentally-focussed businesses are also popular. The Energy Resource Institute (TERI)<sup>7</sup> is a major Indian non-profit organization dedicated to the development of renewable energy sources and sustainable business. TERI University particularly encourages the development of entrepreneurial solutions to energy, sustainability, and environmental issues. Apart from the ones mentioned earlier, we have institutions in India where social entrepreneurship is a part of formal curricula and area of research. Despite of the above, social entrepreneurship has remained business model dominated, and urban entered. In India formal and industrial sector absorbs only a very small chunk of population. Large sections of the population are rural based and are depending on agriculture. Migration to the urban areas in the recent past has been a cause of worry for the state, as it could not provide basic amenities to such migrants in the city. In such a situation make agriculture viable and provide alternative source of income in rural areas has been a priority in India. In this context that social entrepreneurship in rural centers and which has been able to address some of the structural issues becomes relevant. The motive behind emergence of social entrepreneurship that serves social cause in the India is largely embedded in the socioeconomic condition seasoned by

---

<sup>5</sup> The 2007 India Conference<sup>1</sup> at Harvard Business School included a panel<sup>2</sup> on the importance of social enterprise to India's future, as fast paced economic growth threatens to outstrip the government's ability to equitably meet the demands of its citizenry. New Ventures India, a program run by the World Resources Institute<sup>4</sup> and the Confederation of Indian Industry's Green Business Centre<sup>5</sup>, supports Indian businesses that incorporate social and environmental benefits by organizing training programs and attracting investors. The greatest concentration of social enterprise activity in India is in the microfinance domain.

<sup>6</sup> Kumar, Udaya M.A. *Measuring Empowerment of Women in Socioeconomic Development* in "Development and Empowerment Rural Women in India" Ed. Jaya Arunachalam and U. Kalpagam, Jaipur :Rawath Publications, 2006. pp 145-167

<sup>7</sup> TERI University was established in in August 1998, as TERI School of Advanced studies and was subsequently renamed the TERI University. In the period since its inception, the University has developed and evolved as a research university exploring the frontiers of knowledge in areas of major significance to human endeavour. TERI University is the first of its kind in India to dedicate itself to the study of environment, energy and natural sciences for sustainable development.

history and political conditions.<sup>8</sup> Perhaps the following cases would help us to understand the role and relevance of social entrepreneurship in India. The following cases would help to understand the context in which social entrepreneurship renders itself an essential institution to mediate the convergence of economic means and social ends.

## DESI and CHARAKA<sup>9</sup>

'Kavi Kavya', in Bheemankone, a village near Shimogga in Karnataka is a voluntary organization. It was founded in 1996 with a motive of promoting literary activities. The oral literary tradition was its major interest, which brought the Trust in close contact with the local population. Subsequently, the socioeconomic condition that fashioned the life of people in the local area drew the attention of Kavi Kavya trust.

Local population was solely dependent on paddy cultivation for their livelihood. Growing population left people without any choice from encroachment of forest land for cultivation. Over a period, enhanced standard of living demanded additional income. Even though paddy cultivation initially yielded sufficient income, which, in the long run was not sufficient. So, people turned to commercial crops like ginger and cotton. Such a trend although satisfied their immediate economic needs turned large tracts of land infertile. Kavi Kavya was seriously concerned with this development. It was very essential to save both the farmers and the environment. The farmers were to be turned to an eco friendly economic activity. The alternate activity that struck the trust was handloom industry. But the farmers were skilled only in their occupation as it was woven into their life. Farming was the culture than an occupation. It was their mode of life. (It could be observed that the case would be different in an urban area, as the mode of life and profession wouldn't intersect. More or less the mode of life of people in the city is the same irrespective of their profession. Changing profession, in this sense wouldn't affect their mode of life) Kavi Kavya launched a unit called 'Charaka' to face the challenge. The challenge lied not only in training them in a new skill but also in making them overcome their diffidence towards the new occupation. This demanded immense patience on the part of the organization; it took nearly six years to succeed.

Charaka applied its knowledge of gender based cultural history. It started off with a handloom unit exclusively for women. The bond between women and weaving is age old in Indian tradition. The epics and folk literature has abundant evidence of this. Women, irrespective of their caste, are known to have possessed weaving skills. Charaka grew quickly into a self sufficient unit. Kavi Kavya at this juncture formed an industrial cooperative society of the workers of Charaka. The registered society was called 'Charaka Mahila Vividoddesha Kaigaarika Sahakari Sangha (Charaka Women's Multi-purpose Industrial Cooperative Society) Kavi Kavya assured the society that it would take care of the sales of the produced goods. Whether the produced goods are sold or not Kavi Kavya would ensure payment for the produced goods.

Kavi Kavya opened retail outlets called 'Desi' (desi means native) in cities like Bangalore and Mysore. It was not possible for Kavi Kavya to run these outlets directly from the village, so, it initiated Desi Dharmadharshi organization in Bangalore. The unique feature of these three organizations vis- a-vis Kavi Kavya, Charaka and Desi is that the earnings of the organizations alone fuels their activities. No foreign donation has been accepted so far. Charaka has availed the government aid given to rural development units. (This aid actually amounts to less than 10% of the total turnover of the unit) Except this all the three organizations are economically independent.

The main objective of Charaka was to stop deforestation (protect environment) and provide alternative source of income for livelihood. In providing a viable alternative to agriculture in malnaad

---

<sup>8</sup> Rashmi Bansal (2011) *I have Dream: The inspiring Stories of 20 Social Entrepreneurs who found new ways to solve old Problems* Westland New Delhi. Also see National Social Entrepreneurship Forum Retrieved in November 2011 <http://www.nsef-india.org/index.php>

<sup>9</sup> For more information visit web page: [http://www.charaka.in/product\\_gallery.html](http://www.charaka.in/product_gallery.html). Also visit- <http://www.outlookindia.com/printarticle.aspx?236749> retrieved on 15<sup>th</sup> Nove 2011

region Charaka has been successful. It proved that it is possible to opt for other activities like weaving and benefit the community economically. To make weaving a successful business venture, a range of other activities connected to weaving were carefully studied and integrated with weaving. A scientific and systematic study of design and operation of loom, preparation of dye (colour) by using natural substances, designing of the fabric, tailoring and organizing the entire activity was done meticulously. Attempts were made to win over the reticent feeling of the stakeholders in getting into the handloom industry. It was decided to explore the demand for the cotton fabrics with a difference in the urban area.

Marketing the handloom products of Charaka was a challenging one. Relatively handloom products were costlier than machine made fabrics. Machine made products bear value addition through additional product features, which easily attract buyers. For example cell phone could be used as torch, radio, camera; TV has the facility of Video Player, and so on. Whereas handloom products do not possess such additional product features. But handloom products have cultural value. Founder of the unit, Mr. Prasanna,<sup>10</sup> says that the name Charaka is selected to signify the specialty of the native culture. The retail sales outlets are also designed to reflect the native culture. The outlets are considered to be very important not because they are the important sources of earning but as the connecting link between production and consumption. The distribution unit is identified as a place which draws the users who fuel further production. Outlets are not considered as location where goods are sold, it is something more than that. They are treated as centers for representing the moral value of the product. What does the moral value of the product mean? When a buyer buys a piece of cloth he/she is not only buying a physical product but also the craft. A piece of cloth sold at the retail outlet has thousands of threads that have been woven into it and the craftsmen's hands have played on the loom to transform the thread into cloth. All religions perhaps communicate the same moral value, the value of hardship. But the consumer culture has brought amnesia towards this moral value. The divide between hands that produce and body that adorns the product is what has brought this amnesia. Once the value of hard work behind the production of goods is realized it will result in reducing the greed to buy unnecessarily. At the same time human relationship would be built between hands that produce and body that adorns. Desi outlets work towards building this bondage.

In another way the functioning of the Desi outlets are distinct because they represent the importance of linking customer with the production. The resources or income for production comes directly from the consumers (users). When resources come from an external agency for some reason, if it stops, the production also is automatically bound to stop. Charaka treats Desi outlets as resources for production more than as consumer centers for their finished goods. Charaka and Desi's perception of business is strikingly different in the cultural context.

Desi and Charaka stand testimony to the fact that space beyond the first, second and third sector could easily be captured by imagination shaped in the context of local culture. The motive for creation of a venture was driven by twin objectives;<sup>11</sup> first to create livelihood for the needy poor and second to protect the environment (material and cultural). To achieve this twin objective, a strategy was designed through which resources did flow from urban to rural. It is apparent that the motive to create an enterprise in this case is not purely economic but something more than that. The economic motive is strongly anchored in socio-cultural context especially in the local environment of Malnaad region. One has to consider the day to day realities at the local level in theorizing social entrepreneurship. In the Indian conditions the success of SE is largely fashioned by entrepreneurial individuals (agents), and environment with a sense of culture of entrepreneurship (structure). The ability of an individual to understand the crisis and transform the material condition of life (change one's consciousness) is crucial. Agency also refers to the capacity of individuals and groups to look

---

<sup>10</sup> Prasanna is an IITian who turned to theatre and built a strong theatre movement, SAMUDAYA, in Karnataka. He is critical of modernity and has been working on finding ways of sidestepping modernity and also making it work practically. He has founded Charaka, has written two books on the subject and has delivered speeches on the issue.

<sup>11</sup> It also has a third objective which is implicit .i.e. creation and sustaining of social capital in the local area. The operation of Desi, Charaka, and Trust creates a condition where people have to work for the mutual benefit. Thus it facilitates a kind of interdependence, which is eroding in the modern developed societies.

to the future assess the risks, engage with markets, the state and other groups in the strategies that determine economic and social development paths.<sup>12</sup> One should be aware of the fact that agency does not exist independently of the social structure. Structures can be understood as, rules, and resources, recursively implicated as in the reproduction of social systems".<sup>13</sup> In case of Charaka and Desi, the trust happened to be the agency which played an entrepreneurial role in responding to a crisis in the region. It is quite unlikely that one can replicate this experiment elsewhere; for the simple fact that the socioeconomic climate required for rearing this species of social entrepreneurship is limited to malnaad region alone. However, traversing through trajectories of various entrepreneurial initiatives with a social objective, one can locate the concept within the larger political economy of development under various economic systems.

## Soligara Abhivrudhdi Sangha (SAS)

Soligas who live in the foothills of Biligiri Rangana Betta (BR Hills) and Male Madeshwara Betta (MM Hills) of Chamarajanagar districts is one of the rare tribes of India.<sup>14</sup> They are also found in Hunsur and Bandipur area of Mysore District.<sup>15</sup> Soliga Abhivrudhi Sangha (SAS) is a central organization of this tribal community in the Kollegal Taluk of Chamarajanagar District. According to SAS the total population of the tribe in Kollegal Taluk is about 20417, which is spread in the 80 villages, constitutes approximately 6% of the total population. 92% of this tribe lives in rural areas.<sup>16</sup>

Soligas Tribe, which lived in isolation in and around the forest under the foothills, is one of the most backward tribes. Forest is the source of livelihood for them as they collect forest products and exchange the same for other commodities required by them with the non-tribal. Hunting is another occupation of the tribe. With an age-old tradition of shifting cultivation, the tribe used to lead a semi-nomadic life in the forest area.<sup>17</sup> Generally fifty to sixty huts form a settlement, which is called 'podu', which literally means shifting cultivation. In each 'podu' they have a well-organized Nyaya system of community administration. Under the Nyaya<sup>18</sup> system Yajman, Kolukar and Chaluvaadi<sup>19</sup> in consultation with the senior members of the community take important decision to resolve any crisis. The social system of this tribal community was guided by self-sustainable eco-friendly, use-value based production and exchange. They lived in close association with nature. There was a wide gap between the culture, life style, social values of this tribal community and the mainstream population in the district. However, the community lived with difference for over centuries. Without understanding the problems encountered by tribal communities with divergences in their cultures, the state set up a Tribal Development Department to prepare development agenda for all the tribal.

Tribal Development Department at the Central government had plans for rehabilitation and development of the tribal community. But there was no comparability between what the Tribal Development Department offered and what the tribal community needed. The government offered Soligas' agricultural implements and manures in huge quantities, but they had no land, to use manures and implements given by the government. What the government offered was sold for a pittance to the landlords and local merchants. The development plans of the government were shaped in total isolation of the needs of the Soliga community. Nationalized Banks and Co-operative Banks offered various types of loans to the tribal community. On record loans were availed under all the development schemes planned for the tribal people. But in reality non-tribal people in connivance

---

<sup>12</sup>Rao and Walton *Culture and Public Action: Understanding the Role of Culture and Development Policy in an Unequal World* World Bank Unpublished Paper 2002

<sup>13</sup>Antony Giddens (1979) *Central problems in Social Theory: Action, Structure and Contradiction in Social Analysis* Berkeley CA University of California Press p 64

<sup>14</sup> Thurston E. "Castes and Tribes of Southern India Vol. VI" Government Press Madras 1909 pp 379-386

<sup>15</sup> Bhat H.K. 'Soliga': *Encyclopedia Profile of Indian Tribe* Sachidananda and B.R. Prasad Ed. Discovery Publishing House New Delhi 1995 pp 937-943

<sup>16</sup> Interview with Jadeswamy and Madappa of Sligara Abhivrudhi Sangha 21<sup>st</sup> October 2005

<sup>17</sup> Soliga of Biligiri Rangana Betta, <http://hulk.bu.edu/misc/karnataka/districts/mandya/biligiri/biligir.html>

<sup>18</sup> Nyaya is a local administrative system, which the tribal community has been practicing for ages

<sup>19</sup> Yajman is the village headman, Kolukar looks after the law and order, and Chaluvaadi helps in organizing meetings.

with the bureaucrats and Bank Officials used the funds and Soligas were totally unaware of these frauds. As per the official data the displaced Soligas were rehabilitated and helped by the state through a number of development programs. However the reality was strikingly different from this. Soligas were totally incapable of explaining their agony to the outer world. It is understood that situation like this offers a good ground for the spread of armed struggle against the repressive state as the last option.<sup>20</sup>To ease out the tension of melting pot calls for an intermediary organization to act as a link between the Soligas and the State.

Vivekananda Girijana Kalyana Kendra (VGKK) started by a doctor turned social reformer was a first step in this direction. Due to the efforts to redress the agony and trauma suffered by the Soligas drew the public attention. An exploration into the causes for the suffering of the tribal people revealed that Soligas had to bear only the brunt of the development programs without being the beneficiaries of programs. VGKK attempted to bring the Soliga into the mainstream by providing them health care, education, housing, employment opportunities and the like. However, Sheena and Krishna, two young men, who started their career as social workers at VGKK, who soon realized the need for a social change with deeper impact towards the development of the community. Sheena and Krishna wanted the Soliga community to come together and form themselves into a community-based organization and work towards the welfare of their own community.<sup>21</sup> Such a realization could make a striking change in the life of Soliga people through the formation of Soligara Abhivurdhi Sangha (SAS). Soligara Abhivurdhi Sangha is a community-based organization organized, and managed by the Soliga people. The process of formation and functioning of SAS offers itself as a model to cultivating democracy and development. The SAS experiment reflects as to how values of democracy cultivated within the community would take care of the socio-economic development. The Soliga Community that had shattered due to the forced displacement from the traditional foothold within and around the forest had low self-esteem, withdrawal attitude and were not open to any type of organization. Organizing community in a democratic manner to ensure a decent and dignified life for this marginalized community required an innovative strategy. Driven by the strength and resources of Soliga tribe the Social Entrepreneurs succeeded in designing a strategy empowering the community that lived in isolation for long. The process of organizing the community, strategies adopted to do so and the results of the same are discussed in the following paragraphs.

3502 families of Soliga Tribe spread over in 80 villages of Kollegal Taluk were not an organized group though the bonding was strong within the *podu*. Organizing Soligas was not an easy task for anyone outside the tribal community, as they already had bitter experience of exploitation from the outside world. Entering into a dialogue with this community in order to understand their problems and improve their life was very much essential. Slowly but steadily the social entrepreneurs developed contacts with the members of the *podu*. Medical treatment to the ailing members in the tribal community, educating them on the changes taking place in the external environment, appreciating the culture of Soliga tribe, dining and dance with the members of the community, drove the volunteers to the inner circle of the tribe. Close encounter with the tribe enabled the volunteers to understand and analyse the problems. It was understood that building bridges between various *podu* to form a strong local organization was thought to be essential to make the voice of this marginalized community heard. In a democracy of electoral politics the numbers are always important. Therefore, a strong organization is a pre-requisite to make ones presence felt. No sooner had the problem of the Soliga community was located, than the strategy was developed to organize people. People in one of the *podu* were thoroughly trained on the cause of their problems, ways to solve them, through a SWOT analysis. Once people in the *podu* were convinced, they assumed the role of leaders and educating people in other *podu* and the movement spread to the entire 80 villages of Kollegal taluk.

People were organized at the village level, Block Level and finally at Taluk level. In the village level associations, in addition to the members of the traditional Nyaya system, representatives from women

---

<sup>20</sup> Bela Bhatia "Competing Concerns" *Economic and Political Weekly* XL (47) 2006 pp4890-4893

<sup>21</sup> Sheena and Krishna joined VGKK as Social Workers. Their interaction with the Soliga Community inspired them to accept the challenge of empowering this marginalized community. In this paper Sheena and Krishna are referred to as Volunteers/Social Workers/ intervening agency.

and youth were selected to make the association broad based. 10 to 15 villages were made into a block. Two representatives (one woman+ one man) from each village were elected or nominated to the Block Level association. The members nominated/elected from the village level association in turn amongst them, elect a President and Secretary. Association would have an office in one of the villages under its jurisdiction. Soligas living in 80 villages in Kollegal Taluk formed a central association and registered it in 1993 under the Karnataka State Co-operative Society Registration Act. The Association is called the Soligara Abhivrudhi Sangha (SAS). SAS function through 21 executives elected by the members in the annual general body meeting. The executive members from amongst them elect a President, Vice-President, Secretary, Joint-Secretary, and a Treasurer. In addition to this executive body, a Coordinator, assistant coordinator at the central office and five field workers to coordinate the development work at the block level are appointed.

The organization started functioning with the total participation of people at the village level. The traditional leaders and the inclusion of women and youth made it more inclusive. Ideas were generated with the participation of all the members. Traditional songs, dance, and other practices were used to communicate the new messages, which could appeal the masses. Soligas needed right of use over the forest land, permission to enter the forest to collect forest products and firewood, employment in the government supported programs carried out by the forest department inside and on the outskirts of forest area, end to the practice of bonded labor, granting of land rights over the land they enjoyed over the years etc. Soligas were unaware of many of the frauds committed in their name, and they wanted such practices to end. In addition to this, priority to tribal community in the general development program to Soligas was one of the demands. They determined to achieve the objective by designing a unique strategy, which they call as Five P Program. Five P's are People's Organization, Petition, Public contact, Press and Protest. The five P program would operate in the following manner.

Once the association gains strength a representation through the association is made to the concerned departments. Representation is followed up. If it fails to create the required response, members of the organization in large numbers would meet the concerned department and officials and seek explanation from the concerned persons regarding the claim they made through representation. If the response were not adequate, members would inform the larger population and the elected representatives through the media (press). If nothing works, then they would launch public protest. Protest in the Gandhian way of sathyagraha. Collective action was the major strategy adopted by SAS in voicing the concerns Problems due to Forest Policies, misuse of the tribal development funds, and improper implementation of the development programs. People led protests demanding the government to respond to their needs rather than forcing them to accept what the government wanted to provide. The strategy to assert the civic rights in a democratic manner yielded good results, and this is evident from the following list.<sup>22</sup>

Sheena and Krishna<sup>23</sup>, the social entrepreneurs instrumental in the setting up of the SAS withdrew from the movement once the involvement level reached point A. The SAS is run with the involvement of first generation reformers and younger generation that followed reform. Expertise of the reformers is used in guiding the organization.

The community-based life of Soliga people was responsible for the close bonding between the members. Because of such bonding they were able to build a strong organization at the local level. However, with the implementation of the development programs, it is observed that there has been a drift from community-based life style towards individualised life style. The basis for allocation of funds for various development purposes has been the household or family. This has paved way for some kind of competitive spirit among the families within the community in availing such benefits. Systematic change took place as result of the strategy and struggle by social entrepreneurs.

---

<sup>22</sup> Ephrem Tadessee, *Social Capital, Local Organizations and Development Performance: A Case Study of the Soliga Development Association in India* Masters Thesis Development Studies and Development Management Ruhr University Bochum Germany University of the Western Cape South Africa 2004

<sup>23</sup> Co-authors of this paper, and who played a catalytic role

## SAMVEDA

Mr Surendranath, a young entrepreneur, who was heading a manufacturing unit, came across a strange problem faced by a student studying in a public school. Even after five years of schooling the student was unable to write his name that otherwise looked okay. Though it looked very strange it was challenging too. Suren did try to understand the problem by trial and error method and could teach the boy to write his name within twenty days. Boys father was very happy and the new feat of teaching this boy who was labeled useless by mainstream school got the attention of many. Parents of children who had similar problem promptly brought them to Suren. However realizing that trial and error can not go beyond a limit, Suren wanted to know how such a problems concerning learning and teaching has to be handled. It was only after his meeting with Dr Prakash, Professor of Psychology in the University of Mysore, he realized that what he did was identifying learning disability among children and developing a method of teaching such students. The experiment carried on by Suren was something innovative, which the society needed the most. Subsequently, Mr Suren, Prof. Praksh and Dr Jayaram after thorough research developed a method to assess the level of disability, intensity of the problem. There was no reference material about learning disability as the problem was not identified in India. In developed countries like Europe and U.K. USA learning disability was identified and remedial measures were taken to teach such students. Suren started collecting information to understand the problem of learning disability from sources like British Library in Bangalore.

According to Suren, many the students have problem of learning disability in our society. In India, the problem is not recognized and unfortunately teachers at the primary level are totally unaware of learning disability. Children with such problems are generally treated as idle, dull headed and arrogant in family and schools, which generally aggravates the problem. Suren found it challenging to address such problem that affected the life of many children. He gave up his business to start "Samveda"<sup>24</sup> a training center for children with learning disability in 1994, which was registered as NGO is 1996. Samveda Training and research Center is an independent, non-profit, non-government, organization wedded to the cause of rehabilitating children with learning disability. Samveda has a built a team of specially trained remedial teachers who use multi sensory class room approach in reading, writing, and all instruction classes. The goal of the institution is to help children discover the joy of learning, build positive self-esteem, and explore their full creative potential while preparing them to return successfully to conventional mainstream class rooms. Modus operandi of training at 'Samveda' can be briefly explained as follows.

Students who are found problematic or very dull in the mainstream schools approach Samveda. Child is made to undergo psychological tests to identify the nature and magnitude of the problem. Once the problem is identified the parents are given a correct picture of the problem, the possible remedy, and their responsibility in the whole exercise. Once the decision to admit the child to center is taken, the child is taken away from the regular schools to undergo training in the institute. But the students are officially on the rolls of schools from where are taken. After, completing training they go back to join the course, or which they are otherwise eligible to join. Since each child is to be given special attention and care, they are not in a position to admit large number of students. Therefore, student strength is limited and the cost of training students is relatively high. But not many of the beneficiaries were able to meet the entire cost of training. In the initial period the center could not even achieve breakeven. Suren diverted his resources generated in the English Language Training Center to this training center. However, over the years, he could find methods to make the venture self sufficient with the help of donors and by raining the fee for the course. For those who could not afford and needed training very badly, the center finds donors. This is only to reiterate that social objective is prioritized over the economic resources.

---

<sup>24</sup> 'Samveda' is a sanskrit word which means to be conscious of delicate feelings and understand some in the right perspective.

The training is designed on the basis of Samveda Remedial Teaching Model (SRTM). This model follows a holistic approach with multi-disciplinary components to solve child's individual learning disability. The academic program is at four levels: Fundamental, Interface, Parallel text and Text level.

Children who come from far-away places, whose home environment is not suitable for rehabilitation and those need round clock supervision are given admission to Samveda Kunja- a hostel for children with special educational needs. In hostel along with correcting children scholastically, other physical, mental, behavioural and dietary aspects are also taken care of. In door and out-door games, sociability, responsibility, and leadership training are included. The child's creativity is nurtured keeping in view their special needs. There are about twenty students in the hostel who are taken care of by six trained staff.

Samveda undoubtedly is a social innovation and has completed 23 years of fruitful service to humanity. All those who are associated with the institution are wedded to the cause for which it was started and value the cause more than the monetary reward.

## SELCO

Harish Hande, co-founder of SELCO India is an energy engineer graduate. He was awarded doctoral degree in energy engineering by the University of Massachusetts, and is also conferred with prestigious Magasaysay Award for his pioneering work of taking technology to the poor. Mr Hande is identified as one of the fifty pioneers of change in India.

Hande's journey in taking technology to the poor is remarkable. He produced what was needed by the poor instead of making them buy what is produced. In brief, products were shaped as per the wish of the poor customers instead of the will of the producer. Technology did change the life of the poor in the real sense of the term. Keeping his feet firmly on the ground he learnt what was not taught by institutes of higher learning in India and USA. Best lesson were taught by a street vendor in Bangalore, who said, "Rs 300 p.m. is expensive but Rs 10 per day is fine". This street vendor was spending Rs 15 per day about ten to fifteen percent of her income to buy kerosene, to oil her lamp in the evening. A solar powered lamp to her would not only save money, and enhance income for her but also improve efficiency. A solar powered lamp bought with a borrowed fund even at 14% interest would reduce her spending on oil significantly.

During his visit to Dominican Republic for his field work connected to studies, he pleasantly surprised to find the poor using solar electricity. It made him think that solar light can be a viable option energy proposition. Through interactions Harish began to formulate views about environmentalism and sustainability especially on Third World. After attending a "Rural ecosystem", he decided to start a Company. Initially results were not proportional to his efforts. But he never gave up. Finally it took off with one of his customers, a sceptical areca-nut farmer. Farmers mother over hearing husbands conversation with her son, asked Hande to install the system, which he promptly did. Electricity supply in that area failed that night and farmer was impressed on finding his fields being lit by solar lights. The mission got momentum and he started getting subsidy and support from various corners like E+Co in USA.

Mr Harsih travelled from village to village to instil interest in his product amongst people. He also needed people to man his mission as sales person and technicians. Given the kind of scale and substance, it could hardly attract the best brains, which made Hande to look for ordinary ones like TV mechanics, bicycle repairers, school drop outs. These boys were trained and motivated to execute the mission. Hande was determined to dispel three myths: 1) The poor cannot afford sustainable technologies, 2) The poor cannot maintain sustainable technologies, and 3) The social ventures cannot be commercial entities.

SELCO is a for profit enterprise with arrangement owning 1.5% stake. It has installed solar lights in 115000 households since its inception. It has generated sales of Rs 12 Crores in 2009 and has a targeted a turnover of Rs 40 Crores by the end of 2014.

Hande strongly feels that wants can be standardised but needs have to be "customized". Therefore, SELCO works with the catch word "customization". Selco products are adaptable to customer needs, which make a difference and increase the marginal utility of products to customers. The following instances lend credence to these claims.

1) A farmer thought of buying an ordinary four lights unit, till he found out the price. But one of the technicians got into a dialogue with the farmer and it was found that though light are required in four rooms they were not used at the same time. Finally the technician suggested to the farmer that he can go for four lighting points and two lights, which can be moved from one room to the other. This model delivered what farmers wanted at an affordable price. Within no time twenty more households opted for this innovative model.

2) Solar light requirement of the poor are varied. One of the widows wanted solar lights very badly. Investigation revealed peculiar cause behind her need for solar light. Old lady used to stay late in the night, despite getting up early next morning, till her children finished studies. She stayed late because she was worried about the dangers connected with the using of kerosene lamp by children. It was for safety reasons that she stayed late in the night. She was convinced that if she opts for a solar light it is not risky and children can use it without any problem and she can go to bed early as well.

3) Selco has gone great lengths to help people in distinct ways. One of the customers, a farmer called Selco to say that his daughter had refused to get married to house that did not have electricity. The farmer paid selco to install solar lights in the house where his daughter had to go after marriage without revealing the real issue to owner of the house. A story was concocted and the lighting system was installed and the marriage took place without any problem. Instances like does not figure in the Balance Sheets or annual reports of enterprises.

4) A farmer was worried about the safety of his womenfolk in the family during night time. Every time someone knocked at the door he had to get up and lit an oiled lamp with a match stick, which was very inconvenient and risky. But a solar light would solve these problems and make also save him from anxiety.

A solar light has many other dimensions in addition to its primary use as a light. Therefore, selco concentrated on primary and secondary needs of people on the margins of economy and society. Solar head light were designed for rose plucking farmers who needed light during early hours and late evenings. These head lamps apart from providing light also increased efficiency by making their both hands free. While farmers used oiled lamps, they were able to use only one hand. A special solar light was designed for the silk farmers to check on their worms at night. The light was bright enough for the farmers to see, but not so intense that it would disturb the worms.

Hande uses the phrase 'market linkage' to describe his addressing of the entire supply chain surrounding a product. He firmly believes that if the product matches the needs of the people, irrespective of their poverty there will be a market for it. The weak link faced in the whole process was financial in nature. Arranging the loan for the buyers of their product was a challenge to selco in its pioneering years. Banking companies did not grant loans for energy products, as energy products were not covered by existing loan schemes. Hande had did not give up; he could explain as to how loans to buy solar lamps is nothing less than an income generating activity. Malaprabha Grameen Bank agreed to finance one hundred solar power sets and many other banks followed the suite.

Today Hande deals with RBI, NABARD and other development banks and agencies. Institutional steel frames in India remains insensitive to the problems of poor and the marginalised section that do not

have the tricks to bypass rules and regulations. Hande has been lobbying for change in the attitude of people at the helm of affairs both at the international and national level. Selco has a spiralling effect in the society as it has motivated many to think differently, take to social entrepreneurship and find ways to respond to peoples need.

Today SELCO has grown to considerable heights and is known globally because of its unique mission of taking technology to people to improve their living conditions. Space that Hande carved out and the design he developed have changed the life of many. Social entrepreneurship in India is to be defined on the lines of experience of SELCO and not based on what is being defined in journals and policies of development agencies abroad. What Hande stated puts the entire development of social entrepreneurship in a proper perspective, "today we have a buzzword 'social entrepreneurship' but no such thing was existed when selco started working. We somehow figured it out."

## LIJJATH

Shri Mahila Griha Udyog Lijjat Papad (now onwards Lijjat) a social venture started by seven illiterate women in 1959 has turned into a big organization of 61 branches with 42,000 plus strong team of Lijjat's sister-members. Members of Lijjath, called sisters earn Rs 2,500 to Rs 3,500 a month for about six hours of work every day from home. Lijjath's becoming of a shining example as a business model based on the sound but otherwise considered an impractical Gandhian concept of Sarvodaya and trusteeship is an example by itself. After fifty years of its successful journey, the company has grown into a corporate with an annual turnover of Rs 300 crore for many years.

### *Mode of Operation*

Any woman on signing a pledge form serves as formal entry and introduction to the formal working environment, and she is considered as a sister-member. Every branch is headed by a sanchalika (branch head) who is chosen from among the sister-members by consensus. Similarly, allotment of different works like dough-making, distribution of dough, weighing and collection of papad, packaging, etc. are all decided by the sister-members by consensus. The wage pattern is based on the principle of equal pay for equal work. In any case, it is the collective responsibility of the sister-members to manage all branch activities efficiently and profitably. Apart from production, the branch is also responsible for marketing its products in the area allotted to it. The wide network of dealers and the goodwill that Lijjat products enjoy with customers make the marketing relatively easy. To maintain the high quality and standard of Lijjat products and uniformity in taste for the same product from different branches, the central office supplies the raw material – mung and urad flour -- to all its branches. This remains the only involvement of the central office in the entire production and marketing exercise of the

Rolling charges (vanai) differ from branch to branch, between Rs 14 and Rs 18 per kilogram depending on the profit of the branch. Each sister-member is expected, as also bound by the pledge, to roll out at least three kilograms of papad everyday. A new member, after about 15 days of on-the-job training, starts achieving this target in about five to six hours and goes on to roll out one kilogram per hour after some months. Helping hands at home shoot up production and accompanying monetary returns. If there is any loss, sister-members, as the owners of Lijjat enterprise, absorb this by taking less vanai charges. Similarly, profits are distributed among the sister-members as extra vanai charges at the discretion of the branch concerned.

The story of seven illiterate and poor women who borrowed Rs 80 to start a papad business, and took its turnover from Rs 6,196 in the first year to Rs 300 crore in the next four decades, involving over 40,000 women on its revolutionary march, is fanciful at any rate. But to say so would be undermining the contribution of a well thought-out Gandhian business strategy, equally well executed by his followers, late Chhaganlal Karamshi Parekh and Damodar Dattani, who worked tirelessly from behind the scene. Their vision was clear – an exclusive women's organisation run and managed by them, a quality product that these women had the expertise to make, and, finally, a work

environment which is not competition-driven and mechanised but based on pure labour and love for the organisation and its people.

Lijjat is today guided by separate divisions of advertising, marketing, sales promotion and exports. There is greater coordination between branch offices (different production and marketing units) and centralised marketing, advertising and exports departments. Transfer of finished products to centralised marketing offices from different branches was worth Rs 113.52 crore and ad-spend stood at Rs 2.55 crore for 2000-2001.

But more than its much-hyped sales figure, Lijjat's experiment in the realm of corporate governance stands out as one of a kind. All the centres are autonomous, profits remain with the respective branches and are normally used to augment the business after a due share is distributed as extra vanai charge to sister-members. Employees, numbering about 5,000 including the chairperson herself, are in no way superior to sister-members, and are therefore expected to behave accordingly. Besides, the phenomenal growth and expansion of Lijjat into a multi-product company has opened up new employment opportunities for the sister-members; eligible candidates are chosen and trained to work in its modern Polypropylene, Sasa detergent & cake and printing divisions.

Lijjat women also work from their homes, where help from other family members not only adds up to the income but also makes the work more enjoyable. Lijjat has insulated its sister-members from joblessness. At the workplace they are self-respecting, hard-working and sisterly to one another. More importantly, besides the strength of womanhood, Lijjat is also an experiment in the restoration of the essence of womanhood. The Lijjat women offer an alternative to the highly competitive and stressful work environment defined and dominated by men in which a woman competes with a man more as a man than a woman," says an elderly Gandhian, TK Sumaiya, of Bombay Sarvodaya Mandal.

New centralised marketing offices now procure surplus production from different branches and market it at an all-India level in addition to marketing of its products in the areas allotted to it,. This coupled with a healthy upward trend in the export of Lijjat papad positions Lijjat as the strongest brand in the papad industry. Lijjat markets its products through a wide network of dealers and distributors all across the country, and has never chosen to sell or push its products directly through the vast network of its offices and sister-members even during the initial years. Rather, over the years, Lijjat has developed cordial and mutually beneficial relationships with its dealers. Sisters claim they believe in doing the business wisely and on sound business ethics. Dealers are given a set commission of seven per cent and retailers' earnings are fixed between Rs 2.25 and Rs 26 on the investment of Rs 14 for 200 grams and Rs 150 for 2.5 kilogram packs respectively.

Lijjat is committed to deliver healthy products produced in hygienic condition. It believes that it is possible to earn a decent return without compromising on quality. The concern and commitment drawn largely from the *sarvodaya*,<sup>25</sup> makes it difficult for others to imitate Lijjat. Turnover and profits earned over the year's stands testimony this. This aspect of Lijjat's operations is not very good news for machine and money-driven corporates owned by business tycoons. But the essential message that Lijjat's success conveyed has definitely fired the imagination of women and rural folks. In many parts of Maharashtra and Gujarat, locally manufactured and marketed eatables are catching on. There is hardly any NGO or voluntary organization nowadays which does not try to create employment and funds, small or big, along Lijjat's line.

Lijjat as a business venture has been trying to rewrite its own success with other products with varying degree of success. Grounded spices, khakhra, black pepper powder, detergent powder and cake, vadi, bakery products, wheat flour are on Lijjat's menu but papad with a sales figure of Rs 288 crore remains at the top. Among similar ventures which came a cropper are incense sticks, leather bags, tiffin boxes and matchsticks. The most promising among them is the chapati division with six

---

<sup>25</sup> Sarvodaya is Gandhiji's most important sociopolitical movement. Like Satyagraha, it too is a combination of two terms, Sarva meaning one and all, and Uday meaning welfare or uplift. The conjunction thus implies Universal uplift or welfare of all as the meaning of Sarvodaya.

branches in Mumbai. Here, the women come in to work at around seven in the morning and make chapatis as they are prepared in homes. Packed Lijjat chapati, four for Rs five, are available at retail shops in Mumbai. These centres also procure orders from hotels, office canteens, etc. and the clientele in Mumbai includes some big names from the hotel and catering industry. "As the pace of life increases, little time is available to most people in metros like Mumbai to cook their own food. There are good prospects for women forming small groups and catering to the local demand for homemade chapatti or similar products," says Ashok Bhagat, a leading social worker engaged in tribal welfare activities.

One can proudly say that Lijjat is one of the places in India where Gandian Values are embodied.

## **RATHNA MANASA**

It is 5.30 a.m. when a bunch of children come to distribute milk in Ujire , the sleepy town at the foot of Western Ghats. These children are not milk vendors, but students of Rathnamanasa - a unique residential school that teaches discipline to be a way of life.

Rathnamanasa, meaning to think pure, is situated at Ujire, nine kilometres from the temple town of Dharmasthala. The Institute which is spread over ten acres of land is in harmony with nature and abounds in greenery, water, farms, plantations and various birds and animals. The late Rathnavarma Heggade, then Dharmadhikari of Dharmasthala, started this institute in 1973 to impart knowledge about agriculture and dairy farming to poor students . They also had to undergo formal education.

### ***Different groups***

There are 115 students in this school, who are divided into four groups namely agriculture, dairy farming, cooking and management. The students work on a rotation basis in all the four departments. Top priority is given to agriculture. Along with teachings in traditional farming practices, they are initiated into modern techniques such as a practical exposure to drip and sprinkler irrigation. These students also get to enhance their knowledge skills through guest lectures that are regularly organised. Another important sector in the residential school is dairy farming. The students have to clean the shed, milk the cow and distribute the milk. The biogas, which is produced from cow-dung and agricultural waste, is used in cooking food. They are also given knowledge about banking through self-maintained accounts in the bank. The students also have a tradition. On vacations, when they go home, students are given two saplings of coconut that they have to plant near their home. By the time, they complete their schooling; they will have a dozen coconut plants that will help them in the longer run.

### **III**

Case studies explained above represent a large section of the Social Enterprises operating in India. Some of those enterprises like Lijjat have a long history. Cases are taken up with the purpose of understanding the idea of social entrepreneurship. It is attempted to have a fair representation from the perspective of geographical spread, constituency they address, and social impact they have made. A detailed study of these cases largely answers issues like; what social entrepreneurship is, why it is needed and the significant contribution that social enterprise have been making in the Indian situation. A careful reading of the above stated cases reflects the following important points.

## Social innovation

Social innovation is at the center of social entrepreneurship in India. Innovation is understood in the Schumpeterian sense. It is a new product or service to address a problem which the existing system has not been able to. This is to state that the idea of social entrepreneurship is more or less impregnated by;

- i) Innovative social product/services demanded by a specific constituency of users or beneficiaries, and
- ii) Entrepreneurs with a social mission, who is sensitive to the needs of the people whose demands are not met by the business enterprises (either for want of purchasing power on the part of beneficiaries or non-availability of product on the part of suppliers).

In addition to the above the innovation is something necessitated by the conditions prevailing at a given point of time in the economy or society. To make this point explicit, what Samveda did was a social innovation. It designed a new pedagogy for children with learning disability. When a child was found problematic in the mainstream school, parents were worried. No one was able to understand the problem. Social Entrepreneur, who found that the child was otherwise intelligent and normal, realized that there was something that escaped the attention of school and parents. Mr Suren wanted find out the root cause of the problem and succeeded in his attempt. However, he came to know of what he did was a social innovation (understanding the problem of learning disability and a method to address it), only after he met Mr. Prakash, Professor of Psychology. This has happened in the case of Harish Hande of SELCO and others too. These entrepreneurs identified the opportunity (which was generally a problem from the common man's perspective) and started making use of such opportunity.

## Social Orientation and Collaboration

Social Orientation (SO) is one of the cornerstones in any social enterprise in India. Unless there is social orientation no enterprise can see the light of the day. The entrepreneurs who initiated the idea of SE have a strong drive towards addressing a social problem. This is evident from views expressed by the social entrepreneurs in the interviews with the research team. Lessons that Hande of SELCO learnt from the street vendors and farmers drove him to design a product to suit their needs rather than produce something and sell it. This does not happen with the business enterprises usually. In case of Desi and Charaka too there is a strong orientation towards society. While designing a marketing strategy efforts are made to communicate to the user of products that 'you are not only buying a product but keeping a craft alive, empowering rural women, and a native tradition. Such social orientation is the glue that binds people together in an organizational set up. People who are a part of the social enterprise accept less pay than what they get elsewhere. What makes them committed to the enterprise or organization is the social orientation and social orientation is a concern shared by everyone within the organization. There is also an element of personal loyalty to those who are leading the organization, concern for the beneficiaries and the like. In SELCO many technicians opted to work with the entrepreneurs because they found him sincere and committed to serve people who needed technology the most. It is such a commitment is the cementing factor between various stake holders.

## Self Reliance (Reinvestment of profit, Pricing and support from society)

Self Reliance is another factor that drives social enterprises.

Any idea to be operational requires resource or investment. Investment has to come from somewhere. Entrepreneurs, who identify the opportunity, may have idea but not resources required for transforming the idea into an action. Unless the innovative venture starts addressing the problem by either generating services or producing products, there is no social entrepreneurship.

Social innovation is not accepted normally by entrepreneurs with business acumen. Therefore, in almost all the above cases the ventures took off by the at the behest of idea generators (entrepreneurs) with own funds. Beneficiaries who were in need of the product were ready to pay the price. But the existing system of payment did not have the flexibility required by the poor. People were not at all looking for total charity; instead were looking for flexible mode of payment. In case of Lijjath, women wanted to lead a life with dignity and honour, for which they were ready to put in hard work. The skills that uneducated poor women from the marginalized sections of the society had could hardly fetch them job. Under such circumstances they came out with novel idea of producing pappad.<sup>26</sup> In 'Charaka and Desi' too both on production and consumption side the idea of self-reliance has lot of relevance.

'Samveda' has problems in mobilizing resources required to run it more efficiently. But it has not gone beyond a limit. It says that there is nothing free. Students who get admitted for training have to pay, in case they are unable to pay the entire fee, after studying the financial condition of the beneficiaries, they are asked to pay whatever is possible. The institute would look for donors who can sponsor the child. Efforts are made to communicate the message that, it is with hard work and sincere efforts that the child is taken care. But efforts are made to achieve breakeven. Though general resources flow from the following; Cost borne by the beneficiaries, Sponsorship, and Donations and contributions the social cause is never negotiable. One cannot say that resources not are important but it is required to meet the cause for which the organized stands for. Consciously a social enterprise always aims to be self reliant by not throwing itself at the mercy of some interest group or funding agency.

Traversing through the trajectories that social enterprises (organizations with a social mission) in India have travelled, it is evident that 'social mission' has always been the central mission. The modes operandi in realizing such a central mission has been fashioned by the general economic, social and political condition prevailing in India. At some stage it was charity, next it was philanthropy, later it was voluntarism, and now with the changes in the economic policies, it is social enterprise.

## IV RECENT TRENDS AND CHANGE

During the recent past there has been increased interest on social entrepreneurship. Foundations, Institutions of higher learning like Indian Institute of Technology, Indian Institute of Science, Foundations for Charitable purpose and even trade associations started showing interest in the research and development of Social Entrepreneurship. Association of Indian Chamber of Commerce with the aid from US Aid has organized series of workshops to promote the idea of social innovation and social entrepreneurship. We find Associations, Forums, promoted either by Institutions of higher learning or by Corporate Sector.

Social entrepreneurship has never been a part of the programs in the Institutes Offering Professional Education or of University System. Today the situation has changed we have Formal Education being offered by Institutes of higher education and University. So far what social entrepreneurship was loosely constructed as per local conditions for a general understanding, which was contextual? The above trends explained above have made it necessary to define and rationalize the idea of social entrepreneurship. In India we have great diversity in culture. For every hundred miles there are

---

<sup>26</sup> Papad or Pappadam is a thin Indian wafer, sometimes described as a cracker or flatbread. It is usually made from dried lentils; eaten fried or roasted. The papads are processed in different tastes utilizing natural inbuilt flavors to suit individual requirements. Papad is a dried lentil chip studded with Indian spices which can be grilled or deep fried. Salt and peanut oil are added to make a dough, which can be flavored with seasonings such as, chili, cumin, garlic or black pepper. The composition of the papad varies by addition of a large number of ingredients such as cereal flour, pulse flour, soya flour, spice mixes, chemical mixes and different vegetable juices to improve both organoleptic and nutritional characteristics.. The dough is shaped into a thin, round flat bread and then dried (traditionally in the sun) and can be cooked by deep-frying, roasting over an open flame, toasting, or microwaving, depending on the desired texture. It is served as an accompaniment to an Indian meal, as a snack and as croutons in soups.

differences in language, food habits, social relations, customs and traditions. This is one of the reasons why centralized planning has not been able to bring in economic and social transformation in the post-independent period. Despite large-scale state intervention divide between the rural and the urban, rich and the poor, male and female is increasing. Criticisms are leveled that emphasis of development policies in India has been more on wealth creation than on distribution of wealth created. There has not been remarkable change even after liberalization.<sup>27</sup> Therefore, institutionalizing and standardizing social entrepreneurship may shift the focus from the existing models and strategies which have grounding in the society. Different shades of social entrepreneurship which we have in India may be lost over a period, in our quest in standardizing social entrepreneurship. As Mr Harish Hande one of the social entrepreneurs in India pointed out 'standardization' is possible in case of wants and not in case of 'needs'. Social entrepreneurship in India is broadly a social response through individuals to address the issue of economic or social exclusion.

The current discussions on social entrepreneurship state the idea as something new ignoring the historical roots of the idea in the sub continent. What we find totally a new generation of researchers and practitioners on social entrepreneurship, and absence of pioneers in the field is obvious.<sup>28</sup> As it was stated earlier, what is happening currently is an institutionalizing the idea of social entrepreneurship and paradigm building. The new generation actors in the field are resource rich actors who can influence the legitimating process of discourse on social entrepreneurship. They are capable of enact the process by aligning the key discourses and norms of the field with their internal logics of action. This development is problematic because social entrepreneurship gets trapped in theory building process than varieties of approach applied to address problems of marginalization. Recent debates on social entrepreneurship also has been on developing social entrepreneurship and making social enterprises economically viable. These propositions are problematic since the debate is getting into a competitive mood in its quest to scale up and toe the line of debates taking place at the global level. Debate centering economic viability smells principles of market economy, consequent to which large part of the population is left at the mercy of third sector initiative and social enterprise is one of those. It may lead to situation where the space beyond public and private sector may also be occupied by the market forces leaving the vulnerable in a very bad shape.

---

<sup>27</sup> See Arjun Sen Gupta

<sup>28</sup> Pascal Dey and Chris Steyaert (2010) The Politics of narrating social entrepreneurship" *Journal of Entrepreneurial Communities: People and Places in Global Economy* Vol.4 No.1 pp 88-106