



SOCIAL ENTERPRISE ECO SYSTEM: LEGAL FRAMEWORK AND POLICY REVIEW IN INDIA

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ABSTRACT

As Social entrepreneurship is not in isolation and it is an integral part of the social system, the role, nature and scale of social entrepreneurship cannot be discussed without taking into consideration the complex set of institutional, social, economic and political factors constituting this context because social entrepreneurship is an integral part of a social system (Mair, 2010). The constraint of forces comprising the environment, the social mission and the need for sustainability produces a unique form of entrepreneurial behavior that is conceptualized as social entrepreneurship (Weerawardena & Sullivan Mort, 2006) . Social entrepreneurship is likely to be strongly influenced by environmental dynamics, policy decisions and management initiatives that should be directed towards understanding and managing environmental dynamics (Weerawardena & Sullivan Mort, 2006). To build a social business model, it is essential to study how favourable is the ecosystem surrounding the enterprise. Many of the research studies and reports states that India is the hotbed for social enterprises for diverse reasons which gives the reason for studying the legal framework and the policies governing the functioning of such enterprises. This study intends to understand the present favourable ecosystem considering the Government policy and legal framework for social enterprises.

KEYWORDS: *Social Enterprise; Social Entrepreneurship; Entrepreneurial Ecosystem; Legal Framework; Government Policy; Social Innovation; Financial Inclusion; Social Impact; Social Stock Exchange; Inclusive Development; India.*

Indian Social enterprises are characterized as inclusive business models that give poorer people a chance to participate economically. They aim at products that are affordable for the BoP, like affordable healthcare, water, sanitation, energy and housing (ADB report 2012). India ranks 62th among the 74 emerging economies on the Inclusive development index. India ranked 130 out of 193 countries in 2024 in Human Development Report 2025 released by the United Nations Development Programme (UNDP). Moreover, the Global Multidimensional Poverty index 2024 report published by the UNDP also disclosed the fact that the five countries with the largest number of people living in poverty are India (234 million), which is medium Human Development Index (HDI), and Pakistan (93 million), Ethiopia (86 million), Nigeria (74 million) and the Democratic Republic of the Congo (66 million), all of which have low HDI. Collectively, these five countries represent nearly half (48.1 percent) of the total 1.1 billion poor people. Despite, India has the largest youth population in the world- with around half of the population below 35 years. The youth to fuel the country's great demographic dividend needs simultaneous growth in their professional skills to enable an effective and productive social enterprise ecosystem in India.

In India, the Social Enterprise business models are designed based on the social need that focuses on reduction in poverty, increase in employment & training, better education, better health & hygiene and environmental factors. Most of Indian social enterprises give importance to the underprivileged and the marginalized sector that intends to solve some of the social and economic problems the country is facing. Some successful ones to mention would be, SIRI works on women empowerment and microfinance, Deshpande foundation on education and training, Sahaja Samruddha on organic farming, SELCO on low cost solar energy for the marginalized, Namma Bhoomi on rural development through training, employment & education and Arvind eye care on health needs etc. Social enterprises have always been extremely effective in developing countries like India which is the home to one of the largest populated countries in the world (Clinton, Lindsay, 2010). Now there are online communities like Your Story, Ennovent, Start up Wave etc to publish stories, for mentorship and networking of social enterprises. Forums like Sankalp Forum, Villgro, Action for India Forum, Khemka Forum, Ashoka etc. hosts events, publishes reports and supports Social enterprises. National Entrepreneurship network supports student entrepreneurship programs,



NASSCOM Social enterprise forum that supports Tech led social innovations across India etc. There is also a National Association of Social Enterprises in India(NASE) which enables networking and funding for such enterprises. There is strong support for a support the ecosystem of social enterprises in India.

Significance and Nature of the Legal Framework

The way government acknowledges the business model of social enterprise as a legal form is an essential element of the ecosystem of social enterprises (ecosystem in Indonesia). Social enterprises are relatively a new area of study with large number of definitions identified by the different schools of thought. Social enterprises may be for-profit, not for profit and hybrid organisations that use business models to attain societal objectives .

A country can:

- Not define social enterprise, and leave it to social entrepreneurs to adapt pre-existing structures to social enterprise (e.g., Malaysia).
- Not define social enterprise, while creating a range of legal forms that can be used for social enterprise (e.g., United States).
- Adopt a working definition of social enterprise (which is adopted by the executive branch) and complement this working definition with a legal form specifically created for social enterprise (e.g., United Kingdom).
- Adopt a legal definition for social enterprise (which is adopted by the legislative branch) and combine this with a legal form that could be used for social enterprise-type activities (e.g., Italy, South Korea).

Social enterprises in Asia are Non-Governmental Organisations (NGOs) that are registered as societies or trusts which are tackling issues ranging from environment related to social equality to poverty alleviation. The financially sustainable NGOs are changing their legal status from NGO s to for profit social enterprises. In South Korea, the social enterprises are categorized with the purpose termed as Work Integration Social enterprises(WISEs), Social Service provision, Hybrid models with the combination of WISE and social service provision and others. They also have introduced social cooperatives in 2012 that encourages the use of entrepreneurial skills to resolve social issues like unemployment and community welfare. Singapore has the most common social enterprise activity as service provision, the models developed are profit plough back social enterprises, Work Integration Social Enterprises (WISE s), co-operatives and hybrids. In Japan, 'community business' is the commonly used term for hybrid business instead of social enterprise (Defourney & Kim, 2011). In 1991, Italy introduced the form of social cooperatives which enabled individuals to use entrepreneurial skills to tackle social issues faced by the state. Malaysia has no specific legal form for social enterprises. The founders have adapted any one of the existing legal form which includes private limited companies and associations. The East Asian social enterprise models are classified into five broad categories as Trading Non-Profit Organizations, Work Integration Social Enterprise(WISE s), the Non-Profit Co-operative enterprise, the social enterprise stemming from for profit/ nonprofit enterprise and community development enterprise (Defourney & Kim, 2011).

Way back in 2004, though UK parliament had not defined the social enterprise, they specifically created a legal form for social enterprises 'Community Interest Company'(CIC). Later in 2012, the UK parliament approved the definition of social enterprise proposed by the Ministry of Health. Accordingly, U.K. parliament included CIC as a part of the UK Companies Act based on the recommendations by the Government's social enterprise units ¹. When countries like UK are proactive in drafting regulations for Social entrepreneurship, most of the other countries are lagging behind. Social entrepreneurship requires a strong legislative ecosystem that ranges from organizational forms to tax structure.(Mair, 2010). However, for U.K. commentators, these would not qualify as social enterprises because they do not require an asset lock or a redistribution of profits to the company's social mission. In the United States, a new legal form called the benefit corporation, as well as B corporations (companies that have been awarded a certification from non-profit B Lab), are commonly associated with social enterprise ventures.

Social enterprises can theoretically select any of the legal forms provided for by law in its country of operation and use any flexibility that is provided in the law to adapt the legal form to its social or environmental mission. The legal form chosen is irrelevant to the status of social enterprise: what matters is that as structured, the entity fulfills the

¹ Part 2 of the Companies (Audit, Investigations and Community Enterprise) Act 2004. See also The Community Interest Company Regulations, 2005, S.I. 1788 (U.K.) enacted in 2005.



components for social enterprise that are generally accepted in its particular country of operation. The key determinants for choice of a legal form would be the sources of financing, tax implications, accountability, partnerships for attracting donors, transparency in its mission. It is also relevant to note that what is considered a legal form for social enterprise in one country may not be considered a form for social enterprise in another. The legal form will need to fit with the definition for social enterprise used in that country. Adopting a legal definition for social enterprise will give a clarity in definition, will qualify for support and will also signal the Government that this area of social enterprise is an area of importance to the Govt and the country. On the contrary the legislative revision process may be burdensome, time consuming and may lack flexibility.

Objective of the study

The objective of this study is to analyse the various forms under which social enterprises operate in India and the Government policy support that provides a conducive environment for such enterprises.

Emergence and Legal form of Social enterprises in India

Early Social Entrepreneurs were inspired by Gandhian philosophy and movements that aimed at economic self-sufficiency & preservation of human dignity. Selfless service was the motive behind all the models that were initiated for the purpose. In the 1960's and 1970's the welfare oriented indigenous NGOs formed by International NGOs, NGOs formed by middle class professionals, Community Based Organisations (CBOs) formed by poor with the help of NPOs or local Govt., corporate philanthropy and developmental NPOs formed by the Govt. were found in India. The common themes were relief work due to regular occurrence of natural calamities. The basic reason for the emergence of NPOs were dissatisfaction with the Government led development model. Around the mid 1970's, challenges of food security led to the 'white revolution' and the 'green revolution' in the dairy and the agricultural sector respectively. The 1980's witnessed the withdrawal of the State as an entrepreneur and subsequent increase in the role of the private and the third sector as important agents addressing the socio-economic issues. Since then NGOs have been working for the socio-economic and environmental issues in India. The Seventh five-year plan "formally acknowledged the importance of the popular participation of NGOs, especially in rural areas, for the successful execution of its programmes and explicitly sought to engage them in the implementation of various anti-poverty programs" (Keshab Das), which fully took flight in 1991, with the implementation of New Economic Liberalization Policies. There has been a steady increase in the role private sector in the economic development of the country. There have been initiatives to support private investment in the economy. Economic growth driven by private investment more or less was skewed in favour of urban centers and rural segment continued its dependence of either State funding or on the government or NGO s. NGOs had to design an alternative model to address the development issue in the light of self-sufficient and sustainable models of development. These developments during economic liberalization led to the emergence of the new sector called as the citizen sector (nomenclature given by Ashoka foundation). Having the largest number of NGO s (1,14,847 NGOs as on May 2021²), India has always provided a conducive environment for the growth and development of social enterprises. Social enterprises are generally understood as a graduation that stems out of an assignation with NGOs. But, unlike NGO s, these enterprises generate income through market-based approach and rely partly on grants from foundations besides actively collaborate with Government and the private sectors for their operations. For financing of social enterprises, till recently, it has been the foreign capital in the form of social impact investment providing capital for their incubation and growth, now they are finding ways to unlock the domestic capital. Social Enterprises have been growing at a very high pace over the years even through economic downturn. India has witnessed the developmental activities moving from corporate philanthropy to NPOs to NGOs and now to self- sustainable social enterprises. Indian social enterprises have three broad types of legal structures to opt not for profit enterprises, for profit enterprises and hybrid enterprises which can be segregated as follows (Joshi et al., 2020) .

² NGO Darpan- <https://ngodarpan.gov.in> ›



Legal Status	Description
NOT FOR PROFIT LEGAL FORMS	
Trust	Charitable trusts can be formed under the Public Trust Act applicable in the concerned state, if any, or under Bombay Trust Act, 1950 ³ . 'It may be formed for either a public, religious or charitable purpose or both and registered under the Societies Registration Act, 1860. Trusts need to be registered under the Deputy Registrar or Charity Commissioner, as the case maybe, with the State in which it belongs, for eligibility of tax exemption. If the trust is formed for the benefit of the larger group of people, then it is a Public trust and if it is formed for a smaller group of people with a specified objective, then it is a Private trust. If it is for the benefit of a substantial section of people, it can be called a Public Trust, whereas a Private Trust could be for the benefit of a limited number of people having a specific objective.
Society	Societies in India are governed by the Societies Registration Act 1860 ⁴ as well as the state acts notified for different states. The Act is to promote the legal registration of societies for literary, scientific and charitable purposes. A minimum of seven persons are required to form a society. A Memorandum of Association is required to be submitted to the Registrar of Societies by the members, willing to form a Society. Registration is mandatory to legalise the society that will make it eligible to receive grants and donations and to obtain income tax exemption.
Section 8 Company (known formerly as Section 25 Company under the Companies Act 1956)	A Section 8 Company is a special type of non-profit organization (NPO) formed under Section 8 of the Companies Act, 2013. Section 8 Companies are registered under the Ministry of Corporate Affairs. It is meant for the promotion of commerce, art, science, sports, education, research, social welfare, religion, charity, protection of environment, or any other such purpose. Minimum members required are 2 for a private limited Section 8 company and 7 for a public limited Section 8 company. The Company intends to apply its profits or any other income in promoting the stated objects only. It is prohibited to distribute its income as dividends to its members.
FOR PROFIT LEGAL FORMS	
Private Ltd Company	A private limited company allows owners to subscribe to its share by paying share capital fees; such owners/members become shareholders of the company. A private limited company is a separate legal entity in terms of liability and taxation. The personal liability of shareholders is limited to share capital.
Sole Proprietorship	The simplest form of business in India. It doesn't need its own Permanent Account Number (PAN); the PAN of the owner (Proprietor) acts as the PAN for the Sole Proprietorship firm
Partnership	Partnerships are governed by the Partnership Act of 1932 ⁵ . Two or more (upto 20 people) can form a partnership. The partnership deed lays down the amount of capital that each partner will contribute and how much of the profit/loss each partner will share. Working partners of the partnership are also allowed to draw a salary.
Limited Liability Partnership (LLP)	This is a new form of business entity established by an Act of Parliament. It allows members to retain the flexibility of ownership but provides liability protection. The maximum liability of each partner in an LLP is limited to the extent of his/her investment in the firm
Public Limited Company	It is similar to a private limited company, but the difference is that the number of shareholders can be unlimited (minimum of seven). A Public limited company may or may not be listed on the Stock Exchange.
HYBRID LEGAL FORMS	
Producer Company	The producer company is a new legal alternative to the cooperative that still gives producers ownership of the company. This is a legal form for cooperatives and agricultural companies.

Source: British Council Report on the policy framework in India, GRAAM report and other sources.

³ Bombay Trust Act 1950. Retrieved From: <https://charity.maharashtra.gov.in/Portals/0/Files/B.P.T.Act,1950.pdf>

⁴ Societies Registration Act 1860. Retrieved From:

https://www.mca.gov.in/Ministry/actsbills/pdf/Societies_Registration_Act_1860.pdf

⁵ Partnership Act 1932. Retrieved from: https://www.mca.gov.in/Ministry/actsbills/pdf/Partnership_Act_1932.pdf



Research studies have found out that most of the companies in India have registered as private companies. With a sample of 150 social entrepreneurs, 52% percent of the social entrepreneurs have registered their venture under Societies Registration Act, 1860, 35.3% percent of the social entrepreneurs have registered under The Companies Act 1956, and followed by 12.7 percent of them registered their venture under The Indian Trusts Act, 1882 (Mary et al., 2017). GRAAM report states that 80% of the Indian social enterprises opt for private limited company structure.

SOCIAL ENTREPRENEURIAL ECOSYSTEM

One emerging approach is the focus on entrepreneurial ecosystems (Zacharakis, Shepard, Coombs, 2003; Isenberg, 2010, Malecki, 2011; Kantis and Federico, 2012; Feld, 2012). It is argued that in dynamic ecosystems new firms have better opportunities to grow and create employment, in turn nurturing an entrepreneurial society (Rosted 2012). A provisional business model must be evaluated against the current business ecosystem and predict on how it might evolve (Teece, 2010). Similarly, to build a social enterprise model, it is essential to study how favourable is the ecosystem surrounding the enterprise.

The cluster and innovation theories give a broad idea of the various components of the Ecosystem. The components may include the presence of entrepreneurs, govt. policies, mentors, research universities, investors, workers etc. these components can be further classified as cultural, social and material attributes and how they govern and benefit entrepreneurship (Spigel, 2015). The cultural component explains on the cultural attitudes and histories of entrepreneurship in a particular region, the social attribute includes network, investment capital, mentors and workers talent and finally the material attributes are universities, support services and facilities, infrastructure, policy and governance and open markets (Spigel, 2015). Social enterprises, in fact are actors in a complex ecosystem with enabling factors- regulation, information & network, human capital and financing (Agapitova et al., 2017). The working of social enterprise gets strengthened with required resource mobilization and building new partnerships within the ecosystem (Kummitha, 2016). Hence networking with stakeholders like funders, volunteers, government, and other social enterprises are very much required for the success of the social enterprises. Social enterprises by mobilizing Volunteers and social networks have specific ability to strengthen social capital (Laville & Nyssens). A favourable ecosystem calls for hybridization of economies where three economies work together rather than in isolation from each other (Laville and Nyssens). Apparently, the market, state and the third sector should work in harmony for the growth of social enterprises in an economy

FUNDING ASSISTANCE AND POLICY SUPPORT BY THE GOVERNMENT

The way the government acknowledges the business model of social enterprise as a legal form is an essential element of the ecosystem of social enterprises (A.H. Pratono, A. Sutanti / Pacific Science Review B: Humanities and Social Sciences 2 (2016) 106e112 111). The three main areas of policy that helps to understand the ecosystem for social enterprises are : NGO and civil society policy, Financial inclusion and microfinance development and regulation and the Private sector development, in particular support to MSMEs⁶. Livelihood programmes and social service programmes are also relevant in this context.

Though India is not having a legal form for social enterprises, the Government is indirectly assisting the social entrepreneurs through the various schemes and policies. Indian social enterprises have a history from Non profit organisations (NPO). There is also a lot of attention given to small entrepreneurs by the various schemes introduced by the government like the Start up fund, MUDRA yojana, Make in India concept etc. to promote entrepreneurship. Most of the Government policies facilitate in creating livelihood opportunities to the marginalized sector. The support by the Government of India may be through funding, skill development and policy initiatives. Social enterprises can utilize these opportunities to create sustainable business models for their enterprises. Some relevant policies and the schemes that enable the smooth functioning of the social enterprises is as follows.

⁶ https://www.britishcouncil.in/sites/default/files/social_enterprise_policy_landscape_in_india_0.pdf



	Description
MINISTRY OF RURAL DEVELOPMENT-	• NGO Darpan: NGO' started in India during the 1960's after which have seen a tremendous growth. The sixth and the seventh five year plans identified the role of NGO's in rural and community development. The eighth five year plan gave more importance to NGO's for rural development. But due to few NGOs' getting involve into misappropriation of govt. funds and tax evasion etc. the task of acquiring funds for social good from the government was a difficult one. Above all with the introduction of FCRA, the NGO's seeking for foreign funds was also difficult. But inspite of all these, there are genuine NGO's actually working for social good in the Indian Society. such NGO's contribute to the socio economic development of the economy. NGO Darpan is an interface between the NGO s and Government departments. An initiative by the National Informatics Centre(NIC) and NITI Aayog that facilitates exchange of information between NGOs , Voluntary Organisations (VOs) and the Government departments. It provides timely updates on the benefits and the Government grants to these organisations. • Flagship programmes: Ministry of rural development supports social enterprises in rural India through its flagship programs. Deen Dayal Upadhyaya Grameen Kaushalya Yojana and Rural Self Employment Training Institute (DDU-GKY and RSETI) with dual objectives aims at adding diversity to the incomes of the rural poor families and also cater to career aspirations of the rural youth. There are 31397 candidates registered for DDU-GKY and the 611 for RSETI according to the report published by the Ministry for Rural Development (https://kaushal.rural.gov.in/#/outer-report). • Start-up Village Entrepreneurship Program(SVEP) is the sub scheme of Deendayal Antyodaya Yojana that supports Self Help Groups (SHGs) and their family members to set up non farm enterprises. As on December 2024, a total of 3,13,464 enterprises have been supported under this programme.
MINISTRY OF SOCIAL JUSTICE AND EMPOWERMENT	The ministry provides NGOs schemes, educational schemes, schemes for economic empowerment and social empowerment of the disadvantaged and the marginalized sections of the society. Educational schemes for OBC/SC/ST students provides scholarships, fellowships, construction of hostel facility for marginalized students, educational loans, interest subsidy on educational loans, free coaching facility. Economic empowerment schemes include credit guarantee scheme, Entrepreneurial schemes, economic empowerment schemes for Safai karmacharis, SC/ST, National action for mechanized sanitation ecosystem etc. Social empowerment schemes through National Backward Classes Finance and Development Corporation (NBCFDC) facilitates loans, skill training and market linkages to support the backward communities. The umbrella scheme termed "SMILE - Support for Marginalized Individuals for Livelihood and Enterprise" which includes two sub-schemes - 'Central Sector Scheme for Comprehensive Rehabilitation for Welfare of Transgender Persons' and 'Central Sector Scheme for Comprehensive Rehabilitation of persons engaged in the act of Begging'. This scheme provides welfare measures for both transgender persons and persons who are engaged in the act of begging with focus extensively on rehabilitation, provision of medical facilities, counseling, education, skill development, economic linkages etc with the support of State Governments/UTs/Local Urban Bodies, Voluntary Organizations, Community Based Organizations (CBOs) and institutions and others. The aim is to coordinate with various stakeholders working in this stream to bring the marginalized to the mainstream.
THE DEPARTMENT OF SCIENCE AND TECHNOLOGY (DST)	DST fosters social entrepreneurship through its schemes and program that provide funding, mentorship, and access to technology, with the aim of creating positive social impact and addressing societal challenges. The National Initiative for Developing and Harnessing Innovations (NIDHI) program, managed by DST is a key umbrella program



	that nurtures start up ecosystem and promotes Science & Technology based entrepreneurship. Through NIDHI- SEED SUPPORT SYSTEM(SSS) provides seed funding, grants and other financial assistance and has a scheme on “ Biotech-based Programmes for Societal Upliftment ”, which is being implemented throughout the country to benefit SC, ST, women and rural people. Through this scheme, demonstration and training programmes are being conducted in various income and employment generating activities. Proven and field-tested technologies are being demonstrated to help the target population in their skills development, employment and income generation.
MINISTRY OF COMPANY AFFAIRS COMPANIES ACT 2013	Under Companies Act 2013, every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director. This committee will recommend and approve the CSR policy for the company. The Board of every company referred shall ensure that the company mentioned above will spend at least 2% of the average net profits made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy. The company will give preference to the local area where it operates for spending the amount and if unspent should disclose the reasons for the same. Apparently if the corporate sector would divert their CSR funds to these social enterprises, that would facilitate these enterprises for scaling and sustainability.
POLICIES TOWARDS FINANCIAL INCLUSION	With the introduction to schemes like no frills account, priority sector lending and mobile ATM s has lead to inclusive growth. With approximately 85% of the microfinance borrowers being women, there is a pressing need to provide them access to credit, access to information, rights to financial decision-making and assistance in varied entrepreneurial pursuits ⁷ . This has empowered women socially and economically. Awareness on microcredit generation, access to income generation and facility to benefit from government schemes define the true reach of financial services. The National Strategy for Financial Inclusion (NSFI) for 2019-24 has been prepared by the RBI to ensure safe and transparent access to financial services for all the citizens. This is expected to expedite financial inclusion and tackle the issues of low literacy rates, lack of awareness, high interest rates and poor access to technology infrastructure. • Pradhan Manthri Jan Dhan Yojana (PMJDY) • Pradhan Manthri Mudra Yojana (PMMY) • Financial Inclusion Fund (FIF) • National Mission for Financial Inclusion (NMFI) • Digital financial inclusion • SHG- Bank linkage programme
POLICIES TOWARDS MICRO SMALL and MEDIUM ENTERPRISES (MSME s)	• MSME development Act 2006 • National Manufacturing Competitiveness Programme, 2008, Ministry of MSME • India Inclusive Innovation Fund 2014, Ministry of Micro, Small and Medium Enterprise • Kisan Credit Card Scheme 1998-99, Ministry of Finance, Government of India, Reserve Bank of India and NABARD • Enterprise policy, Ministry of skills and development and entrepreneurship • Societies registration act 1860, ministry of corporate affairs • Samriddhi fund- A Social Venture Capital fund created by SIDBI, the Department for International Development (DFID), LIC, and UIIC
SOCIAL STOCK EXCHANGE	Social Stock Exchanges (SSEs) are platforms that help social businesses raise capital from ethical investors, balancing corporate and social missions. Creating a successful SSE involves establishing a clear definition of social enterprises, developing a consistent

⁷ <https://www.pwc.in/assets/pdfs/consulting/financial-services/vision-of-microfinance-in-india.pdf>



	system for measuring social impact, and building a strong investor base. The Hon. Finance Minister of India in her Budget Speech of July 2019 had proposed a Social Stock Exchange that would allow Social Enterprises in India to raise capital in the form of equity and debt.
OTHER SECTOR LEVEL POLICIES	
HEALTH AND SANITATION	- Swachh Bharat Mission- Open defecation free(ODF) and swachh Bharat by 2019. The programme was initiated by the Prime Minister on 2nd October 2014. Sanitation coverage has increased from 38.70% on 2nd October 2014 to 75.43% on 31st December 2017. - National rural drinking water programme- provide adequate and safe drinking water facility to all the households – Har Ghar Jal by 2030.
AGRICULTURAL FINANCE	- Pradhan Manthri fasal bhima yojana-It's a crop insurance policy with relaxed premium rates on the principal sum insured for farmers. Implemented with a budget of Rs 17,600 crore, this scheme will provide financial support to farmers and cover for their losses. - Blue revolution- allotment of Rs. 3000 crore in the budget of 2016 for five years to increase the productivity of Agriculture and allied sector - National Dairy Development Board (NDDB) has announced 42 dairy projects, under a budget of 221 crore. These projects shall focus on improving the milk productivity of major milk-producing states like Uttar Pradesh, Maharashtra, Karnataka, Tamil Nadu and the likes. - Energy efficient irrigation- Govt plans to invest Rs. 75000 crore to provide energy efficient irrigation. Under this scheme, close to 30 million energy-saving pump sets would be given to farmers and this cost would be recovered via savings in the electricity consumed. This would result in about 46 billion kWh of power being saved and creation of 20 lakh jobs. - Paramparagat Krishi Vikas Yojana in order to address the critical importance of soil and water for improving agricultural production. The government would support and improve the organic farming practices prevalent in India. Following cluster approach mode of farming, at least 50 farmers would form a group having 50 acres of land to implement organic farming. The government aims to cover 10,000 clusters and five lakh hectares of arable land under organic farming within three years.

DISCUSSION AND CONCLUSION

Social Enterprises in India face a number of challenges such as undefined legal status, constrained access to finance especially forms of capital appropriate to the stage of growth, limited knowledge and awareness about Social Enterprises, lack of customized policy support and need for tax incentives/tax concession (Joshi et al., 2020). Furthermore, Social innovation, financial sustainability, transparency of results, workforce issues, competition from the commercial enterprises are also some of the issues that needs attention. Since the existing laws do not permit enterprises to be registered as social enterprises, India can adapt some of the models from UK or USA. Likewise, the CIC model of the UK can be replicated in the Indian context. The Government policies are supporting the

There is no one-size-fits-all approach when it comes to appropriate legal frameworks for social enterprise. The Government policies and the growing collaboration with the corporates, academia, civil society have created a Social enterprise eco system in India which is quite favourable. A range of factors influence the preferred approach for a specific country, including the extent to which social entrepreneurs stem from the non-profit or for-profit sectors, the objectives they seek to meet with social enterprise and views on the appropriate balance between protection of the social enterprise's mission and attracting "patient capital" (whereby shareholders are rewarded for investing in social enterprise with some limited dividends). Where a country creates a legal form for social



enterprise, this could be viewed as forming a key part of that country's definition of social enterprise. Indeed, these are the components an entity must meet in the government's view for that entity to qualify as a social enterprise. At the same time, not all legal forms are created for social enterprise solely.

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