

Enabling Social Innovation in India

Country Snapshot



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Social innovation: "the processes and outcomes of developing novel approaches to address societal challenges facing people and planet." ↓

This snapshot represents a descriptive, non-exhaustive overview of key highlights from India's social innovation ecosystem.

✓ Direct focus on social innovation Ⓛ Connected but indirect focus on social innovation ✗ No focus on social innovation

INSTITUTIONAL FRAMEWORK

Official Definition of Social Innovation Ⓛ



- India has no official legal definition of social innovation at the national level. In policy discourse, the concept is used loosely and often framed through related terms such as *social entrepreneurship*, *inclusive innovation*, or *grassroots innovation*. A notable exception is [Telangana's Social Innovation Policy \(2020\)](#), which introduced a state-level working definition to guide programs and ecosystem development.

Government Body for Social Innovation ✓



India does not have a dedicated central government agency for social innovation. Responsibilities are distributed across innovation, entrepreneurship and social-sector institutions.

Key bodies include:

- National Innovation Foundation (NIF)** (est. 2000): Autonomous body supporting grassroots and traditional-knowledge innovations, particularly in rural areas, through scouting, grants, IP support and national awards.
- Atal Innovation Mission (AIM)** (est. 2016, under NITI Aayog): Flagship national initiative promoting innovation and entrepreneurship, including socially oriented ventures, via school labs, incubators and community innovation centres.

Government Strategy for Social Innovation ✓



There is **no standalone national strategy** for social innovation. Instead, social innovation is embedded within broader innovation and development frameworks:

- Atal Innovation Mission:** Provides a de facto strategic framework for nurturing innovative solutions to social challenges across education, health, agriculture and livelihoods.
- Startup India and National Education Policy 2020:** Promote entrepreneurship, innovation and community engagement, indirectly supporting social innovation.
- State-level strategies:** Telangana's Social Innovation Policy (2020) remains the most explicit subnational strategy.

Policies, Laws & Regulations

Social-innovation-specific frameworks

- **Social Stock Exchange (2022):** Approved by SEBI to enable non-profits and social enterprises to raise capital via regulated “social securities,” under tailored disclosure norms.

Broader enabling frameworks

- **Companies Act, Section 135 (2013):** Mandatory CSR law requiring large companies to spend 2% of profits on CSR activities; a major indirect funding source for social innovation (₹29,990 crore in FY2022–23).
- **Section 8 Companies (Companies Act, 2013):** Legal form for non-profit enterprises, widely used by social enterprises.
- **India Inclusive Innovation Fund (2014):** Government-backed venture fund (₹500 crore) investing in enterprises serving low-income populations.
- **MSME, cooperative and NGO laws:** Provide the regulatory backbone for India’s large social economy, though not innovation-specific.

Official Statistics

India does **not** collect official statistics on social innovation as a distinct category. Related data exist on CSR spending, NGOs and start-ups. The absence of systematic social-innovation metrics has been explicitly recognised as a policy gap (e.g. Telangana, 2020).

Government Programs

Key national and sectoral programs include:

- **Atal Innovation Mission (2016–present):**
 - 10,000 Atal Tinkering Labs in schools
 - Atal Incubation Centres and Community Innovation Centres
 - Strong indirect support for social innovation across sectors
- **National Innovation Foundation:** Biennial grassroots innovation competitions and scaling support.
- **India Inclusive Innovation Fund:** Early experiment in blended public–private impact investing.
- **Sectoral programs:** Department of Science and Technology - **Science for Equity Empowerment and Development** (rural technologies), Ministry of Electronics and IT - **social-impact hackathons**, skill-sector partnerships with social enterprises.
- **Public–Private Partnerships:** Large-scale models such as the *108 Emergency Ambulance Service and Akshaya Patra Mid-Day Meal Programme* illustrate innovative service delivery at scale.

ECOSYSTEM

Stakeholders

Impact incubators and intermediaries

- **Ashoka India:** Pioneer of social entrepreneurship in India; extensive fellow network.
- **Villgro** (est. 2001): India’s oldest social enterprise incubator; focused on early-stage ventures.
- **UnLtd India** (est. 2007): Seed funding and mentoring for grassroots social entrepreneurs.
- **N.S Raghavan Centre for Entrepreneurial Learning (IIM Bangalore)**, Tata Social Enterprise Initiative (IIM Calcutta), **Social Alpha:** Leading institutional incubators.

Impact investors and philanthropy

- **Aavishkaar Capital, Acumen, Omidyar Network India, Elevor Equity, Tata Social Venture Fund:** Core impact-investment actors.
- **Impact Investors Council (IIC):** Industry body for impact investing.
- **Major foundations:** Azim Premji Foundation, Tata Trusts, Infosys Foundation.

Academic and knowledge institutions

- **TISS Mumbai:** Centre for Social Entrepreneurship; India's first [MA in Social Entrepreneurship](#) (2007).
- **Ashoka University, Indian Institute of Technology Madras, XLRI, Indian Institute of Managements:** Research, teaching and incubation linked to social innovation.

Support Initiatives



- **Incubation & acceleration:** Villgro, Social Alpha, Deshpande Foundation Sandbox, AIM-funded incubators.
- **Competitions & awards:** Schwab Social Entrepreneur of the Year (India), NASSCOM Foundation challenges, CSR-backed innovation contests.
- **Capacity building:** Dasra, Upaya Social Ventures, Jagriti Yatra, Acumen Fellows Program.

Collaboration



- **Government–NGO scaling partnerships:** Digital Green (agriculture extension), Pratham (education), 108 Ambulance Service (health).
- **Corporate–nonprofit partnerships:** Driven largely by CSR mandates.
- **Ecosystem convenings:** Sankalp Forum, AVPN India, regional social entrepreneurship summits.

Events & Awards



- **Sankalp Summit (Mumbai):** Flagship impact-investment and social innovation forum.
- **National Startup Awards – Social Impact Category** (launched 2023).
- **Padma Awards** increasingly recognise grassroots innovators.

FINANCE

Financing Schemes

India's social innovation finance landscape combines grants, investment and hybrid instruments:



- **CSR funding:** Over ₹12,900 crore annually; major domestic grant pool for social initiatives.
- **Impact investment:** Estimated \$10+ billion deployed since mid-2000s, across microfinance, clean energy, health and education.
- **Government funds:** Atal New India Challenges, state-level social innovation grants, Small Industries Development Bank of India (SIDBI) inclusive-finance schemes.
- **Philanthropy & donors:** Indian high-net-worth philanthropy and international donors (USAID, Gates Foundation).
- **Alternative finance:** Microfinance, crowdfunding platforms (e.g. Milaap), limited use of development impact bonds.

Financing Inclusivity



- Strong targeting of **women, rural populations, low-income communities** through CSR and government schemes.
- Programs such as [Stand-Up India](#) mandate lending to women and SC/ST entrepreneurs.
- Persistent gaps remain for early-stage, rural and women-led social enterprises.

SOCIETY

Public Awareness of Social Innovation

Public awareness of the term “social innovation” remains limited, though interest in social entrepreneurship and impact is growing. Media coverage often frames innovation through NGOs, start-ups or CSR rather than a unified concept. Grassroots responses during COVID-19 significantly increased visibility of citizen-led innovation.

Research

- **Academic research:** Growing but fragmented; led by TISS, IIM Ahmedabad (Honey Bee Network), and select universities.
- **Practitioner research:** Dasra, Intellectap, NITI Aayog and Brookings India produce influential ecosystem reports.
- **Knowledge platforms:** India Development Review (IDR), AVPN India case databases.

Education & Human Capital

- **Formal programs:**
 - MA in Social Entrepreneurship (TISS)
 - Postgraduate Program in Development Leadership (ISDM)
 - MBA electives in social entrepreneurship at IIMs, XLRI, ISB
- **Youth pipelines:** Atal Tinkering Labs, Ashoka Young Changemakers, Youth for Seva.
- No official data on graduate share, but interest in social impact careers is high among Indian youth.

Entrepreneurship

57th / **82** countries 

Business Environment:
India ranks ~57/82

EIU Business Environment Rankings.

38th / **139** countries 

Innovation capacity
Ranked 38th globally

Global Innovation Index (GII) 2025

40% 

Social entrepreneurship prevalence

GEM data suggest ~5–7% adult engagement; ~40% of entrepreneurs cite social or environmental motivations.

Global Entrepreneurship Monitor

Social & Environmental Consciousness



Solidarity

Very high informal helping behaviour


CAFWorld Giving Index



Political Participation:

High voter turnout; India classified as a “flawed democracy”.

EIU Democracy Index

61%  population

Volunteering

Moderate formal volunteering; strong crisis-driven engagement.

CAF World Giving Index

176th / **180** countries 

Sustainability

Strong climate commitments (CCPI rank ~7) but very weak environmental outcomes (EPI rank 176/180).

Environmental Performance Index