

BHARAT NGO REPORT



India Towards Viksit Bharat

August, 2025

Foreword:



More than a decade after CSR became mandatory under Section 135 of the Companies Act, 2013, a gap still remains between companies and NGOs—marked by limited understanding, unclear roles, and a lack of trust. It's time to shift from a “funder-recipient” model to one of equal partnership.

While NGOs bring grassroots insights, innovation, and execution capabilities, companies contribute resources, networks, and scale. Together, they can co-create lasting impact. But to do that, both sides need better alignment, communication, and shared goals.

The Bharat NGO Report helps bridge this gap. It captures the voices of 325 grassroots NGOs across 20 states, sharing their experiences with CSR, the challenges they face, and the support they need. It also offers actionable insights for CSR teams to engage more effectively with NGOs.

This study will serve as a practical guide for both sides—helping NGOs strengthen their approach and helping companies become more responsive, inclusive, and impactful in their CSR efforts.

Based on the findings of the survey, the suggestions & recommendations made to companies for engaging NGOs as CSR implementing agencies are timely and relevant. I offer my hearty congratulations to **Fulcrum** for this initiative.

- Noshir H. Dadrawala

CEO

Centre for Advancement of Philanthropy

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About The Report:

Non-Governmental Organizations (NGOs) play a vital role in shaping India's development journey. Working across diverse thematic areas—such as Education, Healthcare, Livelihoods, Women Empowerment, and Environment—NGOs address India's most pressing social challenges. From national-level programs to grassroots initiatives, these organizations are deeply embedded in communities, striving to uplift marginalized populations and bridge developmental gaps.

Despite their vital role, NGOs in India face several operational challenges that hinder their efficiency, scalability, and ability to showcase measurable impact. Key issues include inconsistent and unsustainable funding, limited visibility and branding, weak corporate networks, inadequate project management capacity, and poor adoption of data and MIS systems. These gaps are particularly critical in today's outcome-driven development ecosystem, where proving effectiveness is essential to attract support and ensure long-term sustainability.

Corporate Social Responsibility (CSR) has emerged as a key mechanism for mobilizing private sector resources toward social good. In **FY 2023-24** alone, **27,188 companies** collectively spent **₹34,909 crore** on CSR initiatives in India. Corporates often collaborate with NGOs to implement projects, offering funding, technical expertise, and strategic support.

India has an estimated 1 to 3 million registered NGOs, but only a small share are actively operational and compliant with key requirements like NGO Darpan Registration, 12A & 80G Certification, CSR-1 filing, and FCRA. Even among compliant NGOs, many face operational challenges that limit their effectiveness as CSR implementing partners.

At one end of the ecosystem, corporates are mandated to deploy CSR funds responsibly. At the other, NGOs seek these funds to support critical development work. Yet, both face genuine and justifiable challenges—corporates often encounter inefficiencies, lack of transparency, and weak governance in potential NGO partners, while NGOs face major hurdles like limited staff capacity, difficult compliance rules, and unclear processes to engage with companies — all of which make it harder to build strong Corporate partnerships.

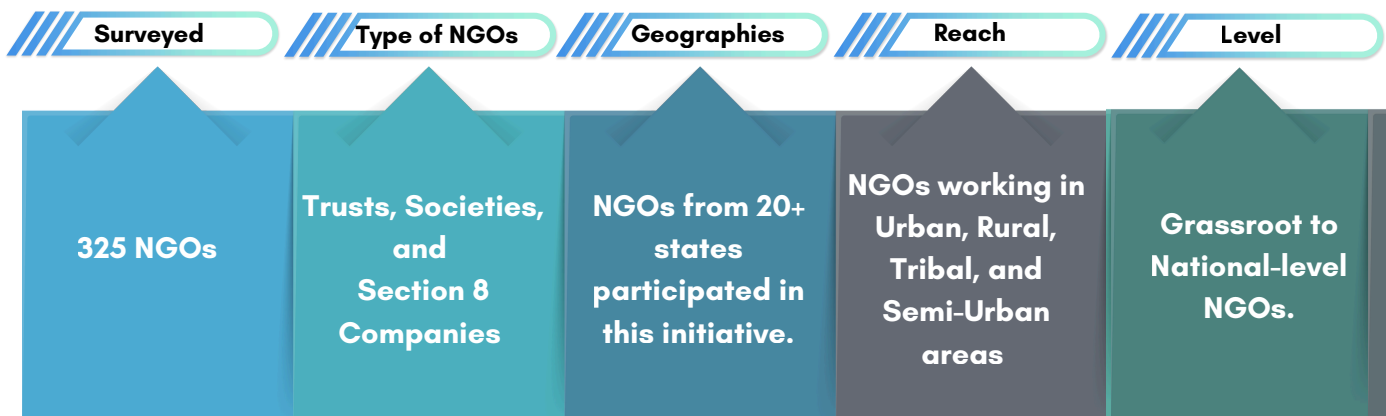
India currently lacks a comprehensive report that highlights the challenges NGOs face within the CSR ecosystem. If corporates are made more aware of these constraints, CSR Policies and Standard Operating Procedures (SOPs) can be designed to accommodate these realities, enabling a more effective, equitable, and impactful CSR ecosystem.

Behind the Data: Our Methodology:

To gain a clear understanding of India’s NGO ecosystem, we went directly to the source—the NGOs themselves.

We conducted a nationwide study using an online survey, designed not just to collect data, but to truly listen to the voices of grassroots NGOs. This was more than a survey—it was an opportunity to hear about the challenges, needs, and realities faced by NGOs working at grassroots level.

300+ NGOs
told us what really matters



Key Focused Areas:

The survey focused on four key areas that define how NGOs operate and engage within India’s CSR ecosystem:

1. NGOs’ experience with CSR
2. Challenges faced by NGOs in securing CSR funds
3. NGOs’ operational and organizational challenges
4. Support required by NGOs to secure CSR funds and strengthen operations

A. Snapshot of Participating NGOs



1) Type of Registrations:



53%

Registered as Society



34%

Registered as Trust

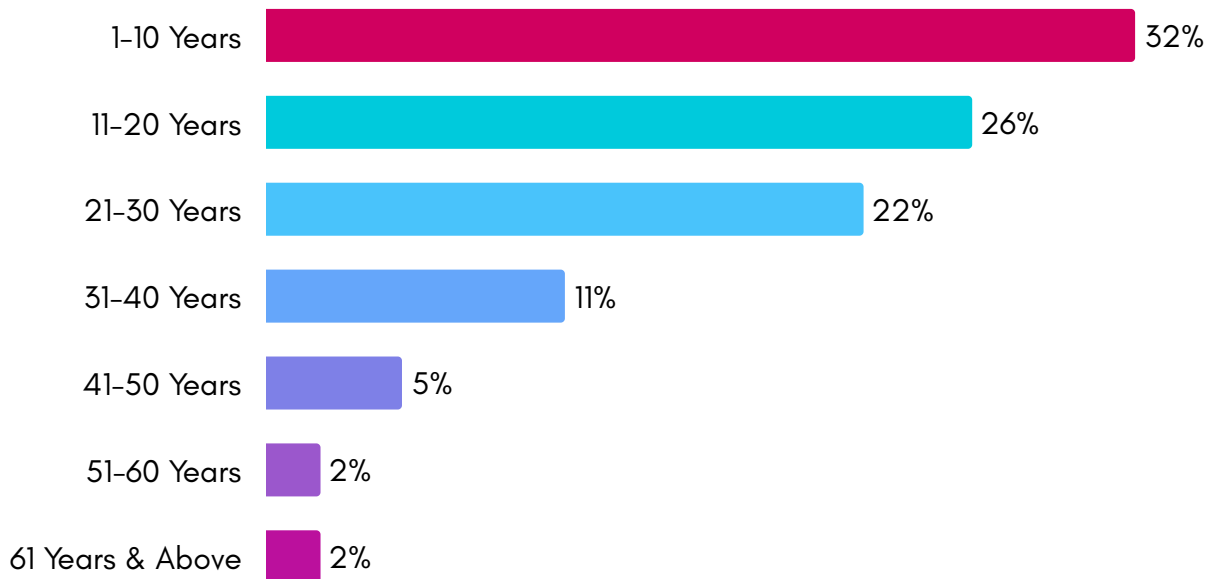


13%

Registered as Section 8

More than half (53%) of the NGOs are registered as Societies under the Societies Registration Act, making it the most common form of registration.

2) NGOs by Years of Experience:



32% of NGOs are younger than 10 years and may be established after CSR became mandatory.

3) Size of Participating NGOs:

For ease of understanding, in the entire report, we have **divided the NGOs** into Three categories:

Small (Less than ₹3 Cr)

Medium (₹3 Cr - ₹9 Cr)

Large (₹9 Cr and above)

This helps the readers to understand how NGOs with different scale and size are engaged with CSR.

Please note, this classification is based on the total funding (Donations, Grants, CSR Funds, etc.) of the NGO and doesn't represent the efficiency, efficacy, impact or other aspects.



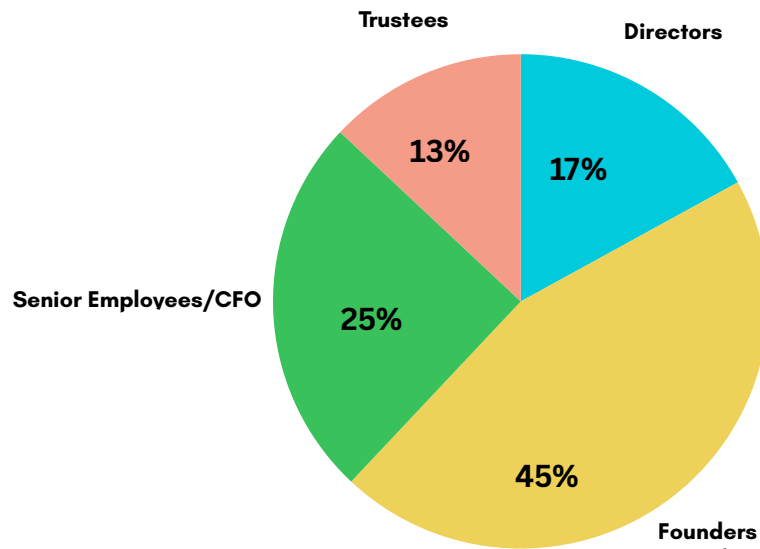
- Most NGOs are in the Small Category, with 84% operating on annual funds below ₹3 crore.
- Only 16% fall into the medium, or large categories (above ₹3 crore), showing that relatively few NGOs operate with higher financial capacity.

4) Average Employee Strength:



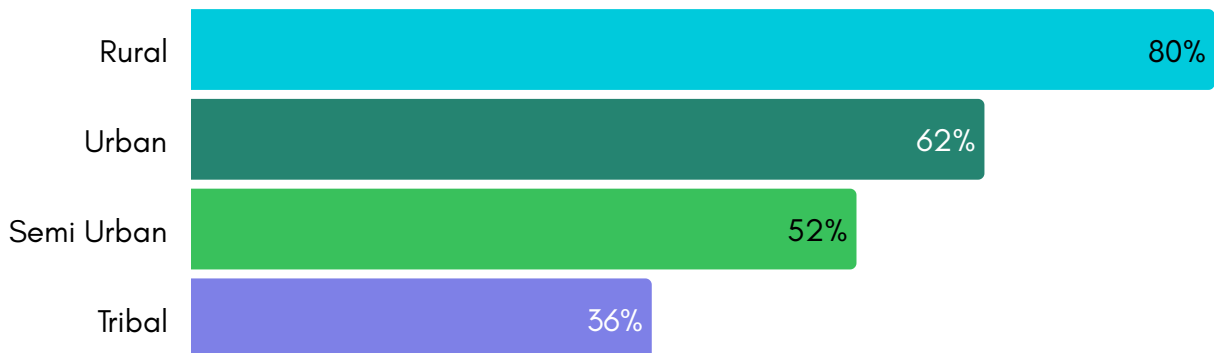
- 48% of small NGOs have less than 10 employees, reflecting limited team capacity.
- 27% of Small NGOs had more than 20 employees.
 - In contrast, 90% of medium and 91% of large NGOs have more than 20 employees, showing a strong link between NGO size and staffing.
- Due to strong ground connect, the small NGOs have larger frontline community workers, while the large NGOs have Partnership Specialists, MIS Experts, Program & Vertical heads, etc. in addition to frontline workers.

5) Designation of Respondents:



45% of the respondents were Founders, with an additional 30% comprising Directors and Trustees, highlighting perspectives predominantly from the top-level leadership.

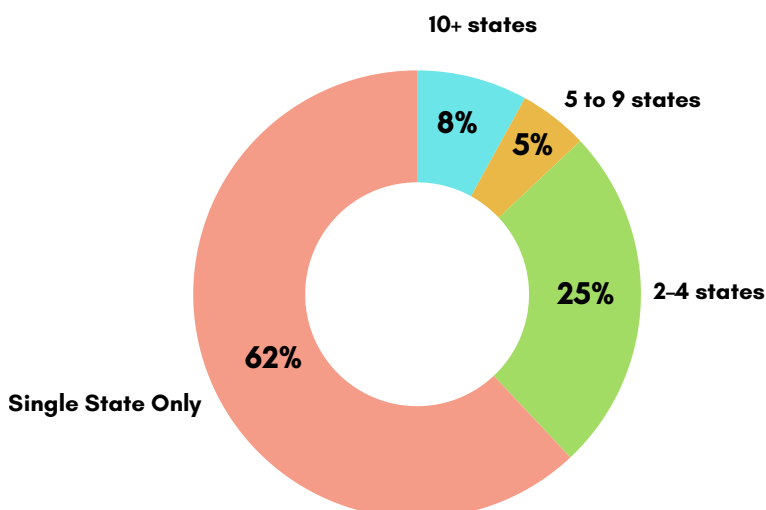
6) Geographical Presence of NGOs:



NGOs usually work in multiple terrains. 80% of NGOs are present in Rural areas, while only 36% in Tribal areas.

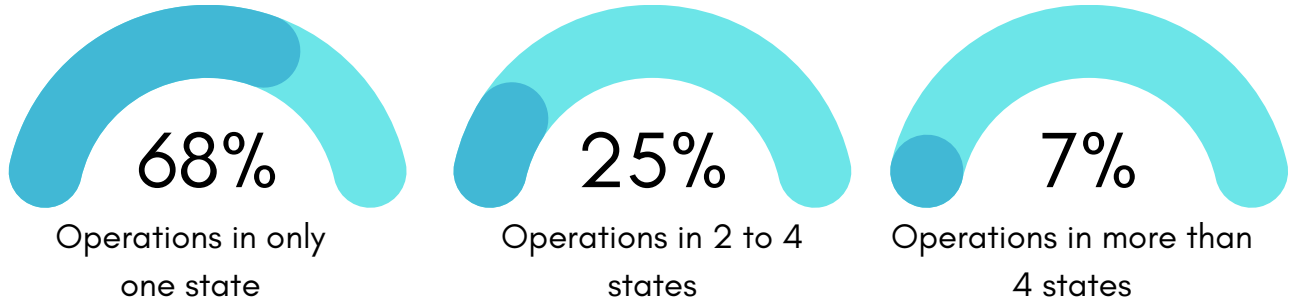
*The numbers will not add to 100% as many questions were multiple choice.

7) Scale of NGO's Operations:



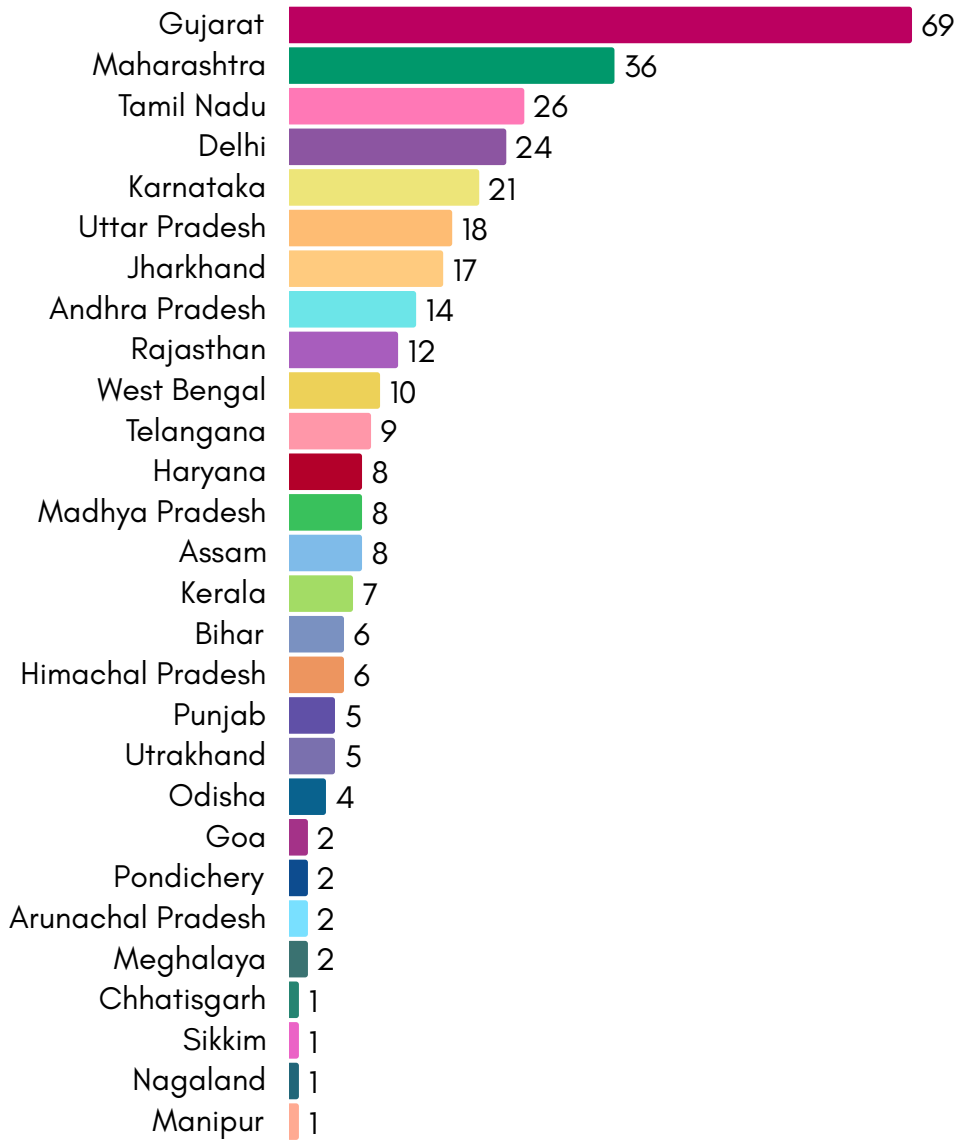
- 62% of NGOs work in only one state, highlighting a predominantly local or state-focused operational model.
- The proportion of large-scale, pan-India NGOs is very less with only 13% of them having presence in more than 5 states.

Operations of Small NGOs



- 68% of Small NGOs are majorly confined to only 1 state.
- While 70% of Medium and Large NGOs are operational in more than 1 state.

8) State wise Participation of NGOs:



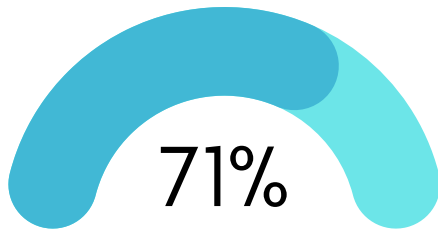
in no.

- Maharashtra, Gujarat, Karnataka, Tamil Nadu, and Delhi received approx. 42% of CSR funds in FY 2023-24. To ensure that NGOs also represent these geographies in this study, 50% of NGOs are based in these five states.

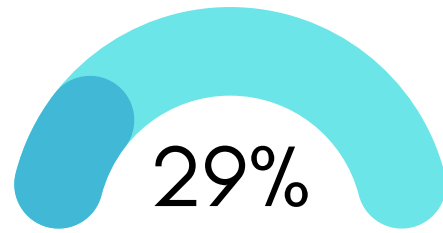
B. Insights from NGOs on CSR Engagement



9) Funding Source of NGOs:

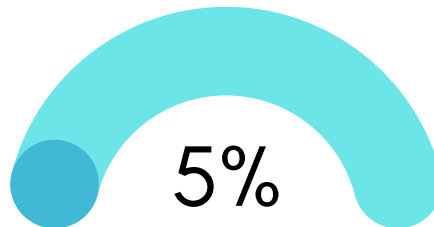


Multiple Source of Funding:
(international and domestic individual donors, government grants and CSR contributions).



Single Source of Funding

- 71% of NGOs have multiple source of funding, while 29% rely on single source.

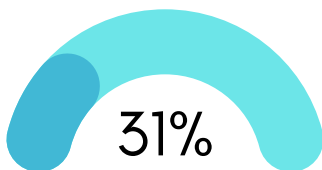


Only CSR Dependence

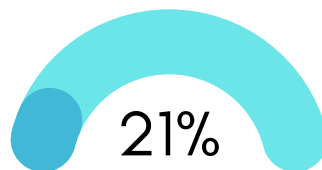
- Only 5% of NGOs rely exclusively on CSR funding, indicating that very few organizations depend solely on corporate partnerships for their financial sustainability.

10) CSR Thematic Areas

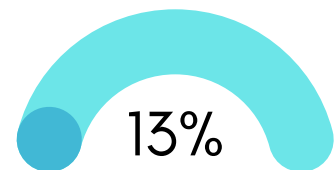
Opinion about which sector receives maximum CSR Funds



Education

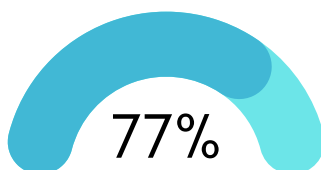


Health & Hygiene

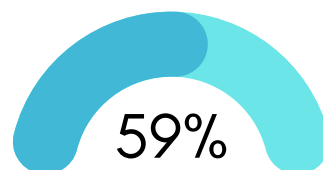


Livelihood/Vocational
Training

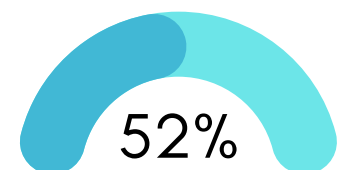
In which thematic areas NGOs are actually working



Education

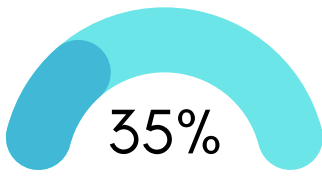


Health & Hygiene

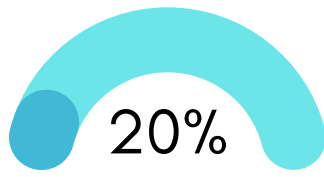


Livelihood/Vocational
Training

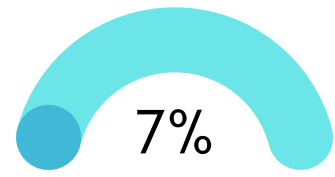
Actual CSR Spent in these sectors (FY 2023-24)



Education



Health & Hygiene

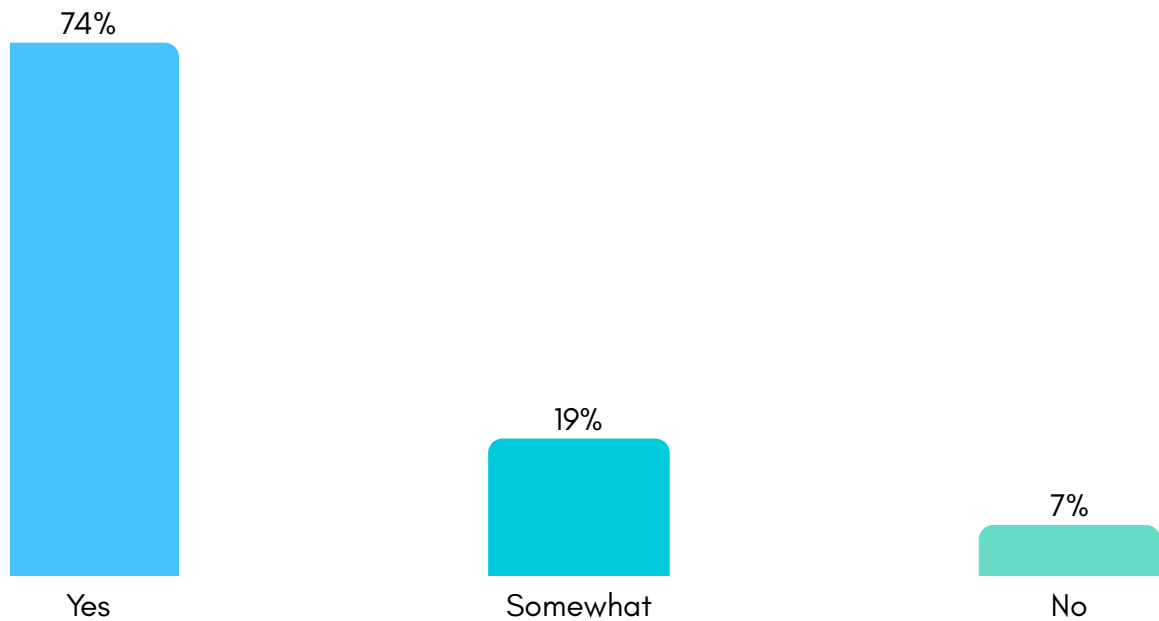


Livelihood/Vocational Training

- Education is perceived as a top priority by 31% of NGOs, while 77% of NGOs are working in the same space. This aligns as Education also received the highest share of CSR funding at 35%.

*The numbers will not add to 100% as many questions were multiple choice.

11) Respondents' Awareness about CSR Guidelines:



- 74% of NGOs are aware of the CSR Act.
- The remaining 26% i.e. 1/4th face a knowledge gap, limiting their ability to engage effectively in the CSR ecosystem.

12) NGO Certifications vs Actual Fund Flow:

Certifications	12A	80G	CSR 1	Darpan ID	FCRA Approved	Applied for FCRA
% of NGOs	98%	97%	89%	93%	39%	7%

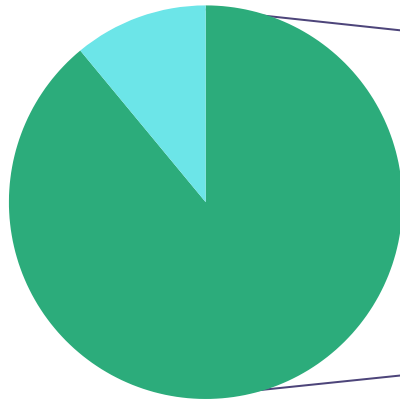
- Most NGOs hold key certifications such as 12A, 80G, CSR-1, DARPAN ID, and in many cases even FCRA – indicating strong compliance. However, this does not always translate into actual funding access. Many compliant NGOs still struggle to secure Corporate Partnerships, Government Grants, or Foreign contributions.

CSR1 Registration

- CSR1 registration - Mandatory requirement to receive CSR funds.
- 89% of NGOs are CSR1 registered.
 - Out of this, 71% NGOs receive CSR funding.

Not Registered with CSRI

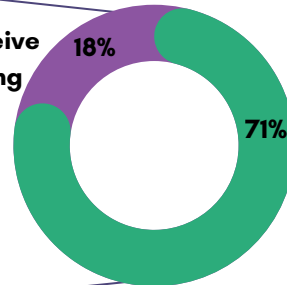
11%



CSRI Registration
89%

Doesn't receive
CSR Funding

18%



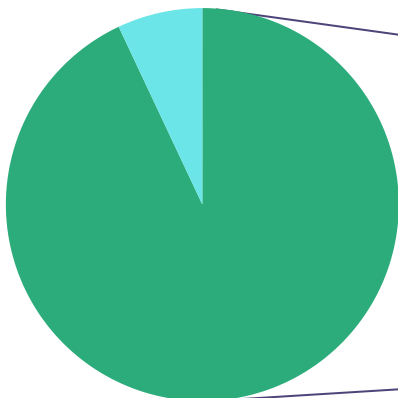
Receives CSR Funding

Darpan ID Registration

- Darpan ID Registration - Mandatory for applying for Government Grants
- 93% of NGOs have a Darpan ID.
 - Out of which, 50% actually receive Government Grants.

Non Darpan ID registered

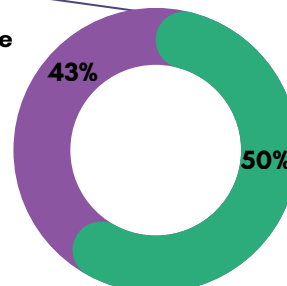
7%



Darpan ID Registration
93%

Doesn't receive
Govt. Grants

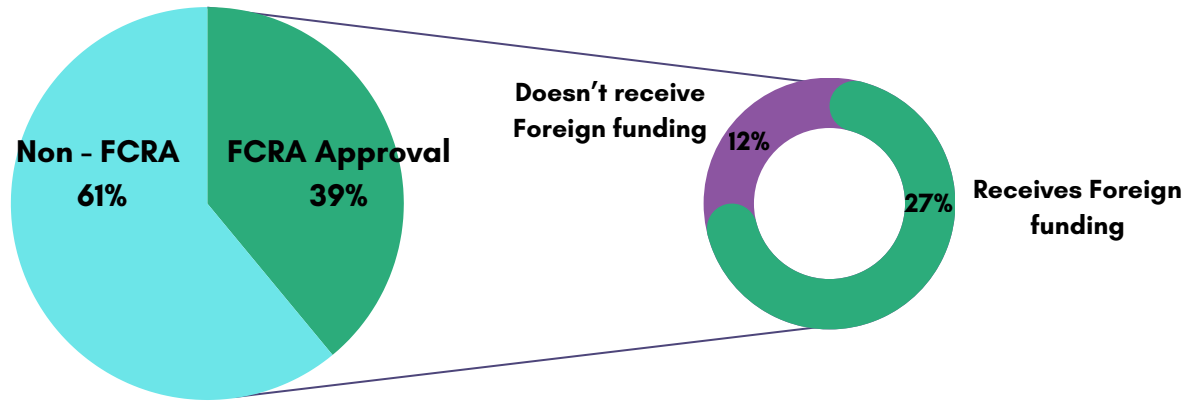
43%



Receives Govt. Grants

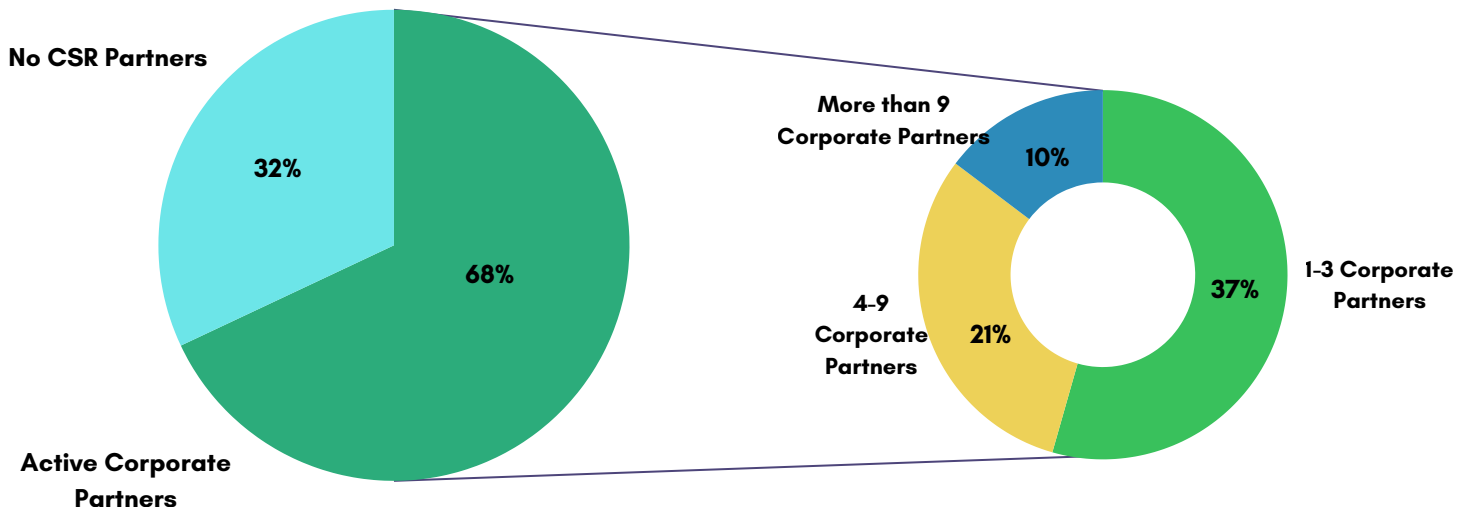
FCRA Registration

- FCRA Approval - Mandatory requirement to receive foreign funding.
- 39% of NGOs have FCRA approval.
 - Out of which, 27% receives Foreign Funding.



- This mismatch between certification and actual access to get funds highlights that while certifications are essential, they are not sufficient. Funders often consider factors like compliance, visibility, proposal quality, and past track records – areas where NGOs may need additional support.

13) Number of Active Corporate Partners of NGOs:



- 68% of NGOs have at least one Corporate partner, while 32% NGOs do not have any Corporate partnerships.

14) Size of NGOs VS Active Corporate Partners:



- 100% of medium NGOs and 96% of large NGOs have active CSR partners, while only 63% of small NGOs report active CSR partnerships.
- This suggests that larger and well established NGOs are better positioned to secure CSR support, possibly because of stronger visibility, established networks, and better compliance systems.

15) CSR Proposal Submission VS Approval (FY 2024-25):

Size of NGOs	Average Proposal Submitted	Average Proposal Approved	Success Ratio
Small (Less than ₹3 Cr)	4	2	50%
Medium (₹3 Cr - ₹9 Cr)	13	7	54%
Large (₹9 Cr and above)	22	16	73%

- On an average, small NGOs submit 4 proposals a year and had a approval rate of 50%.
- Large NGOs submitted an average of 22 proposals and had 16 approved, achieving the highest success rate of 73%.
 - This could be because the large NGOs have dedicated partnership and fund raising teams, while the small NGOs are dependent on their founder or trustee.

16) Share of CSR in Total Annual Funding:

Majority of:

80% Small NGOs

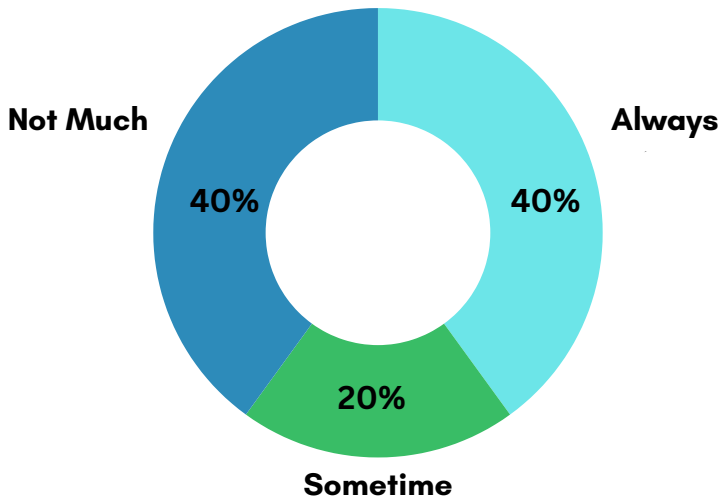
67% Medium NGOs

69% Large NGOs



- 80% of small NGOs receive less than 25% of their funding from CSR.
- 67% of Medium NGOs receive less than 50% of their funding from CSR.

17) Delayed CSR Funds Stall Multi-Year Project:



- Delayed CSR funds pose a serious challenge for NGOs, with 40% reporting consistent disruptions to their multi-year projects.
- In total, 60% of NGOs face this issue, making it a widespread obstacle.
- These delays impact planning, staffing, and the smooth execution of long-term initiatives.

18) Project & MIS Data Management Practices:

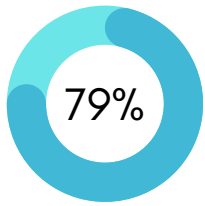
Excel	Google Sheet	Licensed ERP / MIS Software	Internally Developed ERP / MIS Software
85%	61%	17%	12%

- Most NGOs rely on basic tools like Excel (85%) and Google Sheets (61%), while only 17% use licensed systems and 12% have internal ERP or MIS systems/tools.
- A more robust and advance MIS system will ease out data management issues of the NGO and may help the funding agency to get access to real time data.
- CSR departments should provide hand holding support to NGOs for implementing MIS or ERP systems.

C. Challenges & Support

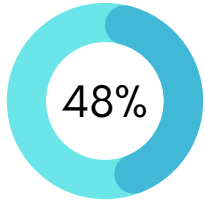


19) Challenges Faced by NGOs in Securing CSR Funds:



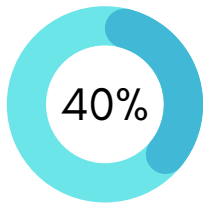
Lack of corporate contacts and networks:

Irrespective of the size, approx. 80% NGOs face challenge on corporate networking.

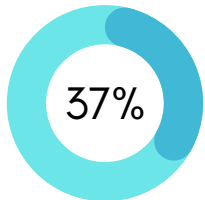


CSR Proposal Writing:

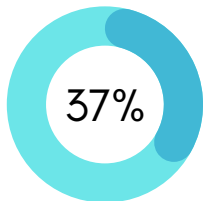
This the second most common problem faced by the NGOs.



Lack Of Awareness of CSR Opportunities

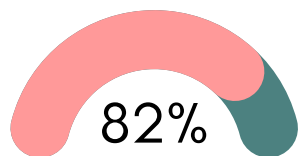


Dedicated Staff for Approaching Corporates



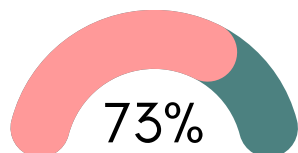
Inadequate Visibility of the NGO's activities

20) Support Required by NGOs in Securing CSR Funds:



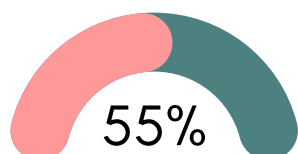
Support & Training for Fund Raising:

Fund raising has been a major challenge for almost all the NGOs irrespective of their size.



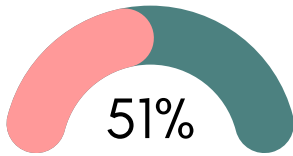
Networking with CSR and other Institutions:

This re-emphasizes the fact that fund raising is a major challenge as networking is a prerequisite for funding.



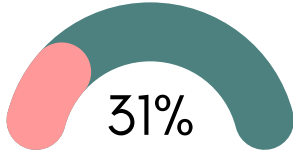
Branding & Visibility:

NGOs need support in building their brand identity and showcasing their impact. Over 50% of the NGOs need support on this vertical.



Proposal Writing Training:

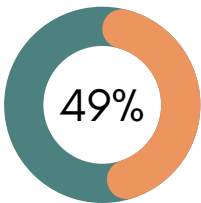
51% of the NGOs require hands-on training to write clear and compelling proposals. Corporates need to provide proposal templates to NGOs, this will ease out the pressure.



Legal & Compliance Guidelines:

Only 31% NGOs face challenges related to legal and compliance. This is inverse to the popular belief that legal and compliance are the major challenge of the NGOs.

21) Operational Challenges Faced by NGOs:



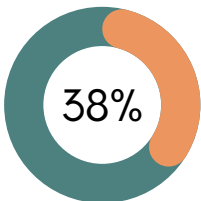
Project Documentation / Evidence Collection:

Almost 50% of NGOs have or are facing challenges in project documentation. This is the biggest challenge of NGOs.

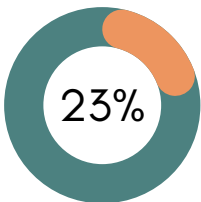


Identifying Right Vendors:

38% of NGOs struggle to find right vendors for implementing the projects.

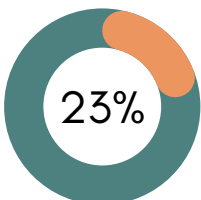


Micro-Management by CSR Donors



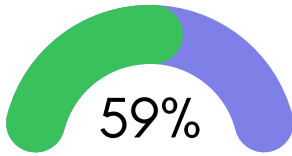
Delayed Internal Fund Disbursement:

Delayed internal fund disbursement slows down project activities and creates operational gaps. Usually the delay is from the finance department of the NGO to their operations team.



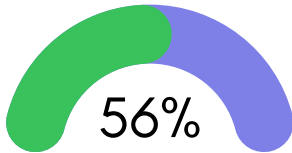
Shortage of Qualified or Experienced Staff

22) Operational Support Required by NGOs:



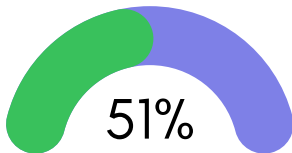
Training in Project Management:

- The biggest training need which has emerged is Project Management, 59% of NGOs have identified this as a pain point.
- Strengthening these skills helps to ensure better execution, timely delivery, and stronger reporting to CSR partners.



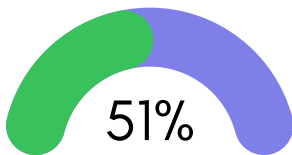
Capacity Building of Staff:

- In last decade, NGOs have become extended arm of Corporates. Due to this, the sector has become very demanding and there is a requirement for continuous capacity building of the staff.



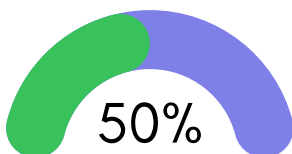
Budget Planning:

- The third biggest support NGOs expect is in Budget Planning. Either they quote too low and have to bear losses or their proposals are rejected due to unrealistically high cost.



Project Management Software/Tools:

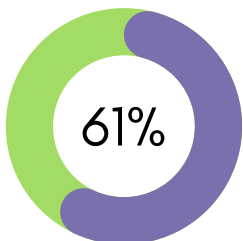
- 51% of NGOs are open to learn various software and tools for Project Management.
- This reaffirms that Project Management Training is the need of the hour.



Technical Support for Designing Projects:

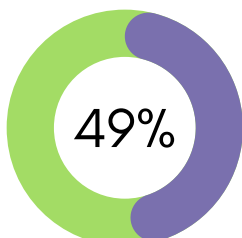
- 50% NGOs express interest to under go training for Designing CSR Projects
- Expert guidance will help them to enhance their impact and provide better SROI.

23) MIS Challenges Faced by NGOs



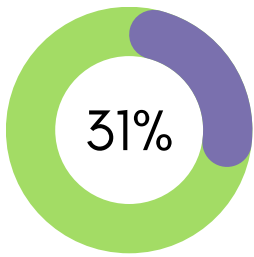
Lack of Technical Expertise/ Staff:

- Lack of Technical Expertise/ Staff is a major pain point of NGOs in managing MIS. (Management Information System)
- This leads to poor data handling, low utilization of systems, and dependence on external help.

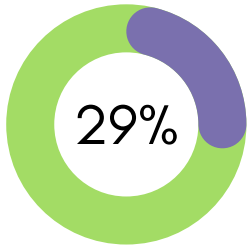


High Cost of MIS development or subscriptions:

- Only 17% NGOs use a licensed ERP or MIS, the reason could be the high cost of these systems which is highlighted by almost 50% of the NGOs.

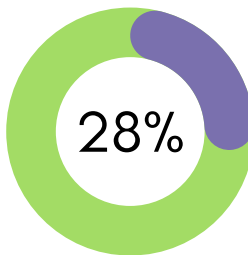


No dedicated Data Management System



Inconsistent Data Entry & Quality Control:

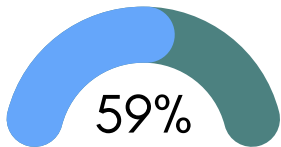
- Without standard formats and trained staff, NGOs often face errors or gaps in data entry, making it hard to track progress or report accurately to donors.



Limited Understanding of how to use Data:

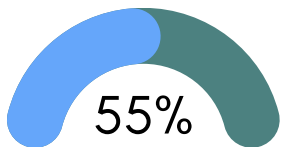
- Many NGOs collect data but lack the capacity to analyze or use it effectively.

24) Support Required by NGOs for Management Information System (MIS):

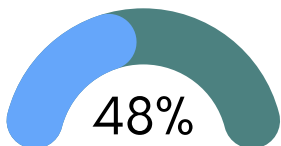


Awareness about Available MIS Systems in the Market:

- Majority of the NGOs i.e. 59% are not even aware about the available MSI Software in the Market.

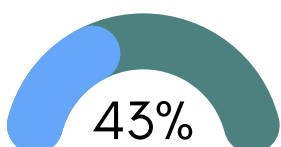


Training Staff on MIS Usage



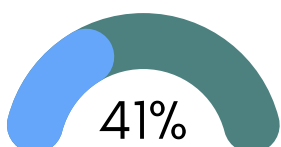
Integrating MIS Data for Project Management:

- NGOs struggle to use MIS data effectively for planning and monitoring. Training on integrating MIS insights into day-to-day project decisions can improve efficiency and outcomes.



Development of In-house MIS Software:

- 43% of NGOs wish to develop an in house MIS Software and are looking forward to hand holding support.



Upgrade from Paper-Based to Software Systems:

- 41% of NGOs want to migrate from paper-based processes to MIS software, but limited financial resources is the challenge.

D. Suggestions & Recommendations



Suggestions & Recommendations for CSRs:

1. Facilitate Networking Opportunities

- Corporates should host regular CSR-NGO connect events, thematic dialogues, and regional meetups to enable partnerships. Many NGOs struggle due to limited access, so CSR teams must proactively build bridges.
- State-level CSR authorities should develop digital platforms or directories that enable NGOs to engage with CSR stakeholders, present their work, and explore potential partnerships.

2. Design Need-Based Programs

- Rather than imposing pre-defined project plans or themes, CSR funders should actively involve NGOs in the planning and design of their projects.
- Many corporates currently follow pre-set agendas, leaving limited scope for NGOs.
- Organizing project planning meets, where NGO partners are invited to jointly create frameworks and budgets—can lead to more contextually relevant and effective interventions.
- Co-creating solutions ensures alignment with real community needs, improves project outcomes, and fosters stronger, more collaborative partnerships.

3. Timely Approvals & Fund Disbursement

- Delays in fund release often stall NGO operations and staff payments, especially in multi-year projects.
- CSR teams should develop mechanisms and processes which ensures timely fund disbursement in multi year projects.

4. Understand NGO Challenges

- CSR partners should invest time in listening to NGO challenges through field visits, regular feedback, and open communication.
- Understanding ground-level challenges enables more practical and responsive CSR policies, while also building long-term trust between corporates and their implementing partners.

5. Invest in NGO Capacity Building

- Beyond funding projects, CSR initiatives should provide training to NGOs for Project Management, MIS, Compliance, etc.
- Building institutional strength helps NGOs to manage funds better and scale impact, which is a win win for both the partners.

6. Strengthen NGO Digital & MIS Systems

- CSR funders should consider and accept MIS cost as a project cost.
- Such systems enable better data management and help organizations present their impact more effectively to donors.
- For small and medium size projects, Excel or Google Sheets can be used, for larger projects, licensed MIS is recommended.

7. Flexibility in Administrative Overheads:

- Many CSR departments restrict the administrative overheads of NGOs to 5%.
- Applicability of 5% administrative overhead cap under “The Companies (Corporate Social Responsibility Policy) rules 2014” is for the Corporates and not for the NGOs.
- NGOs need to be provided flexibility in administrative overheads.

8. Flexibility in Manpower Cost:

- Many Corporates predefine manpower cost.
- This doesn't allow the NGO to hire skillsets required for the level of impact expected.

9. Visibility:

- Corporate should specify the visibility expectation to the NGO before signing the MoU and should approve the visibility or branding cost in the proposal.

10. Unrealistic Monitoring Expectations:

- NGOs are expected to provide Intensive Project Monitoring Services to the level of a professional Third Party Agency.
- NGOs should focus on implementation and Corporate should hire dedicated Third Party Agencies for Intensive Project Monitoring, NGOs can provide data to these Third Party Agencies.

11. Documentation and Reporting Formats:

- Documents & Reports are the backbone of any CSR Projects.
- During the start of the project, it is important to clearly state the level of reporting required from NGO and the formats for data.
- This eliminates unnecessary friction and trust issues between both the partners.

12. Impact March:

- It appears that any project carried out in the month of March may have higher impact. This can be easily solved if the board proactively sanction the projects in the first quarter rather than last quarter.
- This is more visible with small and medium size companies.

At Fulcrum, we strongly believe that NGOs are essential to social progress, while corporates drive the country's economic growth. Through their businesses, corporates help move the nation forward—and by supporting NGOs, they also contribute to social change and create opportunities within the development sector.

This report does not aim to criticize or praise any one side, but rather to build a bridge of understanding. By recognizing each other's strengths and challenges, we can work together to make CSR efforts more meaningful, efficient, and impactful.

2025



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Fulcrum is a leading Consulting, Advising and Research Firm in CSR and Social Sector based in the Vibrant State of Gujarat catering to Corporates, Governments and Social Sector Organizations.

Strategic and Regulatory Consultation, Documentation & Reporting, CSR and Social Audits & Research are the key verticals of this leading firm. Fulcrum has also developed unique models like CISS (Continuous Improvement in Social Sector) which helps the companies to assess their ongoing projects and fine tune it.