

Estimating Philanthropic Capital in India:

Approaches and Challenges

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Introduction

Despite a strong narrative of the Indian philanthropy sector steadily rising in the last five years, there remains a lack of clarity about the overall size of the sector. More importantly, there's a lack of rigorous, holistic, and data-driven approaches to estimating of the sector's size. The Centre for Social Impact and Philanthropy (CSIP) at Ashoka University has commissioned a research, as part of its mission to inform sector strategy through credible research and data, that maps the volume, value, composition, and trends of the financial resources available in the Indian philanthropy sector. The study uses a quantitative approach and analyses publicly available data on financial flows into the sector. How India Lives (HIL), a data analytics consulting firm specializing in identifying, extracting, and analysing publicly available data, was commissioned to undertake this study.

This report summarises the key findings of this research, highlights the challenges in estimating the total philanthropic capital available in India, and provides recommendations to relevant stakeholders for improving the data on the sector.

Rationale

Understanding the size of the sector and the total philanthropic capital available in India is a prerequisite for building the identity and narrative of the sector. This research also seeks to inform relevant stakeholders about currently available sources of data on the sector, with a view to improving the availability and quality of data, thereby enabling better-informed decision-making and discourse.

Additionally, extracting and analysing publicly available data (housed on Government-run websites) is a cumbersome process due to the manner in which data is stored and made available. Therefore, one of the key objectives of this research is to make data accessible to relevant stakeholders in order to help promote a culture of evidence-based decision making.



Background

In the past, several think tanks and consulting organisations have worked on estimating the total volume of Indian philanthropy. However, the lack of reliable data on the sector has made this process extremely challenging. Table 1 provides a glimpse of some of the prominent research reports that have been published on this topic. As observed, in the absence of rigorous and holistic data on the sector, research studies have used differing methodologies and definitions to estimate philanthropic capital in India. For example, while the India Philanthropy Report 2017 by Bain and Dasra is based largely on secondary data and does not present detailed data on individual (retail) giving, the report by McArthur and Intellecap uses estimates based on the level of per capita giving and population size of Indian adults to estimate the quantum of individual giving. The 'India Giving' report uses a different approach by conducting a primary survey to measure the quantum of individual giving. Reports estimating Corporate Social Responsibility (CSR) spending on the other hand use public data available on the website of the Ministry of Corporate Affairs to conduct analysis on corporate philanthropy. However, most of the reports base their analysis only on partial data, due to the difficulty in accessing public data in their current format.

Table 1: Summary of Reports Estimating Philanthropic Capital in India

Philanthropy Classification	Indian Philanthropy Report 2017	Strategic Philanthropic Giving and Impact Investing for Development in India	India Giving	Hurun India Philanthropy List 2017	India's CSR Reporting Survey 2017, N=100 companies	CSR Analysis of BSE 370 Companies, N=370 companies
	Bain and Dasra	MacArthur and Intellecap	Charities Aid Foundation	Hurun	KPMG	NGOBOX
			Billion (USD)			
Government Spending	23	32		no data	no data	no data
Foreign Philanthropy (FCRA)	4	no data	no data			
Corporate Philanthropy (CSR)	2	3.3			1.1	0.9
High Net-Worth Individuals (HNWIs)	5	11.8		0.4		
Retail Givers	no data	5.1	0.75	no data	no data	no data
Indian Diaspora	TIO data	1.9	no data	110 Uata		
Total	34	54.1	0.75	0.4	1.1	0.9
Analysis Period	2016	2016*	2012	2016	FY 2016-17	FY 2016-17

Methodology

For the purpose of this study, Indian philanthropic capital is classified into four categories, namely, Corporate Philanthropy (contribution by Indian companies under Corporate Social Responsibility), Foreign Philanthropy (contribution from foreign sources, both individual and institutional), Individual Philanthropy (contribution by both ordinary and high net-worth individuals) and Government Philanthropy (direct contribution by the Government to the social sector). Publicly available data was extracted (for at least three financial years) for each of these categories.

While in-depth data on Corporate, Foreign and Government philanthropic contributions is made available to the public through government websites², data on individual donations (both high net-worth and other individuals) is a missing link.

The primary objective of this data analysis exercise was to estimate the total value and volume of philanthropic capital using public data sources and examine patterns in resource allocation across geographic regions and thematic areas.

Key Takeaways

- **Indian Philanthropy is Growing**
- Geographic Spread of Funds is Restricted to a Handful of States
- It is Difficult to Ascertain the Thematic Areas of Philanthropic Spending
- Individual Giving is the Biggest Missing Piece in the Philanthropic Puzzle

1. Indian Philanthropy is Growing

The following table summarises the total philanthropic contributions from all measurable sources of 'giving'. Overall, the amount of financial resources coming into the sector suggests that both the volume and the value of Indian philanthropy have grown considerably over the past few years. While this growth has been robust, the overall size of the Indian philanthropic sector is still relatively small. The total philanthropic capital for the year 2016-17 is a mere 0.002 percent of India's GDP. Comparison with other sectors also reflects the microscopic size of the sector. For instance, the total CSR spends for the year 2015-16 is equivalent to the combined quarterly onet profit of Reliance Industries and ONGC. Similarly, the total foreign philanthropy received by FCRA-registered NGOs in 2015-16 is 1/15th the size of total foreign direct investment that flowed into Indian companies in that year. Therefore, while Indian philanthropy is indeed growing, there is considerable scope to tap into different channels and promote greater giving, given the size of the country and the development goals it seeks to achieve.

Table 2: Volume and Value of Indian Philanthropic Capital, HIL Estimates

Philanthropic Source	Database (# of Institutions/Individual)	2013-14	2014-15	2015-16	2016-17
Foreign	FCRA (# of recipient organisations)	24,254	24,413	23,802	21,906
Government	NGO Darpan (# of recipient organisations)	no data available	9,285	11,683	6,352
Corporate	CSR (# of companies)	no data available	14,944	19,184	19,333
Individual*	Statement of Revenue Foregone, Section 80G (# of Individual donors)	179,70,000	225,20,000	261,20,000	314,40,000







Philanthropic Source	Database (INR Crores)	2013-14	2014-15	2015-16	2016-17
Foreign	FCRA	14,671	15,151	17,620	14,824
Government	NGO Darpan	no data available	3402	3561	5367
Corporate	CSR	no data available	9231	13,966	13,465
Individual*	Statement of Revenue Foregone, Section 80G	369	434	486	461

Note: (i) Number of institutions under FCRA for 2016-17 sees a decline in the absolute number. However, our analysis suggests that this is largely due to cancellation of registration number for organisations with multiple FCRA number. (ii) Number of institutions under NGO Darpan is a 'moving' database. NGOs are still registering themselves on this database. The datapoint on number of recipient organisations under the NGO Darpan category indicates the number of 'unique' NGOs that register themselves on this platform every year (iii) At the time of publication of this report, companies were still filing their CSR Spending for the FY 2016-17. However, as on 31st October 2018, the total amount spent on CSR for FY 2016-17, as reported by the Ministry of Corporate Affairs, stood at 13,465 INR Crores.

- Foreign Philanthropy: Foreign contributions under the Foreign Contribution Regulation Act (FCRA), 2010, have consistently increased in the last few years, with a small dip of 15 percentage points from the year 2015-16 to 2016-17. It must be noted, however, that the Ministry of Home Affairs (MHA) has quoted different totals at various times, for the total foreign contribution received by the non-profit sector for the financial year (FY) 2016-17. In December 2017, the MHA claimed foreign philanthropy to have decreased by 63 percentage points at Rs. 6,499 crores, while in June 2018, the MHA was quoted as claiming to receive Rs. 18,065 crores in foreign funding during the financial year 2016-17. While there remains some ambiguity on the exact volume of foreign philanthropy for FY 2016-17, our analysis uses the data available on the FCRA website which reports the total volume of foreign philanthropy at Rs. 14,824 crores.
- *Government Philanthropy:* The total amount sanctioned by the Government to social sector organisations registered under the NGO Darpan database is classified as Government philanthropy. Government contributions have increased consistently over the last three years. While other reports⁷, highlighted in the previous section, on the size of the philanthropy sector define Government philanthropy as public spending on social welfare programs, this report limits Government philanthropy to the government's targeted contribution to the social sector⁸. Data shows that Government philanthropy has increased by close to 46 percent from FY 2015-16 to FY 2016-17.
- *Corporate Philanthropy:* Corporate donations under Corporate Social Responsibility (CSR) have seen a significant jump from the FY 14-15 to 15-16, both in terms of the number of corporates donating under the Section 135 'Corporate Social Responsibility' of the Indian Companies Act, 2013 as well as the volume of financial resources being invested in the social impact sector.
- *Individual Philanthropy:* The number of individuals claiming for tax exemptions under section 80G of the Income Tax Act, 1961 has increased consistently over the last four years. The revenue impact on account of tax incentives on donations to charitable trusts and institutions under section 80G has also increased consistently from 2013-14 to 2015-16, with a small dip of 5 percentage points in the year 2016-17. It is, however, difficult to ascertain the total charitable contributions made by individuals under section 80G using the information on revenue foregone since the revenue foregone by the Government for each individual is a function of the tax slab they fall into, the deduction they are eligible for (50% versus 100% deduction) and the actual donation amount made by the individual. Since individual charitable contribution data is not available at a disaggregate level, we are unable to determine the total charitable contributions made by individuals under section 80G.

^{*} This amount is the total revenue foregone by the Government on account of providing tax incentives on donations to charitable trusts and institutions under section 80G. It is difficult to ascertain the total charitable contributions made by individuals under section 80G using this information since the revenue foregone by the Government for each individual is a function of the tax slab they fall into, the deduction they are eligible for (50% versus 100% deduction) and the actual donation amount made by the individual. Since individual charitable contribution data is not available at a disaggregate level, we are unable to comment on the total charitable contributions made by individuals under section 80G.

2. Geographic Spread of Funds is Restricted to a Handful of States

The geographic spread of philanthropic funds is concentrated to only a few states, across all channels of philanthropy. Maharashtra receives the largest share of CSR spending followed by Tamil Nadu and Karnataka, while some of the more populous and less developed states, such as Uttar Pradesh, Rajasthan, Bihar, Madhya Pradesh, and Odisha receive significantly lesser funds.

In terms of foreign funding, 60 percent of foreign funding is restricted to NGOs in Delhi, Tamil Nadu, Karnataka and Maharashtra, with Delhi receiving the largest share at 23 percent of the total foreign funds, primarily due to a larger share of NGOs registered in Delhi.

Similarly, funds sanctioned by the Government, as reported in the NGO Darpan database, are concentrated in Maharashtra, Gujarat, Tamil Nadu, and Karnataka. On the other hand, NGOs from Uttar Pradesh and West Bengal, which account for a larger share in Darpan-registered NGOs, account for a lower share in terms of the funds sanctioned. The Income Tax database also mirrors this finding as 80 percent of tax-exempt organisations are located in just four states and one Union Territory: Maharashtra, Tamil Nadu, Gujarat and Karnataka, and Delhi respectively.

Overall, the geographic allocation of resources is disproportionately skewed towards a handful of states, with an extremely low share of funds being disbursed to states in the North East and Northern States (Himachal Pradesh, Haryana, Uttarakhand, Punjab, and Jammu and Kashmir), where the level of development are lower as compared to the Southern States, that receive a higher share of funds.

3. It is Difficult to Ascertain the Thematic **Areas of Philanthropic Spending**

Data on the thematic areas to which philanthropic funds are being routed is scarce. A key component to understanding philanthropic spending in India is to examine the causes that attract the most and the least amount of funds. A report by Mckinsey and Company, analysing funding gaps in the social impact sector, suggested that close to 90 percent of total donor interest was targeted towards primary education, primary health care, rural infrastructure and disaster relief, leaving thematic areas such as livelihood, environment, human rights, governance, food, and agriculture with minimum funds. Unfortunately, a data-driven analysis of this parameter was not possible for this study due to the poor quality of data on this indicator.

While NGO Darpan and FCRA datasets capture the stated purpose for fund utilisation, the datapoints for this are either too broad or include long text answers (instead of categorised information), making meaningful analysis and interpretation difficult. The FCRA dataset for 2016-17, for example, classifies foreign funding into five categories viz. Social, Educational, Religious, Economic and Cultural, constituting 59%, 28%, 10%, 2% and 1% share of funds, respectively. However, these purposes are allencompassing, and the FCRA does not define the different purposes laid out in the Act for which foreign funding can be used. For example, spending on rural development could be classified as either Economic or Social, making meaningful analysis difficult.

The CSR dataset, however, highlights clearly the purpose for each CSR project. The CSR data from 2015-16 reflects the largest spending on Education (30% of total CSR funds) followed by Healthcare (17%), Rural Development (10%) and Poverty Reduction (8%). Overall, it is difficult to ascertain the share of funds being invested in each thematic area, due to the poor quality of data across most of the platforms.















Overcoming poverty is not a gesture of charity.

It is the protection of a fundamental human right, the right to dignity and a decent life.

Nelson Mandela

4. Individual Giving is the Biggest Missing Piece in the Philanthropic Puzzle

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Individual giving remains the biggest missing piece in estimating the total volume and value of philanthropic capital in India. Individual giving can be broadly classified as giving by high-net-worth individuals and other individuals. Individuals contribute to Indian philanthropy through different channels, such as retail giving, online giving typically through crowdfunding platforms, or giving directly to a social sector organisation. While the 'Statement of Revenue Foregone' captures the total revenue foregone by the Government on account of providing tax incentives on donations to charitable trusts and institutions under section 80G, it does not give us the information on total charitable contributions made by individuals, thereby making this dataset incomplete. Additionally, a significant proportion of individual giving takes place through informal mechanisms, such as in-kind donations or donations in cash, which do not get captured formally under any dataset. High-net-worth individuals, on the other hand, typically make philanthropic contributions either independently or through a family-run foundation, and are neither required to report their philanthropic investments, nor to claim tax exemptions. Hence, there is no centralised data repository that captures this source of philanthropy, making individual philanthropy very hard to measure.

Pilot Project to Estimate the Value and Volume of NGOs in Karnataka

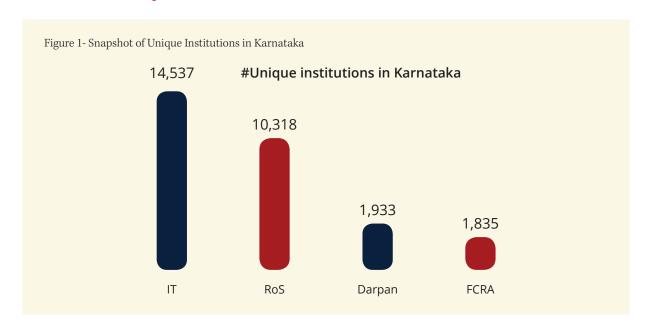
Given our objective of estimating the total philanthropic funding in India, our initial approach was to review the available public data on various philanthropic sources. However, as detailed in the previous section, we found several missing links that prevented us from measuring the total volume and value of the sector. Most prominent was the lack of data on the quantum of philanthropy by individuals and private philanthropic foundations.

To overcome this limitation, we conducted a pilot exercise in the State of Karnataka with the objective of estimating the total income of all NGOs (registered at Trust, Society and Section 8 of the Companies Act) in Karnataka. We attempted to thus capture the information on philanthropic funding from the 'demand' side by reviewing the income of NGOs who were 'recipients' of philanthropic funding. The data for this exercise was sourced using the Right to Information (RTI) Act, 2005.

This exercise too was limited by restrictions on the accessibility of the data. Under this exercise, we were able to access information only on those NGOs that were registered as 'Society,' by filing an RTI application with the State Registrar of Co-operative Societies (RoS). NGOs registered as 'Trusts' do not come under the ambit of the RTI Act, 2005 and therefore, it was difficult to access this data.

The following results are therefore based on the data we obtained on registered Societies in Karnataka and do not include the other types of NGOs (registered as a Trust or Section 8 entity) in the state.

1. The number of unique NGOs in Karnataka does not match across databases.



The number of unique institutions registered for the state of Karnataka does not match across different databases such as the Income Tax (IT) dataset, or the FCRA and NGO Darpan datasets. While the IT database has 4200 more institutions, partly because of the inclusion of Trusts, a name-matching exercise suggests that there is little to no overlap between the two databases. One would expect that institutions within the FCRA and Darpan databases would be subsets of the RoS dataset, but a name-matching exercise did not reveal any overlaps. This result points towards the incompleteness of the different databases maintained by the Government, and a dire need for cross-referencing as well as verifying data across various sources, potentially using a common unique identifier across all databases.

2. 94% of NGOs (registered as Societies) in Karnataka are potentially defunct.

Table 3: Snapshot of Defunct NGOs in Karnataka

Districts	NGO's registered	NGOs filed returns	NGOs for which we recieved RTI responses
Bijapur	16,037	368	357
Tumkur	14,634	1,238	637
Davangere	12,658	200	100
Chitradurga	12,349	723	538
Mandya	9856	394	0
Bagalkot	9571	511	543
Ballary	9399	806	342
Bidar	8814	593	480
Dakshin Kannada	7456	200	197
Yadagir	7315	745	287
Bangalore (partial)	6845	1091	877
Chikmaglur	6556	392	544
Uttara Kannada	5536	150	145
Chikkaballapur	5119	163	153
Chamarajanagar	3686	146	138
Bangalore Rural	3128	224	146
Ramnagara	2936	203	107
Udipi	2345	367	0
Total	144240	8514	5592

This table presents a snapshot of 18 districts in Karnataka, for which we were able to access the total number of Societies registered in each of the districts. Upon comparison with the number of NGOs that filed returns in the last five years, from FY 2011-12 to FY 2015-16, we see that only 8514 NGOs (or 6 percent of total registered NGOs) filed returns, suggesting that the remaining NGOs are potentially defunct. It also points towards a gross overestimation of the number of active NGOs in Karnataka.

This finding can also be linked to the total number of registered NGOs in India (in the form of Societies), which stands at 3.1 million . According to a statement submitted by CBI in the context of a Public Interest Litigation (PIL) filed in the Supreme Court, only 10 percent (or 3.1 lakh NGOs) have complied with filing of annual returns. Overall, it remains difficult to ascertain the total volume of active NGOs in Karnataka, due to the incompleteness of public databases and the lack of compliance by NGOs in filing their returns.

3. There is a lack of clarity on the total income of NGOs in Karnataka.

Table 4: Snapshot of NGO Income in Karnataka (Rs. Crores)

Database	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-15
RoS	161	751	1071	1236	1417	241	715
FCRA	1029	1240	1010	986	1216	1209	931
Darpan	No data available	No data available	1	84	555	533	489
IT-exempt institutions	NA	NA	NA	NA	NA	NA	NA

This exercise also doesn't allow us to realistically gauge the total income of NGOs in Karnataka. The income from RoS captures the total income of an NGO (registered as a Society) from all sources. The FCRA income, on the other hand, captures only foreign donations received by NGOs, while Darpan captures only Government contributions received by NGOs in Karnataka. Therefore, the total income from the RoS database should ideally be a consolidation of income from various sources (foreign, government, individual, corporate, etc.) and should not be higher than the total income from any one particular source in any given year. The above table, however, depicts the opposite trend, where the income from FCRA is higher than the income from the RoS database. This may be due to two reasons.

- The RoS data does not capture income generated by NGOs registered in the form of Trust, while FCRA and Darpan cover both Trusts and Society. Therefore, the income data presented here under the RoS category captures only a fraction of the actual total income of NGOs in Karnataka.
- We received income data through the RTI channels for only 65 percent of NGOs who filed their
 returns, leading to further limitations in our effort to estimate the quantum of NGO income in
 Karnataka. We did not receive responses to our RTI from 4 districts, hence, compromising the scope of
 our dataset.

Given these limitations, we are unable to ascertain with confidence the amount of total income generated by NGOs in Karnataka.

We also investigated the case of Maharashtra wherein all NGOs registered as a Trust come under the purview of the Office of Charity Commissioner, Maharashtra. NGOs registered as Societies under the State Registrar of Societies in Maharashtra are also issued a Trust certificate, so that these organisations can automatically fall under the ambit of the MH Charity Commissioner's Office. As per a circular dated April 2017, all Trust records in the existing hand-written registers, in all the offices under the control of the Charity Commissioner, should be converted into electronic records. Additionally, all these organisations must file their annual returns digitally. Failing to do so for five consecutive years will lead to de-registration of the organisation by the MH Charity Commissioner's Office. Based on our initial investigation of the current state of digitisation of NGO records in Maharashtra, we found that the compliance in terms of digital filing of annual returns was extremely low and could potentially be less than 20 percent. This suggests an immediate need to increase awareness of the NGOs on mandatory compliance requirements.

Key Learnings from Karnataka Pilot



The Registrar of Co-operative Societies could maintain the data centrally and in a machine-readable form. At present, a centralised process to collect and store the data is not being followed and a massive, manual effort is needed to source the data via RTI for research purposes.



Different types of NGOs are registered and regulated under different regulatory frameworks. An effort to centralise the regulatory process and standardise the compliance requirements will help improve the quality of data being generated on the sector, thereby building a stronger narrative about the identity of the sector.



More standardised reporting protocols, whether statutory or voluntary, would certainly go a long way in ascertaining the total number of NGOs in India and their economic footprint. At present, the storage of information in manual records across states makes it extremely difficult to extract and analyse the data for any meaningful purpose. Based on the latest official estimates, the total number of NGOs in India stands at 3.1 million, but sector experts claim this to be a gross over-estimation.

Recommendations for Stakeholders

For stakeholders operating in the social impact and philanthropy sectors, a stronger and better understanding of the sector is extremely important. Data can play a pivotal role in answering key questions about the landscape of the sector, such as those pertaining to the value and volume of philanthropic capital, the different sources of philanthropic capital, and the allocation of these resources.

As highlighted in this report, there is a lack of accessible and reliable data on the sector. While partial data on philanthropic sources does exist, there are crucial missing links that prevent us from conclusively estimating the total philanthropic capital available in India. In light of this, we have drawn up a list of recommendations for three key stakeholders in the sector: the Government, the Social Impact sector (NGOs & Philanthropic Foundations), and individual givers. The objective is to suggest ways in which they can contribute to better data, which can in turn lead to strategic philanthropy.

- 1 Government
- 2 Social Impact Organisations
- 3 Individuals (High-Net-Worth and Ordinary Individuals)

1. Government

- (i) Better Quality of Data: While the Government has made an effort in recent years to improve transparency in the sector by making some data publicly available, focused efforts need to be made to improve the quality of data that is collected, stored and managed by the Government. In order to make these datasets more usable, the Government can incorporate the following suggestions:
- a) Introduce Common Identifiers across NGO Datasets: : The Government can introduce a common identifier such as a PAN Number or an NGO Darpan ID and make it mandatory for organisations to fill in this number in all relevant portals, in order to compare data on organisations across different datasets. For example, currently, the NGO Darpan database assigns an NGO Darpan ID to every organisation that registers on their website, while the FCRA dataset assigns an FCRA ID and the Income Tax database includes the PAN Number of organisations listed on their database. A unique identifier across datasets will enable collation, comparison and make analysis more meaningful.
- b) Improve Design to Capture Better Quality Data: The Government can improve the design of the online data portals that are used to capture and store the NGO data to make them more intuitive and user-friendly. It could also include validity controls for data entered. For example, one of the key areas of interest in terms of understanding the sector is to examine the thematic areas to which philanthropic resources are being allocated. While the online data portal includes a field for this information, the field is designed as an open-ended question and therefore, NGOs fill out this information in the form of long sentences or text strings, making it difficult to use this data for any analysis. Small changes to the design of the data collection portal can play a big role in strengthening our understanding of the sector. In the example highlighted above, understanding the resource gaps and surpluses across thematic



areas can inform crucial decisions about the investments that are required in the sector. Better design can, therefore, lead to better data and in turn to more strategic decisions.

- (ii) Standardise Reporting Formats Across Authorities for Better Data: Currently, the social impact sector is governed under different regulatory frameworks such as Section 8 of the Indian Companies Act (2013), Bombay Public Trusts Act (1950), Indian Trusts Acts (1882) and Societies Registration Act (1860). A social sector organisation can choose to register itself in any of these forms depending on its location, nature of work, and requirements. Each regulatory authority obtains varied data in different formats, making meaningful measurement, analysis and informed decision-making impossible.
- (iii) Increase Transparency by Making Records Publicly Available: Coherent reporting requirements and better coordination between statutory authorities, combined with greater transparency, would go a long way in enabling sensible measurement, analysis and decision-making.

2. Social Impact Organisations¹²

The social impact sector lacks transparency in financial reporting, due to which very little is known about the sector. Barring the non-profit companies that fall under Section 8 of the Indian Companies Act 2013, there are no accounting standards for social impact organisations registered in other forms (Trusts or Societies). The financial reporting requirements of these organisations that are registered in different forms vary, acting as a barrier to collecting standardised data on the sector.

Additionally, the social impact sector faces several barriers to reporting their operational and financial information. Some of the key barriers are highlighted below:

- A lack of awareness about the need and benefit of diligent compliance as per the regulatory framework;
- A sense of fear among organisations that the information will be used against them;
- A lack of awareness of, and confidence in, public disclosure of data and organisational details;
- A lack of capacity among organisations to use digital platforms such as NGO Darpan for making their data publicly available;
- Cumbersome online portals that are not user-friendly and intuitive, with little to no additional support through call centres or help guides;
- A lack of usage of portals such as NGO Darpan and GuideStar India among other social impact organisations, hampering the relevance of these portals.

In light of these challenges, the following recommendations are made for social impact organisations (NGOs and Philanthropic Foundations):

- (i) Social Impact organisations such as NGOs and Foundations can contribute to better data on the sector by reporting their audited income and expenditure statement to the concerned regulatory bodies and filing returns on a periodic basis. Additionally, NGOs can make use of existing channels and platforms (such as NGO Darpan, GuideStar India, VANI etc. that consolidate information for the sector) by registering themselves on these platforms and sharing basic data about their organisation in order to contribute to increased transparency in the sector.
- (ii) Social impact organisations must also be aware of global portals such as BRIDGE, that help in making them recognisable at a global level, with the ultimate aim of increasing the transparency of the organisation not just at a national level, but also at an international level.



3. Individuals (High-Net-Worth and Ordinary Individuals)



Increase Transparency in Giving: In light of individual giving being the most difficult channel of giving to measure, there is a need for individuals (both high-net-worth and other individuals) to contribute to greater transparency by reporting their philanthropic contributions. This can be done through filing for tax exemptions under Section 80G of the Income Tax Act, 1961. However, given the lack of research and knowledge on individual giving patterns and donor behaviour, there is a serious need for an indepth national study on patterns, channels, volume, and value of individual giving in India. A Regulatory channels to incentivise giving and reporting, such as additional tax breaks on donations, can also be explored through further research to understand the drivers of greater giving.

Endnotes

1	
	India Philanthropy Report 2017- http://www.bain.com/publications/articles/india-philanthropy-report-2017.aspx
	Strategic Philanthropic Giving and Impact Investing for Development in India- https://www.macfound.org/press/publications/mapping-
	philanthropy-and-impact-investing-opportunities-india/
	India Giving- https://www.cafonline.org/docs/default-source/about-us-publications/india_giving_2012_v2.pdf
	Hurun India Philanthropy List- http://www.hurun.net/EN/Article/Details?num=D89B90847253
	India's CSR Reporting Survey- https://assets.kpmg.com/content/dam/kpmg/in/pdf/2018/02/CSR-Survey-Report.pdf
	CSR Analysis of BSE 370 Companies- http://ngobox.org/media/India-CSR-Outlook-Report-2017-NGOBOX.pdf
2	
	CSR Data- https://csr.gov.in/CSR/
	NGO Darpan Data- https://ngodarpan.gov.in/
	FCRA Data- https://fcraonline.nic.in/home/index.aspx
	Statement of Revenue Foregone- https://www.indiabudget.gov.in/budget2016-2017/ub2016-17/rec/annex15.pdf
3	This was calculated by looking at the total philanthropic capital as estimated by HIL and using the GDP for the year 2016 to arrive at the
	philanthropic capital as a proportion of GDP.
4	First quarter of the financial year 2018
5	http://pib.nic.in/PressReleseDetail.aspx?PRID=1513323
6	http://pib.nic.in/PressReleseDetail.aspx?PRID=1534056
7	India Philanthropy Report 2017- http://www.bain.com/publications/articles/india-philanthropy-report-2017.aspx
	Strategic Philanthropic Giving and Impact Investing for Development in India- https://www.macfound.org/press/publications/mapping-
	philanthropy-and-impact-investing-opportunities-india/
8	We believe that Government spending on social welfare programs does not classify as voluntary giving, which is at the core of the
	philosophy on philanthropy
9	https://www.mckinsey.com/industries/social-sector/our-insights/designing-philanthropy-for-impact
10	https://www.livemint.com/Politics/lxq1rJaqruWeVbf2MWmbII/Too-many-NGOs-or-too-little-classification.html
11	https://charity.maharashtra.gov.in/en-us/
12	Recommendations for this section draws on inputs received by Pushpa Aman Singh, CEO of GuideStar India
13	http://guidestarindia.org/default.aspx
14	Giving USA Annual Report is a great example of a potential study that could be done in the Indian context. The study provides a holistic perspective
	on the philanthropic capital in US- https://givingusa.org/tag/giving-usa-2018/

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