

First official estimate: An NGO for every 400 people in India

PAGE 1
ANCHOR

3.3 million NGOs till 2009; raise Rs 40,000-80,000 crore annually

ARCHNA SHUKLA
NEW DELHI, JULY 6

INDIA has possibly the largest number of active non-government, not-for-profit organizations in the world. A recent study commissioned by the government put the number of such entities, accounted for till 2009, at 3.3 million. That is one NGO for less than 400 Indians, and many times the number of primary schools and primary health centres in India.

Even this staggering number may be less than the actual number of NGOs active in the country. This is because the study, commissioned in 2008, took into consideration only those entities which were registered under the Societies Registration Act, 1860 or the Mumbai Public Trust Act and its variants in other states.

Such organisations can be registered under a plethora of Acts such as the Societies' Act, 1860, Indian Trust Act, 1882, Public

Trust Act, 1950, Indian Companies Act, 1956 (Section 25), Religious Endowment Act, 1863, The Charitable and Religious Trust Act, 1920, the Mussalman Wakf Act, 1923, the Wakf Act, 1954, and Public Wakfs (Extension of Limitation Act) Act, 1959, etc.

According to the government study, the largest number of NGOs are registered in Maharashtra (4.8 lakh), followed by Andhra Pradesh (4.6 lakh), UP (4.3 lakh), Kerala (3.3 lakh), Kar-

nataka (1.9 lakh), Gujarat (1.7 lakh), West Bengal (1.7 lakh), Tamil Nadu (1.4 lakh), Orissa (1.3 lakh) and Rajasthan (1 lakh). More than 80 per cent of registrations come from these 10 states.

While the government will begin studying the finances of the sector in the second phase of the survey, estimates from within the sector suggest that NGOs, or NPIs, raise anywhere between Rs 40,000 crore and Rs 80,000 crore

CONTINUED ON PAGE 2

REGISTRATIONS

MAHARASHTRA	4.8 lakh
ANDHRA	4.6 lakh
UP	4.3 lakh
KERALA	3.3 lakh
KARNATAKA	1.9 lakh
GUJARAT	1.7 lakh
BENGAL	1.7 lakh
TAMIL NADU	1.4 lakh
ORISSA	1.3 lakh

NGO for every 400 people

in funding annually. The government has been the biggest donor — Rs18,000 crore was set aside for the social sector in the XI Plan — followed by foreign contributors (according to the latest figures available, around Rs 9,700 crore was raised in 2007-08). Around Rs 1,600-2,000 crore was donated to established religious bodies such as the Tirumala Tirupati Devasthanams.

Individual donors are emerging as the biggest and most lucrative source of funds. According to an internal study by a leading foreign NGO headquartered in the UK, donations by individuals are expected to have grown from around Rs 2,200 crore in 2005 to Rs 8,100 crore by a conservative esti-

mate, and to around Rs 21,000 crore by more liberal estimates.

The increase in the number of donors has coincided with a sharp increase in the number of new NGOs in the past decade. According to the government study, there were only 1.44 lakh registered societies till 1970. In the following three decades, the number rose to 1.79 lakh, 5.52 lakh, and 11.22 lakh. The maximum increase in the number of registrations happened after 2000. Private sector companies, one of the biggest donors in the developed world, are, however, yet to wake up to the phenomenon of charity and philanthropy in India. Indian companies spend less than one per cent

of their annual profits on such activities, against 1.5 per cent to over 2 per cent spent by their UK and the US-based counterparts, says the study by the international NGO.

"The government study included, these are all broad estimates. Nobody really knows the ground reality because this sector has grown very fast in the past many years. Besides, there have been no efforts to maintain an official database or even to encourage such entities to be transparent about their activities as well as fundings," said Soumitro Ghosh, founder CEO, CSO Partners, a Chennai-based organization set up to encourage transparency in the functioning of the sector.