



HIGHLIGHTS FROM THE PRESENTATION ON THE NPO SECTOR SURVEY

Based on







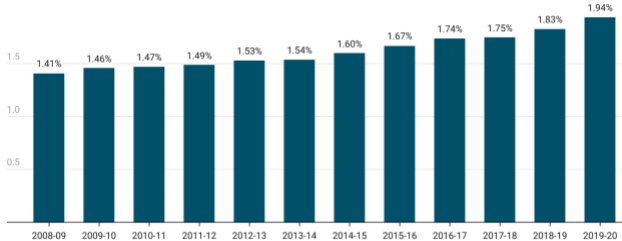
India's Million Missions

India's Non-Profit Sector Report by CSO Coalition@75

Hand-out prepared by GuideStar India based on






The Non-Profit Sector Survey 2022-23, Preliminary Results

A study by GuideStar India and the IIM Ahmedabad Research Team for CSO Coalition@75

THE CONTEXT		
 <p>Credibility of social sector is constantly questioned.</p>	 <p>Easy Difficulty of doing good is going up with increase in compliance and reporting. In the CAPS' Doing Good Index (DGI) of 18 Asian economies, India stayed in the Doing Okay category in past 3 editions of 2018, 2020 and 2022.</p>	 <p>Value and contribution of NPO sector in nation building should be discussed when India celebrated India@75!</p>
THE ACTION AND EFFORT		
<p>Concerned individuals and organisations in the NPO sector came together in 2022 to DOCUMENT credible evidence of the contribution of non-profit organisations, to widely DISSEMINATE the findings and to ENGAGE constructively with government, businesses and citizens. The group, called CSO Coalition@75, worked through various research components:</p>		
<div><div><ul style="list-style-type: none">• Estimation of the Economic Value of NPO Sector• Non-Profit Sector Survey • Thematic Reports<ul style="list-style-type: none">• Age Care• Animal Protection• Arts and Culture• Child Rights</div><div><ul style="list-style-type: none">• CSR and Business Responsibility• Disability• Education• Livelihood Promotion and Microfinance</div><div><ul style="list-style-type: none">• Mental Health• Public Health• Social Justice• and more</div></div>		
ESTIMATION OF THE ECONOMIC VALUE OF NPO SECTOR		
<div><div><p>Estimated Share of the NPO sector in GDP, India (2009-10 to 2019-20)</p><p>Chart: GSI • Source: SSER • Created with Datawrapper</p></div><div><p>NPO Sector contributes 1.94% to the GDP</p></div><div><ul style="list-style-type: none">• Estimated contribution of the NPO sector Gross Value Added (GVA), as of 2019 – 20, is INR 3560 billion or USD 44 bn.• Value-added is defined as the value of output minus the costs of inputs. It is a measure of the economic contribution of the enterprise or the sector to the economy. The value-added in GDP or National accounts includes wages, salaries, interest, depreciation, rent, taxes and profit.<p><i>The macroeconomic study for India's Million Missions was conducted by Society for Social and Economic Research (SSER), New Delhi. For details, please write to director@sser.in</i></p></div></div>		
Challenges in computing NPO sector contribution to GDP		
<p>NPO sector is a Composite sector</p> <ul style="list-style-type: none">• NPO Sector is not defined as a “sector” in the system of national accounts of a country, it includes parts of other sectors such as education, health and so on• Requires use of Satellite accounts which are based on surveys of establishments and institutions in the sector	<p>Measuring the economic value of contribution of volunteers</p> <ul style="list-style-type: none">• Volunteers account for more than three-fourths of workers in the sector• Average economic contribution of volunteers in the formal NPO sector is assumed same as of paid workers and in the informal sector, taken as 2/3 of that in the formal sector	
<p>Issues with measurement of the Services sector</p> <ul style="list-style-type: none">• Difficulties in measuring value of output itself• Challenges relating to computing rate of inflation for value of services• Inability to measure on ground and so use of indicators as proxies for existence and growth of some services	<p>Measuring output for NPO Sector</p> <ul style="list-style-type: none">• Estimating value-added and not value• Tangible contribution is long term and indirect and affected by uncertainties of other related factors• Substantial contribution is intangibles with long-term benefits, difficult to compute its present value	
<p>Numbers alone cannot reveal NPO sector's contribution to GDP!</p> <ul style="list-style-type: none">• Thematic sub-sector reports could supplement quantitative results with qualitative evidence of contribution• Case studies could highlight the changes the sector has inspired in policy making		

NON-PROFIT SECTOR SURVEY 2022 – 23, PRELIMINARY RESULTS, PHASE 1

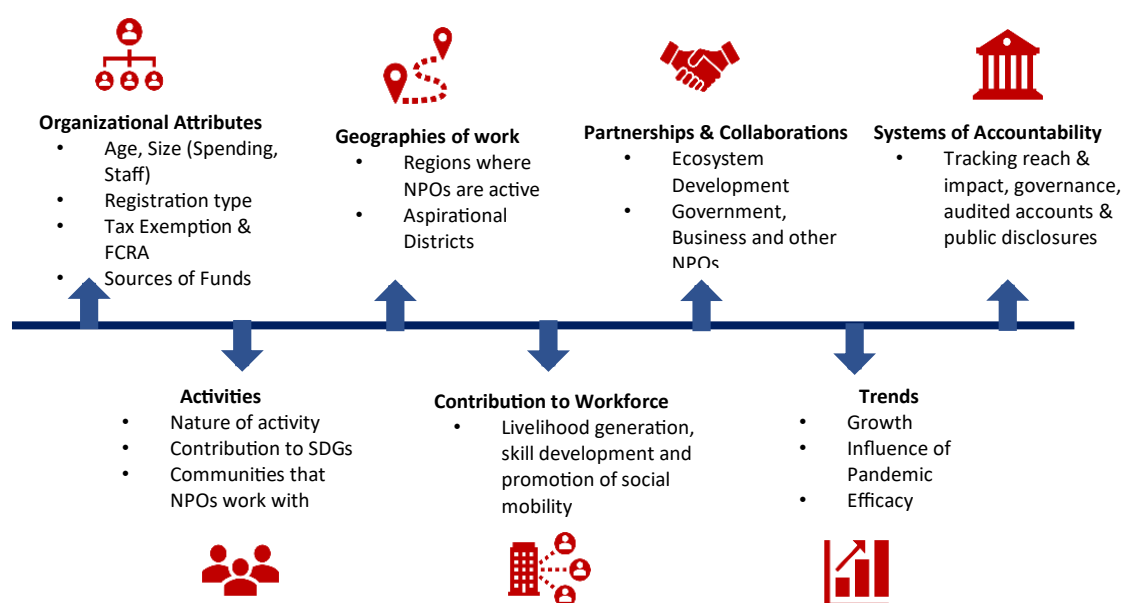
GuideStar India & IIM Ahmedabad Research Team

-  An online survey in English + Hindi
-  Combined effort of all the coalition partners
-  Email, Webinars and workshops
-  Phase 1 of the NPO survey - September to December 2022
-  Relevant sample size (n) varies from 851 to 515

- Reached 200,000 NPOs
- Direct Mail 155,000
- Responses 1,000
- **851 Validated responses**
- Survey Questions 106
- Average time taken 1h:34m:35s
- 3000+ hours spent by NPOs in phase 1 data gathering (estimated)

~90,000
data points
analysed

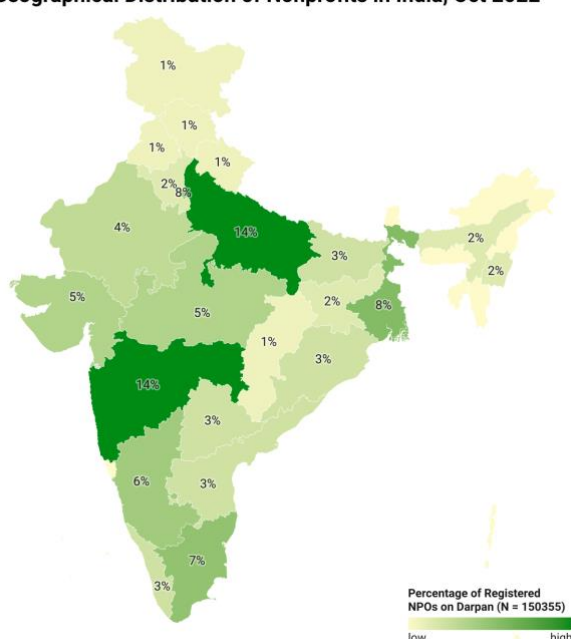
What areas the analysis covers



Geographical distribution of NPOs in India - NITI Aayog's DARPAN vs Survey Sample

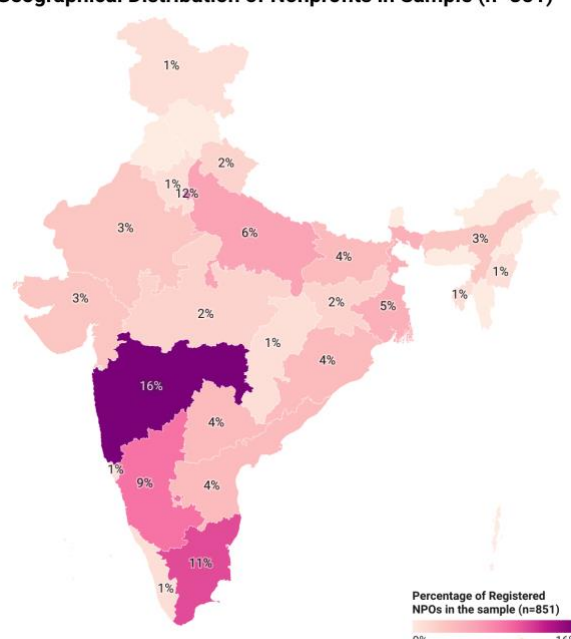
- Our sample distribution is similar to NITI Aayog's Darpan (except UP -8% and Tamil Nadu +4%) (n=851)
- GuideStar India's database of 12000+ organisations reflects a similar distribution

Geographical Distribution of Nonprofits in India, Oct 2022



Map: GSI • Source: Darpan Database • Created with Datawrapper

Geographical Distribution of Nonprofits in Sample (n=851)



Source: Nonprofit Sector Study 2022 - 23 • Created with Datawrapper

Geographies of work

All states and UTs are represented in the sample

- **Maharashtra, TN, Karnataka, UP, Delhi top states (n=642)**
- 54% NPOs work in aspirational districts (n=639)

Less than 2% representation of Chhattisgarh, Uttarakhand, Manipur, Goa, Haryana, Jammu and Kashmir (UT), Kerala, Tripura, Himachal Pradesh, Mizoram and Punjab

**5 states
account
for 50%
of NPOs**

Geographical Spread of Nonprofits in decreasing order of their presence in percentage (n=642)

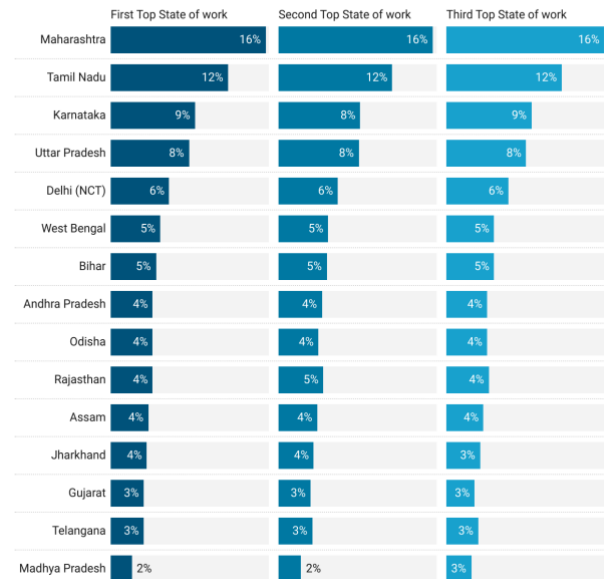


Chart: GSI • Source: Nonprofit Sector Study 2022 - 23 • Created with Datawrapper

Size-wise distribution of number of states of work (n=515)

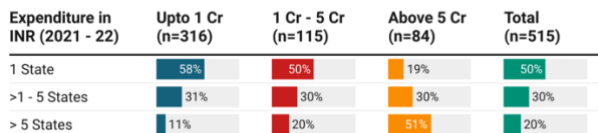


Table: GSI • Source: Nonprofit Sector Study 2022 - 23 • Created with Datawrapper

Small and mid-size NPOs work very locally

- **50% work only in 1 state,**
30% in 2-5 states, 20% pan-India >5 states
- NPOs with annual expenditure of greater than INR 5 Cr annually, work pan-India comparatively, while small and mid-size NPOs work more locally

Most NPOs work in rural areas

- Among those NPOs that work in villages (n=469), on an average 55% of their overall work is located in villages (as against metropolitan areas, urban and semi-rural areas)
- 70% NPOs among the larger ones (INR 5 Cr+) work in the metropolitan cities, while only about 50% of the smaller NPOs work in metropolitan cities

Size-wise distribution of geographies of work (n=515)

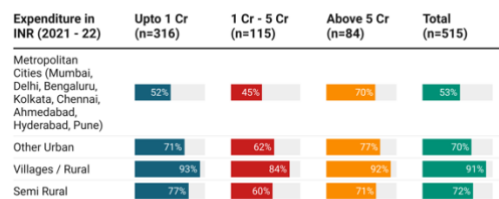


Table: GSI • Source: Nonprofit Sector Study 2022 - 23 • Created with Datawrapper

Activities

Engagement of Nonprofits with SDGs (n=643)

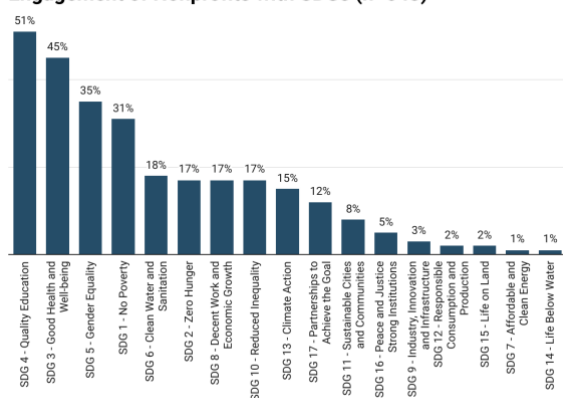


Chart: GSI • Source: Nonprofit Sector Study, 2022 - 23 • Created with Datawrapper

Majority of NPOs serve the needy

- **94% reported at least two-thirds of organisation's activities covered the under-served, less-privileged or people living in regions recording lower performance in development priorities (n=739)**
- **SDGs:** NPOs work towards meeting all SDGs, predominantly work on Quality Education, Good Health, No Poverty and Gender Equality (n=643)

Social Services, Education and Livelihoods are major thematic areas as per ICNPO ([International Classification of NPOs](#)):

- 70% work in Social services
- 59% in Education and Research
- 56% in Employment, Community development and Housing
- 27% in Health
- 24% in Environment (n=515)
- Comparatively smaller NPOs work in Social Services, while larger NPOs work in Education and Health (n=515)

More than half of NPOs work with women, children, youth, students, girl children, rural poor, SHGs, and NPOs (n=594)

Size-wise distribution of ICNPO classification (n=515)

Expenditure in INR (2021 - 22)	Upto 1 Cr (n=316)	1 Cr - 5 Cr (n=115)	Above 5 Cr (n=84)	Total (n=515)
1 Culture and recreation	17%	8%	4%	13%
2 Education and research	54%	65%	69%	59%
3 Health	24%	26%	39%	27%
4 Social services	72%	70%	64%	70%
5 Environment	26%	22%	17%	24%
6 Development and housing	53%	60%	61%	56%
7 Law, advocacy and politics	7%	8%	1%	6%
8 Philanthropic intermediaries and voluntarism promotion	3%	2%	6%	3%
9 International	0%	0%	0%	0%
10 Religion	0%	0%	0%	0%
11 Business and professional associations, unions	4%	0%	0%	2%
12 Not elsewhere classified (N.E.C.)	2%	5%	5%	3%

Table: GSI • Source: Nonprofit Sector Study 2022 - 23 • Created with Datawrapper

Organizational attributes – size & age

Half of the NPOs are tiny by size of spending, most NPOs are younger than 30 years

- 62 percent of NPOs are small (n=565) with annual expenditure less than INR1 Cr
- Half the NPOs in our sample have less than 20 employees (median) and half the NPOs have less than 30 volunteers (median) for 2021 – 22 (n=489)
- In our sample, 87% of NPOs were registered after 1990, as per the MOSPI report (2012), 79% of traced societies were registered post 1990
- Over half of the organizations in our sample were registered within the last 20 years (n=851)
- GuideStar India's database of 12000+ organisations reflects a similar distribution

Distribution of NPOs by Annual Expenditure (n=565)

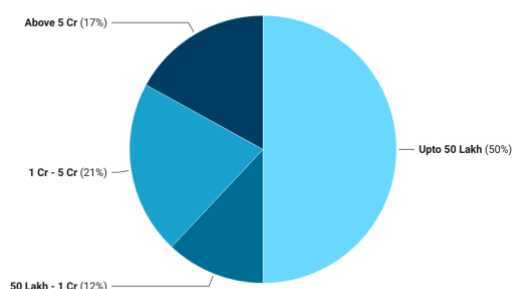


Chart: GSI • Source: Nonprofit Sector Study 2022 - 23 • Created with Datawrapper

Age-wise distribution of Nonprofits in the sample (n=851)

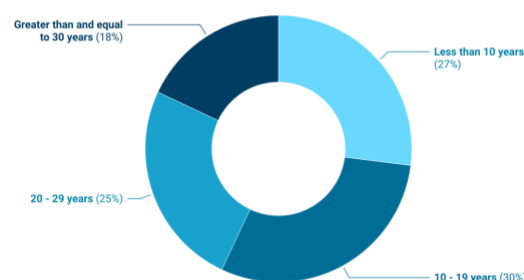


Chart: GSI • Source: Nonprofit Sector Study 2022 - 23 • Created with Datawrapper

NPO distribution by statutory registrations & promoters

Registration Type of Organisations (n=515)

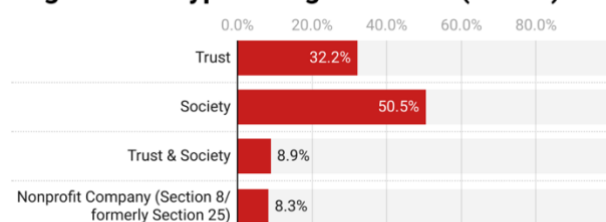


Chart: GSI • Source: Nonprofit Sector Study 2022 - 23 • Created with Datawrapper

50% NPOs' annual spending <INR 50 L

Majority of the NPOs in the sample are tax exempt

- 51% of the NPOs in our sample are registered as a Society, 32% as a Trust, 9% as a Trust & Society and 8% as a Not-for-Profit Company (n=515)
- 9% are promoted by governments, 6% by professional/trade associations and 3% each are promoted by businesses, religious organisations and families. **72% are independent** (n=515)
- 92% NPOs report 12A/ 12AA/ 12AB as their tax exemption type with only 1% reporting 10(23C) as the tax exemption type (n=515)
- 87% NPOs reported that their tax exemption certificate was valid, 84% NPOs reported that their tax deduction certificate was active (n=515)

Note: as per IT (Nov 2022)

IT Exempt NPOs: 252,000

NPOs Qualified for giving IT Deductions under 80G: 164,000

As per [MOSP Report, April 2012](#):

NPO Population 37 Lakh upto March 2008, traced 6.94 Lakh in 2011-12.

Mid and large sized NPOs have more access to foreign funding

- NPOs with an FCRA registration constitute 54% of our sample (n=565)
- More than 78% of the mid-sized and large organisations in our sample have reported having an FCRA registration and only 37% of small organisations have access to foreign funding

FCRA Registered 16,508 as of Dec 2022

Percentage of Nonprofits with FCRA (n=565)

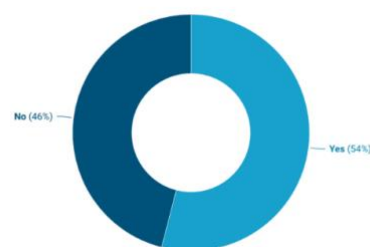


Chart: GSI - Source: Nonprofit Sector Study, 2022 - 23 - Created with Datawrapper

Systems of accountability

Size-wise distribution of data source for topmost activity of NPOs tracking numbers reached (independently verifiable) (n=432)

Expenditure in INR (2021 - 22)	Up to 1 Cr (n=249)	1 Cr - 5 Cr (n=106)	Above 5 Cr (n=77)	Total (n=432)
External evaluations	4%	2%	0%	3%
Internal assessments	39%	42%	43%	40%
Project Reports	43%	38%	34%	40%
Others	14%	19%	23%	17%

Table: GSI - Source: Nonprofit Sector Study 2022-23 - Created with Datawrapper

Most NPOs practice transparency

- 77% NPOs reported that their audited accounts are prepared, audited and publicly available (n=515)
- 84% NPOs reported availability of governing body details on their websites/ public sources (n=515)

90% track at least one of their top 3 activities

- 65% of NPOs in our sample reported that they track directly reached numbers for all of their top three activities (n=515)
- 25% of NPOs in our sample reported that they track at least one but not all of their top three activities (n=515)
- 84% NPOs who track directly reached numbers for at least one of their activities, reported that their reach numbers can be verified independently (n=460)

Employment generation and socio-economic upliftment by NPOs

NPOs contribute to lifting-up local socio-economic life

- 47% NPOs report that they are the biggest source of formal employment in more than half of the local geographies (n=515)
- 55% NPOs report that more than half of their economic activity is with local business and vendors (n=515)
- 67% NPOs report that more than half of their personnel (employees and volunteers) are from communities (geographical or beneficiary community) that they work with (n=515)

NPOs create quality livelihoods and develop skills among more disadvantaged sections of the society

- The socio-economic status of employees has changed from fair to good and very good after five years of working with NPOs (n=515)
- On an average, skills of their employees have moved from fair to very good and excellent after five years of working with NPOs (n=515)
- 64% of NPO employees are the sole breadwinners in their respective families (n=515)

Skills and Economic Status of Employees in NPOs (n= 515)

	Social and economic status of employees when they start working	Social and economic status of employees after they have worked 5 or more years in the NPO	Skills of employees when they start working	Skills of employees after they have worked 5 or more years with the NPO
Very poor	5%	2%	3%	1%
Poor	14%	6%	10%	2%
Fair	34%	17%	25%	8%
Good	26%	34%	33%	25%
Very Good	13%	25%	19%	35%
Excellent	7%	11%	9%	21%
Exceptional	1%	1%	1%	4%
Not 5 years old		4%		4%

Chart: GSI - Source: Nonprofit Sector Study, 2022 - 23 - Created with Datawrapper

85% of full-time people engaged are volunteers

Survey finding matches MOSPI data of 2007-08

Sources of funding

Size-wise distribution of top Sources of Funds for Nonprofits (n=515)

Expenditure in INR (2021 - 22)	Up to 1 Cr (n=316)	1 Cr - 5 Cr (n=115)	Above 5 Cr (n=84)	Total (n=515)
Self-generated Revenue	42%	12%	11%	33%
Retail individual donations	35%	21%	18%	30%
Grants from High Net worth Individuals	8%	15%	17%	12%
Grants from Indian Foundations	28%	50%	50%	37%
Grants from International Foundations	22%	49%	50%	34%
CSR	24%	55%	34%	40%
Grants from Indian Government	24%	50%	17%	34%
Grants from Foreign Governments, UN, multi-, bi-lateral grants	7%	19%	13%	11%
In-kind Contributions	21%	6%	4%	15%
Others	8%	6%	1%	7%

Table: GSI - Source: Nonprofit Sector Study 2022 - 23 - Created with Datawrapper

CSR top source, retail fundraising potential unexploited

- NPOs in our sample (n=515) record CSR as their top source of funding, followed by grants from Indian foundations and grants from International foundations
- Medium and large organisations have reported grants from CSR programs and foundations as their predominant sources of revenue
- Smaller organisations more frequently reported relying on self-generated revenue and individual donations

Five-year and Fifteen-year trends

NPOs have demonstrated agility & resilience

- In the last five years, 58% NPOs have reported that their annual expenditure increased (n=515)
- 56% reported that the number of funding sources has increased in the last five years (n=515)
- 87% NPOs reported that their reach numbers have increased in the last five years (n=460)
- Among respondent NPOs that were registered on or before 2007, more than half have reported an increase in their ability to achieve impact and to collaborate with other organizations (n=312)**

Impact of COVID-19 (n=515)

NPOs were affected in terms of financial and human resources

- Roughly 65% of the small and mid-size NPOs reported some form of losses due to COVID-19
- Roughly half of the NPOs (48%) reported attrition in the aftermath of the pandemic
- 50% NPOs (n=460) reported that their reach numbers increased and 32% reported that these in fact decreased during and after the pandemic.

Size-wise distribution of loss of Income to NPOs due to COVID-19 (n=515)

Expenditure in INR (2021 - 22)	Upto 1 Cr (n=316)	1 Cr - 5 Cr (n=115)	Above 5 Cr (n=84)	Total (n=515)
No loss at all	35%	37%	45%	37%
Loss Upto Rs10 Lac	38%	12%	6%	27%
Loss of Rs10 Lac - Rs1 Cr	24%	39%	19%	27%
Loss of Rs1 Cr - Rs10 Cr	2%	11%	26%	8%
Loss of More than Rs10 Cr	1%	1%	4%	1%

Table: GSI • Source: Nonprofit Sector Study, 2022 - 23 • Created with Datawrapper

Partnerships & collaborations

NPOs collaborate extensively with all stakeholders

- Comparatively, greater number of medium and larger NPOs have collaborations with governments and businesses
- Regardless of size, most NPOs work amongst themselves, and are active within networks.
- NPOs collaborate with government across themes (education, health, livelihoods and governance)

88% NPOs strengthen government institutions

Size-wise distribution of Nonprofits engaged in collaborations (n=515)

Expenditure in INR (2021 - 22)	Upto 1 Cr (n=316)	1 Cr - 5 Cr (n=115)	Above 5 Cr (n=84)	Total (n=515)
Collaboration with Governments	61%	77%	83%	68%
Collaboration with Businesses	42%	65%	74%	52%
Collaboration with NPOs	77%	90%	94%	83%
Participation in networks	61%	74%	85%	68%

Table: GSI • Source: Nonprofit Sector Study 2022 - 23 • Created with Datawrapper

Size-wise distribution of nonprofits that worked directly with government institutions in the last five years (n=515)

Expenditure in INR (2021 - 22)	Upto 1 Cr (n=316)	1 Cr - 5 Cr (n=115)	Above 5 Cr (n=84)	Total (n=515)
Government Schools	77%	71%	71%	75%
Anganwadis/ Creches	60%	51%	54%	57%
Primary Health Centers/ Health & Wellness Centers	63%	55%	56%	60%
Self-Help Groups	72%	62%	60%	68%
Panchayats	72%	70%	58%	69%
Ward Committees / Municipality Corporations	60%	57%	43%	56%
None	35%	30%	36%	34%

Table: GSI • Source: Nonprofit Sector Study 2022 - 23 • Created with Datawrapper

Reasons for collaboration of NPOs with Government, Businesses and Nonprofits (n = 515)

Reasons for collaboration	With Government	With Businesses	With other nonprofits
Funding (excluding Fundraising platform)	35%	37%	36%
Improving Service Delivery	35%	19%	47%
Advocacy	23%	10%	31%
Capacity Building of Staff of your NGO	22%	22%	48%
Knowledge Production	17%	15%	39%
Achieving Scale for Impact	26%	19%	38%
Donor Driven/Encouragement	8%	15%	16%
Others	7%	3%	6%

Table: GSI • Source: Nonprofit Sector Study 2022 - 23 • Created with Datawrapper

Motivations for Collaboration

- With governments
 - Funding (35%)
 - Improving service delivery (35%)
 - Achieving scale for impact (26%)
- With businesses
 - Funding (37%)
 - Capacity building of staff (19%)
- With other NPOs
 - Capacity building of staff (48%)
 - Improving service delivery (46%)
 - Knowledge production (39%)
 - Achieving scale for impact (38%)

How NPOs contribute to Sarkaar, Bazaar & Samaaj¹



Sarkaar

- 88% NPOs in the sample work with government institutions, strengthening their programmes in education, health, livelihoods and governance.
- NPOs of all sizes work with the government



Bazaar

- More than half the NPOs use local businesses and vendors for their economic activity
- Mid and large sized NPOs work more extensively with businesses
- Businesses partner with NPOs for fulfilling their CSR mandate



Samaaj

- NPOs are a significant source of local employment
-64% of NPO employees are sole breadwinners in their families
- NPOs reach the last and least served
Just 500 odd NPOs in the sample engaged 3 lakh volunteers, employed 60,000 people and mobilised 64 lakh people thru SHGs

Recommendations for key stakeholder groups

NPOs

- Benchmark against sector data pertaining to their size, geography and thematic areas
- Quote the NPO Sector Survey data to establish where gaps exist
- NPOs in sectors like Education, Health, Employment and Social Services, with tangible outputs and outcomes could gather evidence of work along common indicators, which intermediaries could aggregate and report sector-wise
- Older organisations should widely and consistently share their impact reports, stories and learning
- Make community participation visible, report community feedback and make more voices from communities heard
- Speak openly about challenges, interventions and learnings to improve the understanding of the sector realities

Government Regulators and Ecosystem Builders

- 88% of NPOs work to strengthen government programmes across themes. 50% of NPOs work locally, improve socio-economic life of workers and engage local businesses. Strengthening NPOs could accelerate local area development.
- Apply the 80/20 Pareto principle for statutory reporting and compliance
- Prioritise charity reforms in five states that account for half of the NPOs in the country
- Design capacity building support and services based on age and size of NPOs
- Support the sector in developing impact assessment standards (definitions, indicators and processes) and enable aggregation and reporting
- Foster collaborative effort through enabling regulation for collective fundraising and programme implementation through CSR, onward grant-making, etc.

Funders

- Support ecosystem development for impact measurement and reporting: development of definitions and standards and support adoption of logical frameworks and standard indicators
- 62% NPOs are less than Rs1 Cr & 57% less than 20 years old- they could be given simple tools for tracking output and reporting for aggregation of sector's contribution
- Support capacity building and foster collaboration for scaling impact, while harnessing benefits of localised interventions
- Support creating resources for the sector in the following 10 languages would help cover 80% of NPOs: English, Hindi, Bengali, Gujarati, Kannada, Malayalam, Marathi, Odiya, Tamil and Telugu
- Use the findings of this report in decision making
- Support this study to be repeated every 2 years to support longitudinal analysis for sharper insights

NPOs help the government, businesses and citizens reach the last and the least served!

For additional information

(This document is only a hand-out of the presentation based on Chapters 3 and 4 of the detailed report titled India's Million Missions)

To download the report,

Scan the QR or visit:

https://guidestarindia.org/India_CS0_Reports.aspx

For comments/ questions/ collaborations, write to:

nposurvey@guidestarindia.org



To participate in Phase 2 of the NPO survey: <https://www.surveymonkey.com/r/NPOsurvey2022-23>

¹ Choice of words inspired by Samaaj (Society), Sarkaar (State), Bazaar (Markets)— A citizen-first approach, author Rohini Nilekani