



Philanthropy in India needs to be more strategic to be successful

Donors giving in India are not making the most of their money, according to new research from New Philanthropy Capital (NPC) and Copal Partners. Those giving should consider how their money can make the most impact and encourage non-governmental organisations (NGOs) in India to measure their results and be more transparent.

The findings, launched today in two reports, *Giving in India* and *Starting strong*, provide advice for philanthropists on how to choose effective NGOs. The reports recognise the growing philanthropy market in India, but show that few charities measure the impact of their work and donors do not consistently ask for the right information. As a result, funding decisions are not based on impact, and the philanthropy market in India is not working effectively.

London-based NPC and Delhi-based Copal spent over a year researching the funding market and performance of local NGOs all over India. By speaking to over 150 NGOs, they found that only 3% were measuring their results in a robust way. According to one of the reports' authors, Adrian Fradd, *'Many donors just cannot be sure what impact their funding is having, or whether their money is going to the most effective charity. Donors need to think more strategically, and there needs to be greater analysis of social issues and of individual NGOs to improve the impact of philanthropy.'*

The report comes as a series of events encouraging philanthropy in India are launched this week by GiveIndia (a leading Indian-based organisation that promotes transparency and credibility among NGOs). NPC and Copal estimate that private giving to causes in India could amount to several billions of pounds a year, coming from Indian nationals, Indians living abroad and other donors around the world.

Abha Thorat-Shah, Director of the British Asian Trust, which works with British Asian philanthropists, says, *'This report is a very good reflection of philanthropy in India. We encourage philanthropists from the South Asian community here in the UK to be more strategic in their giving. We are keen to inspire givers by showcasing the professionalism and drive of Indian NGOs. It's really a question of getting our supporters to apply their business acumen to causes they are passionate about.'*

Chris Mathias, philanthropist and Chair of CMG Partners, has been involved in giving in India for many years. *'The nice thing about philanthropy in India is that when it works, the results are dramatic. However, I think the wealthy in India and British Asians could be giving much more. Now is the time to get it right, and as giving grows, we need to see the growth of a much more formal charity sector. Philanthropists giving in India need to have a higher aim.'*

NPC and Copal's research has found that one way donors can make a big difference is by paying for central costs and lending their skills to build the capacity of NGOs, as well as investing in impact measurement. Neelima Khetan, from Seva Mandir, a major Indian charity supporting rural development in Rajasthan, believes that things need to change. *'We have large allocations for poverty alleviation and a vibrant democracy, yet the needs of the poor are ill-served. Indian philanthropy needs to adapt itself to these circumstances. Further research is needed to guide philanthropy on what kinds of interventions are most effective in dealing with the deep-seated constraints to building a better society.'*

For further information, or to arrange an interview with one of the researchers, please contact Gemma Davidson (PR Manager) on gdauidson@philanthropycapital.org, or Esther Paterson (PR Executive) on epaterson@philanthropycapital.org or +44 (0)207 785 6300.

Notes to Editors

1. **New Philanthropy Capital (NPC)** is a consultancy and think tank dedicated to helping funders and charities to achieve a greater impact. We provide independent research, tools and advice for both charities and funders in the UK and internationally. We have an ambitious vision: to create a world in which charities and their funders are as effective as possible in changing people's lives and in tackling social problems. For charities, this means measuring the results of their work and using evidence to learn and improve, as well as to attract support. For funders, it means using evidence of charities' results to make funding decisions and to measure their own impact. For further information, see www.philanthropycapital.org.
2. **Copal Partners** is a financial research and consultancy firm that has its main office in Delhi. It started its own charity analysis team in 2006, in response to demand from its clients for advice on their philanthropy. These clients included banks, other corporations and high net worth individuals. This development also reflected Copal's senior management's own philanthropic interest in improving the effectiveness of the Indian voluntary sector. The team has produced an overview of the Indian charity sector, as well as analysis of several of the larger NGOs in India, such as HelpAge India and the Children in Need Institute. For further information, see www.copalpartners.com.