Study Report on Status of

Civil Society Organisations

in Uttarakhand







Study Report on Status of Civil Society Organisations in Uttarakhand

Author: Voluntary Action Network India (VANI)

July 2020

Copyright (c) Voluntary Action Network India

The content of this book can be reproduced in whole or in parts with due acknowledgement to the publisher.

Published by:

Voluntary Action Network India (VANI) VANI HOUSE, 7, PSP Pocket, Sector-8, Dwarka, New Delhi 110 077

Phone: 91-11 - 49148610, 40391661, 40391663

E-mail: info@vaniindia.org Website: www.vaniindia.org









Printer:

Sri Balaji Arts Printer (sribalajiartsprinter@gmail.com)



Preface

The first ever exercise undertaken by CBI estimated the number of registered NGOs in India to be approximately 31 lakh⁽¹⁾. A number that is more than double the number of schools in the country, 250 times the number of government hospitals, amounting to one NGO for 400 people as against one policeman for 709 people ⁽²⁾. The theme of work extends to an endless range, from healthcare to environmental protection to women rights. It is also worth noticing, that every single ministry under the government supports or engages with CSOs at different levels. Due to its wide reach it is often called the third sector.

However, the government-social sector relationship seems to have hit the rock bottom lately. The lack of authenticity and credibility towards the civil society sector is evident in this relationship. The CSOs have been struggling to build a positive narrative about the social sector since a very long time. In this context, a wide number of CSOs have been continuously carrying out evidence based advocacy with the government. They have also been collaborating with various national and global level stakeholders in order to gain acknowledgement and recognition. These actions have precipitated the need for the government to enforce new amendments and introduce more flexible conditions in the past.

Despite the large number of CSOs in India, and a 1,382 of them in UK⁽³⁾, the impact that they have been creating through their sincere efforts and commitment towards a larger impact, often remains unnoticed. This might be due to their continuous struggle in building healthy relationships with the public and private sectors. This may result in restrictions in their activities, due to lack of resources, monetary and otherwise.

VANI, being the voice of the civil society sector, has been working towards amplifying the needs of the sector since its initiation. As a part of the same initiative, VANI carried out a study, to explore the status of the CSOs in UK, vis a vis their relationship with the government, the corporate sector, fundraising and their understanding of Sustainable Development Goals. The issues raised through a number of in-depth interviews with CSOs in UK, helped understand the way forward for these organisations.

In the end, I would like to acknowledge and extend my gratitude to IM Swedish Development Partner for supporting this project. I would also like to thank my research team, Dr. Pallavi Rekhi, Programme Officer and Ms. Nivedita Datta, Programme Manager for compiling and editing the document, and for concluding the study.

Best Regards,

Harsh Jaitli

Chief Executive Officer



Abbreviations

UK - Uttarakhand

CSO - Civil Society Organisation

NGO - Non-governmental Organisation

VANI - Voluntary Action Network India

SDG - Sustainable Development Goal

IM - Individual M\u00e4nniskohj\u00e4lp Swedish Development Partner

SRS - Sample Registration Survey

HDI - Human Development Index

UNDP - United Nations Development Programme

HRD - Human Resource Development

SC - Scheduled Caste

NCR - National Capital Region

FCRA - The Foreign Contribution Regulations Act

CSR - Corporate Social Responsibility



Contents	Page Nos.
Introduction	4
Objectives	5
Sampling & Methodology	5-6
Context	6-12
Chapter I: CSOs of UK & the Government	13-16
Chapter II: CSOs in UK & Corporate Social Responsibility	17-20
Chapter III: CSOs in UK & Local Resource Generation	21-22
Chapter IV: CSOs in UK, Aspirational Districts & SDGs	23-25
Recommendations and Way Forward	26-27
References	28



Introduction

Uttarakhand, also known as 'Dev Bhumi', is one of the most picturesque and sacred lands of India. The main landscape of UK is mountainous, and it also is home to a number of holy places like

Hemkund Sahib, Rishikesh, Badrinath, Kedarnath, etc. UK consists of a bicultural population, divided mainly into two geographically and culturally different regions: Garhwal and Kumaon, and the CSOs in the marginalized regions of these two districts, have been working for their upliftment and growth. Apart from the CSOs, the community itself is highly motivated and the residents themselves volunteer to work for the development of their areas. For



instance, Bhuwan Rawat, a 32-year-old engineer turned social activist, hailing from Devli Bagad village of Chamoli district, Uttarakhand, is working towards tackling the waste menace in Pauri District of the state. Bhuwan started a campaign called 'Mera Gaon Swachh Gaon' in 2017. This campaign alone made a huge impact in various districts of the state like Devli Bagad in Chamoli, Khalu Village in Pauri, and Tolma, a village in Chamoli, where 8,300 people joined the movement, including local villagers and self-help groups ⁽⁴⁾.

Due to the multiple tasks that the CSOs perform, of creating awareness, conducting workshops, carrying out events like cleanliness drives, etc., and the holistic approach that they use in designing programmes that they run in the rural areas, they are definitely worthy of respect, recognition and visibility in the society. Whether or not, they have managed to gain all this is still uncertain.

The state of UK was extracted out of Uttar Pradesh. The main aim was to address the challenges in the development in the mountainous regions of the state. This resulted in a faster pace of reaching the targets and better outcomes in comparison to other states. Although, not much data is available to gauge the exact progress in the state, but whatever is available, suggests the same. The latest available SRS data (2012-16) estimates the life expectancy at birth for UK to be 71.5 years, which was higher than the all India figure of 68.5 years. Females in the state show higher life expectancy at 74.8 years vis-à-vis males at 68.5 years. The female and male life expectancy rate for UK was also higher than the all India figures of 70.2 and 67.4 years. In urban areas, life expectancy was marginally higher (72.9 years) compared to rural areas (71 years), which was also higher than all India figures i.e. 67.4 years in rural areas, and 72.2 in urban areas. These numbers reflect the improvement of healthcare facilities in UK. The higher values of the HDI show



better achievements with regard to the normative goals set for the purpose of assessment. The state HDI has improved over the years from 0.531 in 2011-12 and 0.718 in 2017.

It is higher than all India HDI score (0.64) and just above the medium HDI score (0.70) as per UNDP 2018 (5).

The data presented shows impressive healthcare development rates with a minimal gender gap, and growth in the overall HDI reflecting some major achievements in the state, with some gap between the urban and rural areas. Despite the visible growth and development in UK, there is significant lack in mapping the progress and gap areas in different regions of the state. For example, the government statistics show significant variations in the incidence of poverty across districts in Uttarakhand ranging as high as 28.5 per cent in Pauri Garhwal and lowest 9.2 per cent in Dehradun. In most of the hill districts the incidence of poverty is above



the state average. The incidence of rural poverty is generally the lowest in the richest quartile group of districts, namely Dehradun, Udham Singh Nagar and Nainital (6). In addition to the remarkable work that the CSOs in UK have been doing till date, they must build programmes focusing on capacity building and intersectoral collaboration for the development of the hilly as well as plain areas of UK.

Objectives

- To understand the status of CSOs of UK.
- To identify the various challenges faced by the CSOs of UK.
- To prepare a comprehensive document which could aid CSOs in states to undertake advocacy with different stakeholders.
- To understand the difference in perspectives of the donor organisations and CSOs.

Sampling

Randomized sampling- Data from a number of organisations was collected through in-depth interviews and an online questionnaire. The data from both the sources was analysed and reviewed to document the status of CSOs in UK. The data was collected from various organisations working on diverse themes, such as education, disaster management, livelihood, healthcare, environment, etc.

Methodology

For developing this study, VANI collected data mainly from desk research, using extensive secondary research by thorough reading and compilation from different sources (articles,



reports, documents, websites, etc.). We also used primary qualitative and quantitative data from various member and non-member organisations in UK through telephonic interviews and an online questionnaire. The data received was cleaned, analysed and the interpretations were documented. The study does not differentiate between CSOs on the basis of their size, thematic area of work, geographical location in UK, etc.

Context

In the state of UK, apart from the government, the civil society sector has been playing a major role in the development and upliftment of the complete state in every sphere, be it education, healthcare, women rights, climate change, etc. The CSOs work on individual projects as well as in collaboration with other private organisations and/ or the government. One of their major concerns is the availability of funds, the lack of which sometimes hinders their progress.

Despite the unparalleled efforts that the CSOs have been making towards the development of the state of UK, the development has been restricted. This may be due to the lack of sufficient support from the other sectors, and lack of employment opportunities generated by the private and public sectors, the growth has been restricted. According to the latest HRD report, published by UNDP, the unemployment rate in UK has doubled from 2.1% in 2004-2005 to 4.2% in 2017. Data of the district- wise unemployment rate of the educated youth (secondary level and above), revealed even more disturbing trends as Dehradun (30.2%) and Haridwar (20.1%) districts report the maximum rate of unemployment. The report also showed that from 2004-05 to 2017, the unemployment rate among youngsters (15-29 years), has gone up from 6% to 13.2% ⁽⁷⁾. These figures are disturbing and highlight the wide gaps between intersectoral linkages and the absence of significant impact in UK.

There are 1,382 CSOs of UK, registered on Niti Aayog's web portal 'Darpan'. However, the fact worth emphasizing here is that only 345 organisations are registered under FCRA⁽⁸⁾. The immense role of these organisations in the development of UK cannot be undermined. Nevertheless, it is well known that the government's approach towards them has not been very positive lately. The civil society space has been shrinking due to the harsh amendments enacted by the government with respect to FCRA, income tax, etc. Despite these challenges in times of Covid-19, it has been reassuring to see the CSOs and the public institutions work together to fight the pandemic. Post the lockdown, the Prime Minister of India, Mr. Narendra Modi, reached out to the lakhs of CSOs in the country through a video message, to join hands with the government in these tough times, to provide basic necessities to the marginalized, distributing medical and protective gears to the underprivileged, and creating mass awareness vis a vis the pandemic and social distancing. This was an excellent example of a good collaboration between the two sectors.

In Uttarakhand, any CSO needs to be registered with the government under one of the following four Acts as per the Indian law:

Societies Registration Act, 1860

An Act for the registration of literary, scientific and charitable societies



Whereas it is expedient the provision should be made for improving the legal condition or societies established for the promotion of literature, science, or the fine arts, or for the diffusion of useful knowledge, I [the diffusion of political education], or for charitable purposes;

Comment: Charitable purposes which came within the language and spirit of the statute of Elizabeth could be grouped into four heads, (i) relief of poverty, (ii) education, (iii) advancement of religion and (iv) other purposes beneficial to the community not coming under any of the preceding heads. The words in Act 21/1860 are, therefore, to be understood as including religious purposes also.

It is enacted as follows:-

Societies formed by memorandum of association and registration

Any seven or more persons associated for any literary, scientific, or charitable purpose, or for any such purpose as is described in section 20 of this Act, may, by subscribing their names to a memorandum of association, and filing the same with Registrar of Joint-stock Companies form themselves into a society under this Act. (9)

Societies Registration (Uttarakhand Amendment) Act, 2019

An Act further to amend the Societies Registration Act, 1860 (Act 21 of 1860), in its application to the State of Uttarakhand

It is hereby enacted by the Uttarakhand State Legislative Assembly in the Seventieth Year of the Republic of India as follows –

- 1. Short title, extent and commencement. -
 - (1) This Act may be called the Societies Registration (Uttarakhand Amendment) Act, 2019.
 - (2) It extends to the whole of the State of Uttarakhand.
 - (3) It shall come into force at once.
- 2. Substitution of Section 1. In Societies Registration Act, 1860, (which is hereinafter referred to as Principal Act) the Section 1 shall be substituted as follows, namely -
 - "1. Societies formed by memorandum of association and registration. Any seven or more persons associated for any literary, scientific or charitable purpose, or for any such purpose as is described in Section 20 of the Act, may, by digital signature of their name in online form of Memorandum of Association and rules filing the same online with the Registrar form themselves into a society under this Act.".
- 3. Amendment of Section 3. In principal Act sub-section (1) of Section 3 shall be substituted as follows, namely -
 - "3. Registration and fees. (1) Upon such memorandum and its digitally signed copy being filed along with particulars of the address of Society office which will be registered address, by the Secretary of the Society on behalf of the persons subscribing to the memorandum,



the Registrar shall certify under his digital signature that the society is registered under this Act. For every such registration fees of five thousand five hundred and fifty rupees shall be paid to Registrar. For every such registration for Youth/Women Mangal Dal, Women Group/Community Group fees of fifty rupees shall be paid.

Provided further that the State Government may, by notification in the Official Gazette, increase from time to time the fee payable under this sub-section.

Provided further that the Registrar may, in his discretion, issue public offline notice or issue offline notices to such persons, as he thinks fit inviting offline objections, if any against the proposed registration and consider all objections that may be received by him before registering the society. The prescribed fee of registration shall be submitted online after the online approval of registration by the Registrar. After depositing the prescribed fees, the digitally signed Society Registration Certificate shall be downloaded by the applicant."

- 4. Insertion of Section 5-A. In principal Act after Section 5 the following section shall be inserted, namely -
 - "5A. Restriction on transfer of property. (1) Notwithstanding anything contained in any law, contract or other instrument, it shall not be lawful for the governing body of a society registered under this Act or any of its members to transfer, without the previous approval of the court, any immovable property belonging to any such society.
 - (2) Every transfer made in contravention of sub-section (1) shall be void.

Explanation I. - For the purposes of this section the word 'court' shall have the meaning assigned to it in Section 13.

Explanation II. - For the purposes of this section the word 'transfer' means-

- (d) a mortgage, charge, sale, gift or exchange.
- (e) lease for term exceeding five years; or
- (f) irrevocable licence."
- 5. Substitution of Section 19. In principal Act Section 19 shall be substituted as follows, namely-
 - "19. Inspection of documents, Certified copies. Any person may inspect all document files with the Registrar under this Act on payment of a fee of three hundred rupees for each inspection; and any person may require a digitally signed copy or extract of any documents or any part of any documents, to be digitally certified by the Registrar on payment of Rupees One hundred as ordinary fee and Rupees Two hundred as urgent fee for every A4 size page of such copy or extract and such digital signed copy shall be prima facie evidence of the matters therein contained in all legal proceedings whatever.

Provided further that the State Government may, by notification in the Official Gazette, increase from time to time the fee payable under this sub-section. $^{(10)}$



Indian Trusts Act, 1882

An Act to define and amend the law relating to Private Trusts and Trustees.

Lawful purpose- A trust may be created for any lawful purpose. The purpose of a trust is lawful unless it is (a) forbidden by law, or (b) is of such a nature that, if permitted, it would defeat the provisions of any law, or (c) is fraudulent, or (d) involves or implies injury to the person or property of another, or (e) the Court regards it as immoral or opposed to public policy. Every trust of which the purpose is unlawful is void. And where a trust is created for two purposes, of which one is lawful and the other unlawful, and the two purposes cannot be separated, the whole trust is void. (11)

Companies Act, 2013

Formation of company — (1) A company may be formed for any lawful purpose by— (a) seven or more persons, where the company to be formed is to be a public company; (b) two or more persons, where the company to be formed is to be a private company; or (c) one person, where the company to be formed is to be One Person Company that is to say, a private company, by subscribing their names or his name to a memorandum and complying with the requirements of this Act in respect of registration:

Provided that the memorandum of One Person Company shall indicate the name of the other person, with his prior written consent in the prescribed form, who shall, in the event of the subscriber's death or his incapacity to contract become the member of the company and the written consent of such person shall also be filed with the Registrar at the time of incorporation of the One Person Company along with its memorandum and articles:

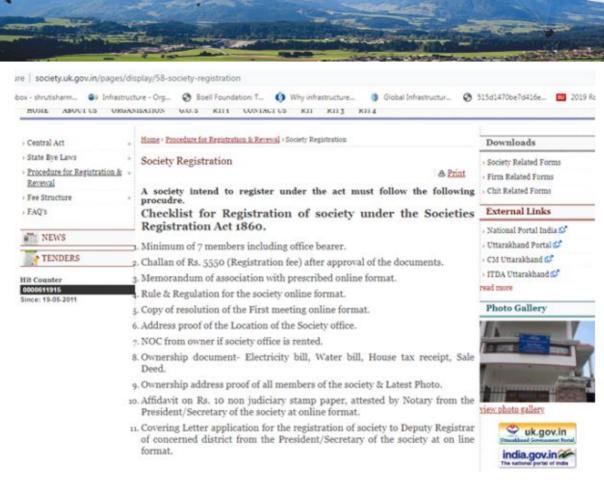
Provided further that such other person may withdraw his consent in such manner as may be prescribed:

Provided also that the member of One Person Company may at any time change the name of such other person by giving notice in such manner as may be prescribed:

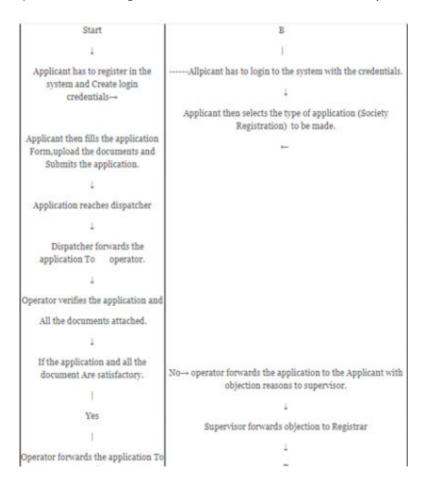
Provided also that it shall be the duty of the member of One Person Company to intimate the company the change, if any, in the name of the other person nominated by him by indicating in the memorandum or otherwise within such time and in such manner as may be prescribed, and the company shall intimate the Registrar any such change within such time and in such manner as may be prescribed:

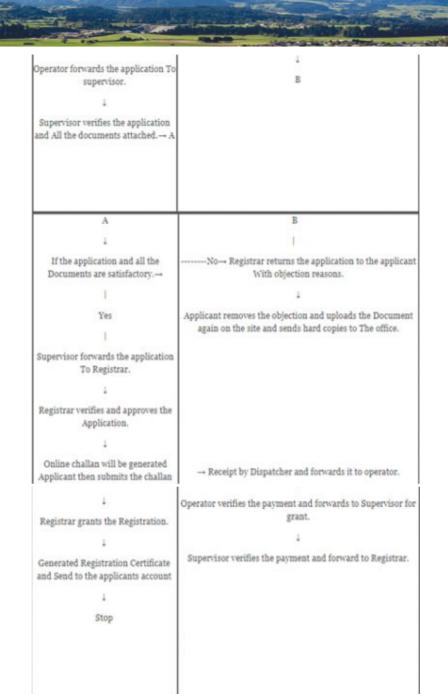
Provided also that any such change in the name of the person shall not be deemed to be an alteration of the memorandum. (2) A company formed under sub-section (1) may be either— (a) a company limited by shares; or (b) a company limited by guarantee; or (c) an unlimited company. (12)

Any CSO to be registered has to go through a registration process. The registration process is completely digital. The following checklist needs to be ticked off for registration:



The registration process has been given on the website itself in a user-friendly manner.







Every society registered under this act, needs to get their registration renewed post every 5 years. The procedure for the same is as follows: (13)

Every Society registered under this act is valid for five years. There after society is to be renewed.

The procedure for renewal of society is as under:-

(1)Application for Renewal on prescribed form as per model. 🗑 🗗

(2)Original Certificate must be attached with application.

(3)List of Executive Committee should be filled in every year. List should contain names, address and occupations of the members of the governing body.

(4) Every society should furnish its annual accounts duly audited by a chartered Accountant.

(5) Election proceedings as per Registered By laws. The Election proceeding should be filed within the fourteenth day of such election is conducted.

(6)(a) Renewal fees Rs. 1000/- (One Thousand) is pay bill,if such application is filed within the renewal due .

(b)A late fee of first month Rs 200.00, and than Other Month Rs.100.00 per month is pay bill for every month of delay.

(c)A permission fee of Rs. 800/- is pay bill if renewal is applied for after twelve month of delay.

(every application for Renewal of the certificate shall be accompanied by a list of members of the managing body elected after the Registration of the Society or the Renewal of the Certificate

of Registration and also the Certificate is sought to be renewal unless dispensed with by the Registrar on the ground of its loss or destruction or other sufficient cause.)

A Society which fails to get its certificate of registration renewed in accordance with this section

with in one year from the expiration of the period for which the certificate was operative, shall become an unregistered society.

A notary affidavit is required to be submitted if renewal is applied after expiration of more than one year containing the fact that there is no litigation in the society.

Although, the registration process initially might be convenient and simple, in terms of the technicalilties involved, but the renewal every five years is somewhat a tedious task for the CSOs in UK. This added to the never-ending compliance burden on them.





Chapter I: CSOs in UK and the Government

The relationship between the CSOs and the government of India has been under the radar continuously. On one hand, the relationship seems to be quite complicated, while on the other hand, the government has been immensely supportive and encouraging of the work that the CSOs have been doing, especially during the COVID- 19 crisis. If we look at the other side of the coin, civil society sector raised concerns alleging the Government to be bureaucratic.

However, the civil society sector's relationship with the government has been dual in nature since a long time. Although, many of the CSOs work in collaboration with the government, on government led projects and programmes, but simultaneously, they are not in favour of certain government policies. Also, while they raise concerns regarding the government's terms and conditions, on the other hand, they are partially dependent on the government for financial support in the form of grants, etc. Even the policies adopted by the CSOs are taken from the government policies.

The same is true for the relationship between the CSOs in UK and the government. The following table depicts the year-wise percentage expenditure by the UK Government on providing grants-in-aid to the CSOs: (14)

Percentage Expenditure by UK Govt Towards Grants-in-aid and Contributions		
2009-2010	3.05%	
2010-2011	3.51%	
2011-2012	2.92%	
2012-2013	3.56%	
2013-2014	4.12%	
2014-2015	3.22%	
2015-2016	3.32%	
2016-2017	3.59%	
2017-2018	5.09%	



The table above depicts a slight increase of 2.04% between 2009-10 to 2017-18, in the percentage expenditure made by the UK Government towards grants-in-aid and contributions towards social welfare. It has only seen a minute increase which is not enough. As a result, the CSOs in UK have been dealing with a lack of funds and have been forced to explore other options for fundraising.

However, to fulfill the basic responsibility of a government which is ensuring the welfare of its citizens, the government of UK has implemented certain schemes to support the CSOs working on specific themes:

Aid to Voluntary Organizations for operation of Shelter-Houses Cum Training Centers for Shelter-less Mentally Retarded and Mentally Challenged Persons with Disabilities

A scheme is being operated by the UK government for providing grant to the CSOs for operating shelter-houses cum training centers for mentally challenged shelter-less persons with disabilities enabling the participation of CSOs along with government programmes to ensure economic and social upliftment of mentally challenged persons.

Assistance to Voluntary Organisations for Welfare of SCs

To utilise the services of capable and reliable voluntary organisations towards socioeconomic development of Scheduled Castes. Under this scheme, Grants-in-aid are given by the Government of India to the voluntary organisations to the extent of 90% of each project cost for activities, such as running of facilities for general/technical/vocational education/income generating activities such as technical training in a variety of commercial trades.

Assistance to Voluntary Organisations for Old Age Homes

The scheme provides financial assistance UK to 90% of the project cost for running and maintenance of day care centre, old age home, mobile medicare unit, etc. Besides increase in amount of financial assistance, several new projects have been added to the scheme like maintenance of Respite Care Homes and Continuous Care Homes, Running of Multiservice Centre for Older Persons, Running of Day Care Centres for Alzheimer Disease/Dementia Patients, Physiotherapy Clinics for Older Persons, Disability and hearing aids for older persons, Helplines and Counselling Centre for older persons, etc. (15)

Even though a variety of diverse schemes have been enacted by the government in order to provide support the CSOs, but their implementation is found to be minimal. The rigid regulations around the applications to receive these government grants have led the CSOs to step back and divert towards other financial support options.

According to the statistics given on the FCRA website, post the amendments made in the FCRA



Act in 2014, the government's restraint on foreign funding of non-profit organisations has resulted in cancellation of registration of 126 CSOs in UK. $^{(16)}$

The results of the study indicated a few challenges that the CSOs of UK face with respect to the government. Some of them have been elaborated on below:

- Lack of accountability remains one of the biggest challenges that the CSOs in UK face. This is perhaps the most haunting problem for CSOs there. In the last decade, we have seen a vast number of voluntary organisations flourishing all over India, especially in smaller regions like UK, that claim to be working sincerely on a social cause, while in reality it is just a way of minting money from various platforms. As a result, the CSOs in UK, that are genuinely working towards development and trying to create an impact, have to continuously prove their credibility in front of the donors especially the government.
- The donors expect high degree of professionalism from the CSOs but are not ready to invest more in getting the right people on board. The CSOs of UK face a huge shortage of qualified professionals and experienced personnel. This might be due to the financial crunch they have to work with. The government projects in UK are mostly based in the backward and marginalized areas, therefore the activities involved are quite complicated and require extensive field work. All this requires a well-qualified and experienced leader, one who is well aware of the current status of that particular area.
- Lack of effective communication with the government, in order to secure potential grants, is yet another challenge of the CSOs in UK. Due to the inferior networking skills of their employees, the CSOs in UK find it very difficult to reach out to potential government funders. They struggle a lot to improve their visibility in front of the government. They do not have a proper communications or marketing team, to take such initiatives forward. This is where they lose out on opportunities to collaborate with the government.
- One of the major challenges that the CSOs highlighted repeatedly in the interviews was the deep-rooted corruption in the system. They pointed out, how without paying a heavy amount, none of their work gets done. This has left the smaller CSOs with no hope at all to be able to survive.
- The digital processes of registration, filing income tax, applying for various grants, etc, must have been designed keeping in mind the poor network and connectivity in certain parts of UK.
 As mentioned by many participant CSOs, the streamlining of the whole registration process and making it completely user- friendly has definitely made it less cumbersome for the CSOs.
 Despite these changes, many CSOs in UK find it difficult to access these websites due lack of proper connectivity in their area. They need to travel to some place else, in order to find a good network.



The results of the study indicate that due to a number of external factors, such as, lack of credibility, lack of proper connectivity, shortage of qualified personnel and most of all corruption in the system, have contributed in making the voluntary sector's relationship with the government strained. There is a significant need to enable communication and strengthen partnerships between the two sectors.



According to an online report, UK is one of the best state in offering a pool of opportunities for investors in manufacturing, tourism and infrastructure. UK also has a geographical advantage due to its proximity to important market of NCR and an excellent connectivity with its neighboring states. The state is well-connected with major cities of the country with two domestic airports at Dehradun and Pant Nagar.

UK offers a well-established industry, abundant natural resources due to its hills and forests, favourable climatic conditions for horticulture based industries, a vast water supply favourable for hydropower, ample number of tourist opportunities, owing to its pristine natural beauty and serenity, rich mineral deposits, a major fruit cultivator of India and therefore, one of the top ranked states in India, for its ease of doing business and investing.

With a high literacy rate with 78.80%, which is higher than the national average, the availability of quality human resources is also abundant, making it easier to employ qualified employees⁽¹⁷⁾. However, whether those qualified individuals want to limit themselves to the social sector or not, is a separate issue altogether.

Talking about the amount of CSR funds invested in UK on various districts, following is a table depicting the yearly expenditure. (18)

Year-wise CSR Expenditure in UK		
FY 2014-2015	74.79 CR	
FY 2015-2016	73.16 CR	
FY 2016-2017	101.52 CR	
FY 2017-2018	82.64 CR	
FY 2018-2019	173.32 CR	

• The table suggests a huge jump in the CSR expenditure in UK on a yearly basis. Despite these numbers, the CSOs of UK complain about the shortage of funds from the CSR pool. Through this study, we aimed at identifying the gaps between the CSOs and CSR in UK.

The following table shows the number of companies that invested in UK and the number of districts that were covered:



Companies investing in different districts of UK per year			
Financial Year	No. of Companies	No. of Districts Covered (Out of 13)	
FY 2014-2015	100	7	
FY 2015-2016	161	9	
FY 2016-2017	184	9	
FY 2017-2018	177	7	
FY 2018-2019	207	10	

- Though there has been a remarkable increase over the years in the CSR expenditure on the districts of UK, not all the districts have been able to get the benefits till date.
- Out of the districts covered over the years under CSR for overall development of these districts, Dehradun got the maximum share in 2014-15. Post that, Haridwar has been topping the charts till 2018-19.
- Majority of the resources were invested in the Education, Healthcare and Rural Development, Socio-economic Inequalities and Sanitation sectors.
- The corporates that emerged as prominent funding agencies in these five financial years were Power Grid Corporation of India Ltd., Indian Oil Corporation Ltd., THDC India Ltd., JSW Steel Ltd., Oil & Natural Gas Corporation Ltd., Patanjali Ayurved Ltd., Bharat Heavy Electricals Ltd., Vatika Ltd., and Titan Company Ltd. (19)

According to a news report, among the investment proposals, the Adani Group has committed the largest sum of Rs 6,500 crore. The group plans to invest Rs 5,000 crore in a metro rail project, and Rs 1,000 crore to upgrade power transmission. It will create a logistics park at Rs 500 crore.

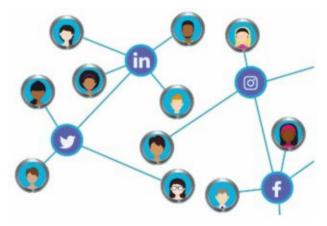
The state government has identified 12 sectors for focused investments. These include wellness and AYUSH, pharmaceuticals, information technology, horticulture and floriculture, natural fibers, tourism and hospitality, film shooting, biotechnology, renewable energy, food processing and automobile. (20)

Despite the heavy investment made in the state of UK by CSR companies, the CSOs still seem to be left with nothing from the CSR pool. This study was an effort towards understanding the disconnect between the two. This exploratory study aimed at identifying the gap areas and further document them to be effectively used for effective advocacy with the government.



The responses to the interviews and the questionnaire suggested that there was a shortage of funds from the companies anyway, but now due to the introduction of Covid- 19 in the country, the bear minimum funds have also been diverted. Some of the findings of the study indicated:

- One of the major challenges that the participants reiterated was the rigorous monitoring and evaluation and the followed need for intense paperwork and repeated proofs of accountability. One of the respondents mentioned that due to the changes in the income tax law and the CSR Act, the corporates have been putting profuse pressure on the CSOs for regular updates, heaps of paperwork and more result- oriented activities. The CSOs opposed this requirement by highlighting the scarcity of funds available. They complained that for such a strenuous task, they require more funds, more staff and more capacity building workshops. If we see the overall situation of the CSOs, especially the smaller and medium sized ones, they hardly have any funds to be spent on additional activities.
- Another huge problem that the CSOs in UK face is the lack of network. Having a wide network
 - paves a way for newer opportunities and it is easier to bag them if one has links and is an acquaintance. According to the respondents, the companies tend to partner with those CSOs that have gained recognition and are well known in the society for their work. But the question is that do they need these funds more than the smaller CSOs that have a scarcity of resources and also a network to be exploited.



• Lack of investment in capacity building and improving the working standards by their CSR funders is certainly another big issue in the civil society sector of UK. The results of the study indicated modernization to be a major challenge in front of the smaller CSOs or those based in rural areas. Due to privatization and modernization, the CSOs feel backward, and less equipped, in terms of getting introduced to advanced management techniques, use of digital media platforms. They feel the need for better infrastructural facilities and the allowance for additional administrative expenses to be able to cope up with the others. Lack of all this leads to dispersal of a lot of traditional and old CSOs that were once doing great work.

Effects of COVID-19 on the Relationship Between CSOs in UK and Corporate Funders

- One of the respondents from a donor organisation mentioned that diversion of the CSR funding towards Covid- 19 has definitely affected their usual activities to a great extent. The CSOs in UK complain that the funds allocated for performing activities under their mandate, have been now asked to be used towards providing Covid-19 relief. In this regard, the CSOs feel disowned and have no other option but to do as the companies say.
- Another key challenge that came up due to the pandemic is the safety of the field workers working with the CSOs. The projects have been restructured and the focus has been shifted to



Covid nearly everywhere, but while restructuring the projects, the lives of the frontline workers like the ASHA workers, Anganwadis, etc., have been put at stake. There is lack of safety equipment and lack of training to work in this risky environment.

• A very important challenge that was identified was the foreseen difficulty during audits. Due to the funds being used for Covid relief activities, rather than the usual ones, the audit requirements might not be fulfilled. This will pose an even bigger issue for the CSOs.

In a state like Uttarakhand, which is still in its developing phase, the CSOs are the ones that are taking up even the smallest of issues and are looking after the omitted sections of the society as well. Therefore, the need for such institutions has escalated remarkably. The CSOs have started to earn the recognition and goodwill that they should have got in the first place. In addition, the abundance of business opportunities that the state exhibits, the investors should definitely support and invest in these CSOs and help solve their problems at the ground level, to mutually benefit from the partnership.





Chapter III: CSOs in UK and Local Resource Generation

This chapter talks about the literature reviewed on the types of funding available to the CSOs in UK to run their organisations, and the challenges faced by them in mobilizing these funds and therefore, aims to answer two research problems listed below:

- 1. To identify the key funding sources for CSOs in UK,
- 2. Challenges faced by them in acquiring necessary funds.

Key Funding Resources:

1. Corporate Funding (CSR)

Just to give a quick recap of what was elaborated in Chapter II, with the foreign funding increasingly dwindling, the next best option for the CSOs would be corporate funding. In general, there is ambiguity with regards to how this large pool of funds of the corporates will be utilized. Corporates such as THDC India Ltd., Power Grid Corporation of India Ltd., and Indian Oil Corporation Ltd., are the largest investors of Uttarakhand. They run various projects for the upliftment of the state in collaboration with the CSOs in UK and the government.

THDC India Ltd., has a portfolio of 13 projects (Hydro, Thermal, Wind & Solar) in UK ⁽²¹⁾, while other companies largely invest in healthcare, education and sanitation. Although, such huge projects and companies invest in UK, majority of the respondent CSOs expressed the lack of CSR funding coming their way. The reason for this, as identified by the CSOs themselves, might be the lack of a strong network or the dearth of recognition and visibility. As a result, they lose out on probable opportunities, that might benefit them.

2. Government Grants

The second type of funding available to CSOs is from the government. As per the guidelines, all CSOs looking for funding by the government of India, are required to register their organisations on an online government portal named NGO Darpan. After registering on this portal, CSOs would receive a unique ID. Details such as income tax records, themes being worked on, specialization areas, ongoing programmes, audit reports, etc., must be submitted on the portal in order to complete registration and apply for government grants.

3. Philanthropic Funding

The data collected by VANI highlighted the need for philanthropic donations to embrace a deeper focus towards vulnerable and most marginalized sections of the society. For instance,



CSOs in the grass roots of UK, working on issues such as gender inequality, improvement in health indicators like maternal health, etc., indicated lack of philanthropic funding. While, others such as those working on education, poverty, etc., were much less concerned in this regard.

One of the biggest philanthropic investors in UK is The Hans Foundation. They have invested Rs. 500 crores in UK for village development with focus on education, healthcare and forest regeneration. (22)

The findings suggested that in absence of CSR fundings and lack of support from the government, the only option left for the CSOs in UK is philanthropic donations. Without them, UK will struggle to meet its SDG agenda for 2030.

Individual Funding

Individual funding or crowdfunding is a recent concept that has been duplicated from the international CSOs. Currently, it has become one of the most common platforms for digital fundraising all over India. It requires the use of social media platforms such as Facebook, Twitter, LinkedIn, etc. and a few other websites committed to crowdfunding only. There are ample number of online portals such as GiveIndia, ImpactGuru, etc., facilitating CSOs to explore crowdfunding.

However, while these platforms are easily available to everyone, it requires some creativity and a marketing approach to sell your work. This is where the CSOs in UK fall short. While speaking with the participants, it was highlighted that the employees working in the CSOs in UK, lack the basic skills to use digital media. Therefore, individual funding needs to be further strengthened in UK. This is also not a sure short remedy for the civil society sector to secure funds in UK.

The results indicated that fundraising still remains a challenge for the civil society sector. Talking about the current situation India is facing vis a vis the pandemic, the worse the economic crisis, the more difficult it is to secure funds. According to CSOs in UK, despite the tedious process of obtaining funds, there is growing recognition of the work that the CSOs are doing, especially in Covid-19 times.

However, none of this will be possible without sufficient finances and other resources. Therefore, while on the one hand, raising funds is still the hugest obstacle for the CSOs in UK, but the pool of money available around cannot be overlooked. It is on the CSOs to pull up their socks and work towards gaining access to those resources.





Chapter IV: CSOs in UK, ALS Aspirational Districts & SDGs

Aspirational Districts Programme in UK

According to Niti Aayog's 'List of Aspirational Districts', there are only two identified districts marked as aspirational districts in UK: (23)

- Haridwar
- Udham Singh Nagar

Niti Aayog released the ranking list of aspirational districts based on incremental change in the previous year. According to the list of 2018, Udham Singh Nagar ranked 6th in development and growth, while Haridwar ranked 24th. (24)

While interviewing the participant CSOs on aspirational districts of UK and the work being done there, majority of them were unaware that they fall under such a category. However, the ones that knew about them, did not have much knowledge regarding the work being done for their development. The only point that all of them reiterated was that hardly any growth can be seen in these areas. Nevertheless, according to the ranking of Niti Aayog, based on the indicators of development and growth in the aspirational districts, significant advances have been documented.



This difference in opinions, indicates a huge gap between the CSOs in

UK and the government vis-à-vis the aspirational districts in UK. This gap reflects the need for a strong partnership between the government, private sector and the civil society sector, in order to make visible growth and advancements in these backward areas. This will present more opportunities in front of the CSOs and help the government as well in creating more manpower. The CSOs will not have to worry about the financial aspects, the corporates will have an exceptional opportunity to invest, and the government will acquire sufficient service providers. It will offer the best bargain for all the three sectors.

Status of SDGs Amongst CSOs in UK

The SDGs, also known as the Global Goals, were adopted by all United Nations Member States in 2015 as a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030. SDG comprises of 17 Goals (169 global targets comprising of over 200 global indicators which are integrated and undivisible) for year 2015 to 2030. (25)

After speaking with the CSO representatives in UK, the data suggested that majority of them were well aware of the SDGs. They all were working towards one or more of the SDGs and had a clear understanding of what must be done to achieve their targets vis-à-vis SDGs.

However, there were certain concerns that the CSOs shared with us regarding SDGs:



• One of the major concerns that the CSOs in UK portrayed was the lack of government engagement towards achieving SDGs. The agenda for SDGS 2030 is rarely a high topic of priority for the government, they feel. The government has many other urgent issues to look at first. Significant effort from the government's side needs to be invested to the cause and urgent actions need to be planned and executed to raise awareness on SDGs and collaborate with the civil society, provide them with the necessary funding. There is also a requirement for the SDGs being applied to the government policies and develop an accountable and devoted

framework for achieving the SDGs by 2030.

A.F

one of the biggest drawbacks of the whole SDG programme if the large number of goals that are identified. The CSOs complained that although, they are aware of what the SDGs are, it is quite difficult for them to remember all of them on their tips and therefore, much more challenging for them to incorporate them into their regular activities. Apart from this, despite the excellent breakup of targets under the broader SDGs in terms of accuracy and simplicity of understanding, they are considered too complicated to be remembered and

put to use on a daily basis.

- The programmes towards accomplishing SDGs is still something that is executed by only larger CSOs, that are well established in the social impact market, and are well acquainted with the international platforms being used all over the world. The grass roots CSOs again lose the chance to be involved in these programmes, due to lack of a network and recognition in the society.
- Being aware about what SDGS are, does not make the CSOs familiar with the working standards and procedures vis a vis the SDG oriented projects. They require vigorous training and capacity building with regards to SDGs, so that they can also run for the opportunity to work with government.
- Resource generation has always been the most strenuous job for the CSOs. To be able to sell their work to donors is not an easy job. With the SDGs being introduced, grabbing the CSR funding became an even bigger problem for the CSOs in UK. They mentioned how their regular funders deviated their funds towards the SDGs agenda, and it became essential for the CSOs to showcase their work and the impact they make, in order to continue getting the funds. Whether this added rivalry between CSOs favours certain work themes over other, is in hands of the donors completely. This creates an uncertainty of financial resources for the smaller CSOs that survive only on these funds.

If the civil society sector wants to advocate for the need to adopt a different path altogether, in order to accomplish the targets of SDGs, it requires sufficient space to navigate. The government needs to support the CSOs in UK even more, as they are the ones that can perform all the community-based activities and bring out greater impact. In light of the 'survival of the fittest' phenomenon being applicable to the civil society sector, in today's world, and the shrinking



space for the CSOs to act, a comprehensive and collaborative approach to the implementation and execution of SDG oriented activities cannot be successful without the participation of the CSOs in UK.

However, given the unwillingness of the civil society sector to work with the government due to lack of mutual benefits, reflected through the in- depth interviews, the engagement of the CSOs in UK is still not promised. The CSOs in UK do not want to take on the informant role, when they can bring much more on the table. Therefore, the fate of the SDG agenda in UK remains in the dark, unless some concrete actions are undertaken by both parties.





Chapter V: Recommendations & Way Forward...

The challenges that the CSOs in UK are facing are no different than the ones the CSOs of the whole country are going through. This study helped pinpoint the ones that were predominantly occurring in UK. Financial crisis, lack of support and acknowledgement from the government, lack of acceptance from the corporates, absence of recognition in the society, and unwillingness to collaborate with the public sector, were some of the common ones. Based on the diagnosed impediments, we were able to list down a few probable recommendations that might be helpful in further advocacy with the government.

Networking amongst CSOs

The CSOs in UK are well aware about the SDGs and their concrete targets but fail to envisage the contribution of SDGs to their work. The most important role is of networking, building alliances and collaborations amongst larger organisations that are more capacitated in terms of the most advanced technologies and working systems, that will help in mobilizing those CSOs that work in the grass roots of UK. This will enable them to incorporate the SDGs in their routine activities and regular targets. In addition, the expectations and extent of involvement of the CSOs must be clarified.

Liberalization of legislations

Building fruitful partnerships and synergies amongst sectors requires impactful work at the bottom level i.e., the CSOs in UK, as well as constant support and acknowledgement from the public sector organisations. The government needs to enforce such laws and legislations related to the civil society sector, that are supportive of the work that they do and gives them the necessary push and required backing. The government must build on the existing legislations in such a way that the bond between the sectors and their goals is strengthened and the gaps can



be filled in. An acceptable and fair monitoring and evaluation system must be developed through a joint effort involving both parties for regular and efficient tracking of progress and bring about amendments wherever necessary.

Capacity building & training

Lack of capacity and sufficient skills remains a common problem among the grassroot CSOs of UK. This is may be due to lack of funds, absence of necessary trainings and unwillingness to compete with the more established CSOs. Hence, the need for skill building and introduction to



newer technology and advanced techniques arises. This will lead to increased efficiency and improved results, also expanding their visibility amongst all the sectors.

Involving the youth

The youth of UK, who are educated, enthusiastic and are well acquainted with the relevant technology, must be motivated and inspired to collaborate with the CSOs and help create social impact. The youth today is energetic, practical and result-oriented, which are exactly the qualities that are required for the CSOs to up their game presently. Young minds working towards a social cause, will definitely increase efficiency, bring about a larger and faster impact and therefore, raise the visibility of the good practices of the CSOs in UK.

Leadership development

Good leadership is the key for effective management required to maximize efficiency and to achieve organizational goals as a team. A good leader is necessary in the CSOs of UK to initiate action, motivate employees, provide guidance, create confidence, build team spirit, maintains a congenial work environment and coordinates effectively. Only with such a leader, will these organisations flourish and be able to make their mark in all the sectors, thereby acquiring the much needed recognition.

Preparedness

In these unprecedented times posed by Covid- 19, where the whole world is being affected in one way or the other including the CSOs in UK, preparedness is the key. It is of utmost importance for the CSOs to maintain a balance between panic and negligence in these times of uncertainty. The point here is that it is not just about this pandemic, it is



about any situation that might arise without prior notice, for instance, floods or landslides in case of UK, and may result in interference with the fundings. Therefore, the CSOs need to think of a strategic plan that is suited for the smooth functioning of their activities, despite the circumstances.



References

- (1) https://indianexpress.com/article/india/india-others/india-has-31-lakh-ngos-twice-the-number-of-schools-almost-twice-number-of-policemen/
- (2) https://indianexpress.com/article/india/india-others/india-has-31-lakh-ngos-twice-the-number-of-policemen/#:~:text=The%20first%2Dever%20exercise%20by,one%20policeman%20for%20709%20people.
- (3) https://ngodarpan.gov.in/index.php/home/statewise
- (4) <u>https://yourstory.com/socialstory/2019/09/engineer-social-activist-bhuwan-rawat-</u> uttarakhand
- (5) https://des.uk.gov.in/files/HDR Report Uttarakhand.pdf
- (6) https://des.uk.gov.in/files/Estimation of District Level Poverty in Uttarakhand (Final) 15.01.18.pdf
- (7) https://timesofindia.indiatimes.com/city/dehradun/unemployment-rate-doubles-in-12-years-in-uttarakhand-hdr-report/articleshow/70480533.cms
- (8) https://fcraonline.nic.in/fc8 statewise.aspx
- (9) http://www.mca.gov.in/Ministry/actsbills/pdf/Societies_Registration_Act_1860.pdf
- (10) http://www.bareactslive.com/UTR/utr082.htm
- (11) http://agritech.tnau.ac.in/ngo-shg/pdf/indian-trusts-act-1882.pdf
- (12) http://www.mca.gov.in/Ministry/pdf/CompaniesAct2013.pdf
- (13) https://society.uk.gov.in/pages/display/59-society-renewal
- (14) https://cag.gov.in/state-accounts/uttarakhand
- (15) http://nirdpr.org.in/nird docs/sagy/UK.pdf
- (16) https://fcraonline.nic.in/fc8 cancel guery.aspx
- (17) https://www.investindia.gov.in/state/uttarakhand
- (18) https://www.csr.gov.in/statelist.php
- (19) https://www.csr.gov.in/statelist.php
- (20) https://www.ndtv.com/india-news/uttarakhand-investors-summit-2018-uttarakhand-gets-rs-70-000-crore-investment-proposals-1928278#:~:text=Among%20the%20investment%20proposals%2C%20the,park%20at%20Rs%20500%20crore.
- (21) https://csrbox.org/India Company Uttarakhand-THDC-India-Limited 6045
- (22) http://www.thehansfoundation.org/wp-content/uploads/2019/03/The-Economic-Times November-11-2014 New-Delhi.pdf
- (23) https://my.msme.gov.in/MyMsme/List of AspirationalDistricts.aspx
- (24) https://niti.gov.in/sites/default/files/2019-08/4_Presentation-for-PrincipalSecretariesPlanning.pdf
- (25) http://localbodies.UK.nic.in/pdf/sdg%20ppt.pdf

LIST OF VANI PUBLICATIONS

- Advancing Sustainable Development through Goal- 17 (English)
- India's Development Cooperation with ASEAN (English & Hindi)
- Sustainability in the Context of Indian Civil Society Organisations (English & Hindi)
- Financing Sustainable Development on Civil Perspective on AllB (English & Hindi)
- C20 Engagement Strategy for India's Civil Society (English & Hindi)
- Study on Capacity Building and Need Assessment of Voluntary Organisations (English)
- Civic Charter in Indian Context (English & Hindi)
- Food Security and Agriculture (English & Hindi)
- India's Grants and Investment in Africa (English & Hindi)
- Poverty and Inequality on BRICS Nations (English& Hindi)
- Development and Approach of BRICS New Development Bank (English & Hindi)
- Towards Enabling Environment for the Voluntary Sector in India A Study Report (English, Hindi & Assamee)
- Study on Implementation and Impact of Istanbul Principles in India (English)
- · Financial Sector Reforms in India (English & Hindi)
- Self-Certification A Study Report (English)
- A Study Report on Three New Formations BIMSTEC, BBIN and Blue Economy (English & Hindi)
- · Declaration for Responsible Governance & Management of VOs (Hindi & Hindi)
- Model Policy on Foreign Funding for Voluntary Organizations in India (English)
- Model Policy on Registration A Study Report (English)
- Income Tax Act for The Voluntary Sector A Study Report (English)
- India-Africa Partnership: A Civil Society Perspective (English)
- Development Finance and Cooperation in SSC with Special focus on India (English & Hindi)
- Status of Voluntary Organizations in Disturbed States A Study Report (English & Hindi)
- Critical Review of Financial Inclusion In G20 Countries with Focus on India (English & Hindi)
- Bringing People in from the Cold Ensuring Inclusive Growth in India (English & Hindi)
- · Corruption and Governance in India Current Status and Way Forward (English & Hindi)
- Sustainable Development in India Review and Way Forward (English & Hindi)
- Policy Brief of Revisiting the National Policy on Voluntary Sector and Need for A National Policy on Volunteering (English & Hindi)
- Enabling Environment of the Voluntary Sector in India A Study Report (English & Hindi)
- Status of the Voluntary Sector in India A Report (English)
- Civil Society Engagement in Aid Effectiveness Discourse (English)
- Changing Dynamics Between VOs and Private Sector (English)
- Involving Voluntary Organizations in Governments Plans and Projects (English)
- India's Global Footprints (English)
- India's Development Assistance: Trends, Challenges and Implications for CSOs
- India's Role in the G20: A Civil Society Approach (English)
- Model Policies for Internal Good Governance in Voluntary Organizations (English & Hindi)
- The Hand Book in Good Governance for the Voluntary Sector (English)
- Contribution and Challenges of Voluntary Organizations Working on Religious Minority A Primer of the Study Report (English & Hindi)
- Contribution and Challenges of Voluntary Organisations Working with Women A Primer of the Study Report (E& H)
- Role and Contribution of Voluntary Organisations in Health & Nutrition A Primer of the Study Report (English & Hindi)
- Challenges of the Grassroots Voluntary Organisations A Primer of the Study Report (English & Hindi)
- Role and Contribution of Voluntary Organisations on Water & Sanitation A Primer of the Study Report (English & Hindi)
- Contribution and Challenges of Voluntary Organizations Working with Dalits: A Primer of the Study Report (English & Hindi)
- Contribution of CSR on Thematic Issues of Education, Health and Nutrition, and Water and Sanitation A Primer
 of the Study Report (English & Hindi)
- Revisiting the National Policy on Voluntary Sector and Need for a National Policy on Volunteering (English & Hindi)
- · Civil Society Accountability Principles and Practice (India Toolkit) (English)

About Voluntary Action Network India (VANI)

VANI is a national network of Indian Voluntary Development Organizations (VDOs). Currently VANI has 540 members with an outreach to around 10,000 VDOs across India. The membership of VANI ranges from grass roots to the national organizations. The members work on a range of priority development issues of the government including education, health, nutrition, integrated child development, livelihood, skill development, environment, natural resource management, climate change, water and sanitation, emergency response and preparedness, agriculture, poverty and so on, in some of the most remote areas of the country. In the year 2017-18, our network collectively reached out to over 32 million people belonging to vulnerable and marginalized groups including children, disabled people, women, elderly, farmers, dalit, tribals, disaster survivors, unemployed, youth, LGBT, sex workers etc. VANI through its efforts and strategies aims to build a strong civil society sector not only at national but regional and local level as well.

VANI was set up with the mission to promote voluntarism, create space for the sector by fostering value based voluntary action. VANI's interventions are focused to strengthen the external and internal enabling environment. To ensure the external enabling environment, VANI conducts evidence-based advocacy which includes regulatory frameworks and resource generation. In order to achieve this VANI works with the government, private sector, bilateral, multilaterals and other stakeholders. For strengthening the internal enabling environment, VANI works towards building resilience and promoting accountability, transparency and compliance through the interactive educational events and information dissemination. VANI strives to become a resource centre by conducting evidence-based research; publishing studies, articles and reports not only at state level but national and global level as well.



Voluntary Action Network India (VANI)

(An Apex Body of Voluntary Organisations) VANI House, 7, PSP Pocket, Sector-8, Dwarka, New Delhi - 110 077 Ph.: 011-49148610, 40391661, 40391663

Email: info@vaniindia.org Website: www.vaniindia.org