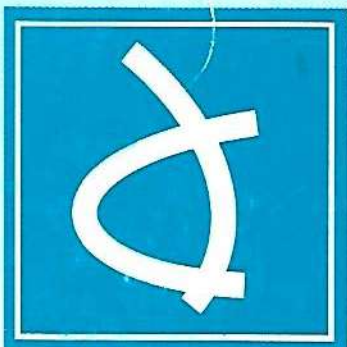


Annual Report 2006-2007



**CREDIBILITY ALLIANCE**  
IMPROVING GOVERNANCE  
BUILDING TRUST



# ABOUT CREDIBILITY ALLIANCE

## VISION

A voluntary sector which is responsive to the needs of the society, is democratic and transparent in its functioning and accountable to all concerned.

## MISSION

To build the credibility of the voluntary sector through creation and promotion of norms of good governance and public disclosure.

## THE GENESIS

Credibility Alliance is a consortium of voluntary organizations committed to enhancing accountability and transparency in the voluntary sector through good governance. It is an initiative that has emerged from within the sector. In December 2001, Childline India Foundation and Charities Aid Foundation organized a meeting for voluntary organizations, funding agencies and corporate entities on the 'Need for an NGO Consultative Framework'. At this meeting it was decided that a working group would be constituted which would develop a set of 'minimum' norms for good governance, accountability, and transparency of the voluntary sector. It was decided that the process of defining and developing norms should emerge through an inclusive and participatory method. Hence this meeting was followed by a two year dialogue with over 15,000 voluntary organizations across the country. In November 2003, during a national level workshop in Delhi, the constituents of the voluntary sector decided to set up a separate organization called 'Credibility Alliance' to promote mechanisms, which would enhance the voluntary sector's image and credibility. Credibility Alliance strives to build trust among the stakeholders of an organization. We do this by advocating norms for public disclosure and good governance that will help organizations become more transparent and accountable to their stakeholders.

## OBJECTIVES

- Development of norms of governance, based on consensus, through participation and consultation.
- Promotion of an accreditation system for the voluntary sector.
- Promotion of capacity-building initiatives for voluntary organizations to enable compliance with norms.
- Policy advocacy for enhanced credibility, acceptability and recognition of the work done by the voluntary sector in the eyes of the government, the donor community, the corporate sector, the media and the public.



## LOOKING BACK

### Norms Development and Improvement

One of the objectives of Credibility Alliance is to develop a comprehensive directory of norms, sensitive to the spatial and functional diversity of the sector. This in turn will enable organizations of different kinds and sizes to adopt them. Credibility Alliance is aiming to develop norms for generic programme evaluation and also norms for specific thematic areas. Hence a Norms Committee has been set up consisting of experts from the voluntary sector, consultants, and academics. The key mandate of the Norms Committee is to review the current norms, to develop norms for programme evaluation, and to contextualize the generic criteria for programme evaluation to different sectors in the development field. The Committee started functioning in December 2006. The first meeting was held on December 23rd 2006. This was followed by a second and third meeting on January 16th 2007 and March 3rd 2007 respectively.

### Accreditation:

The main purpose of the accreditation exercise is to develop a cost effective mechanism of periodic evaluation for voluntary organizations in India. Accreditation of voluntary organizations in India is a relatively new concept. However, we have been in dialogue with various stakeholders regarding the importance of accreditation. As a result, we developed concrete plans to make it a reality for the voluntary sector here. Some of our actions are mentioned in the following sections.

### Project with Government of Gujarat

The Government of Gujarat has endorsed the initiative of Credibility Alliance. The Tribal Development Department, Government of Gujarat has agreed to incorporate the accreditation model in their grant making process. Credibility Alliance has submitted a proposal to the Tribal Development Department for accreditation of 100 voluntary organizations.

### Project with YASHADA

Yeshwantrao Chavan Academy of Development Administration (YASHADA) is the apex training and research institute of the Government of Maharashtra. YASHADA and Credibility Alliance signed a MoU on June 1st 2006 to express mutual interest in the area of 'Documentation and accreditation of voluntary organizations'. As part of this agreement, a pilot project on accreditation for 30 voluntary organizations is in process.

### Pilot project with Give India

A pilot project on accreditation has started with 10 Give India partners in Mumbai and Pune. The process started with Desk Review of documents provided by individual organizations. First visit to an organization was made on January 31st 2007. It was followed by a second visit to verify original documents and to field visit their programs. A total of eight organizations participated in the pilot project.

After the pilot phase was completed, the experiences and learning are being discussed and debated extensively within the sector so that a final process of accreditation of voluntary organizations in India will emerge.



## Membership drive

The basis for success of the initiative is the acceptance of the norms by a large number of voluntary organizations and their commitment to follow the norms. At present there are 462 voluntary organizations enrolled as members. Credibility Alliance has a membership base of 49 in the North Zone; 115 in the South Zone; 141 in the East Zone; 84 in the West Zone; 42 in the Central Zone; and 31 in the North East Zone.

## Formation of State Committees

State Committees are an institutionalized mechanism for broad basing the initiative and linking it to the ground reality. State Committees have been envisaged as decentralized local bodies, which actively promote the process of Credibility Alliance in their respective states. Nineteen active State Committees have been formed in various states and union territories as of now. Credibility Alliance is striving to strengthen the existing state committees so that they can take full ownership of membership development, accreditation goals for their own states, engage in liaison and advocacy work with state government and media. 21 State Committee meetings were held during 2006-2007.



Credibility Alliance is a very effective mechanism for ensuring accountability, transparency and credibility of your organisation.

**Dr. Bhushan Punani**, Executive Director,  
Blind Peoples Association (BPA)





# Experiences of a **CREDIBILITY ALLIANCE** member

"We wanted to remain transparent and accountable from the beginning. After becoming a member of Credibility Alliance we were benefited not only in terms of developing better understanding about transparency and accountability issues but we also received guidance on how to make it a reality for our organization. Our association with Credibility Alliance has resulted in PRISM feeling more aware about its responsibilities towards different stakeholders. It has become a rule within our organization to consider feedback and suggestions from different stakeholders. For example, during our Annual General Meeting we have started inviting individuals from different NGOs, academicians, researchers, administrators to be present as witness of the proceedings. We have started translating our Annual Reports in Bengali. We disseminate them in cluster meetings so that all our beneficiaries and community members are informed about the major aspects of our work. We realized that there was a need for us to develop participatory mechanisms of governance. Hence we took a policy decision that one nominated member of our Governing Body would be from the community organizations and groups with whom we work. This year our Self Help Group federation nominated its Secretary to our Governing Body.

We feel comfortable when we think of our work in the light of the Right to Information Act 2005. Although it's not applicable to voluntary sector organizations, we feel proud that we comply with what we preach for in society. We believe the steps we have taken to improve our accountability and transparency have helped us move towards becoming a 'Peoples organization'."

– **Professional Institute for Development and  
Socio Environmental Management (PRISM), Kolkata**





# ACCEPTANCE OF CREDIBILITY ALLIANCE BY DIFFERENT STAKEHOLDERS

## Acceptance by Central and State Governments

- i) The founding members of Credibility Alliance have made recommendations on an accreditation process to the Planning Commission's Steering Committee.
- ii) Gujarat Government is processing our proposal to accredit 100 voluntary organizations.
- iii) Orissa government has formed a task force on "strengthening civic engagement for government- NGO partnership" and they invited Credibility Alliance as a member to it.
- iv) Credibility Alliance has started a pilot project on accreditation in agreement with YASHADA, Pune for 30 Voluntary organizations.
- v) The National Commission for Women has appreciated the initiative of Credibility Alliance.

## Acceptance by Donor Agencies & Voluntary Organizations

- i) Organizations such as Voluntary Services Overseas (VSO), Sehgal Foundation, and Packard Foundation organized workshops to promote norms of Credibility Alliance amongst their partners.
- ii) Packard Foundation is helping its 42 partner members financially so that they get Credibility Alliance membership for two years. Smile Foundation will be sponsoring 100 organizations for membership.
- iii) Organizations such as HelpAge India, GiveIndia, and Smile Foundation have endorsed the norms of Credibility Alliance.

## Partnerships with Organizations with Similar Objectives Internationally

- i) Credibility Alliance, GuideStar International and Give India entered into a tripartite agreement to promote a web based disclosure system to enhance transparency within the voluntary sector. The agreement was made for the period June 1st 2006 – March 30th 2007.
- ii) Credibility Alliance has had interactions with AccountAbility in the UK, the PCP in Pakistan, the One World Trust and PCNC in the Philippines.
- iii) ActionAid invited Credibility Alliance during their South East Regional Conference at Bangkok on 27 July 2006. Accountability, transparency and legitimacy of voluntary organizations were the main themes for discussion. Credibility Alliance Chairperson, Mr. B. N. Makhija presented the Credibility Alliance initiative.

## Voluntary Sector

462 Voluntary organizations are members of Credibility Alliance.

## Endorsement by Corporate Sector

Fab India, Moser Baer, ICICI Bank, and Koppel partners have endorsed CA norms.



# FINANCIAL STATEMENTS

## BALANCE SHEET (As on March 31st 2007)

Amount in Rupees

Particulars	2006-2007	%	2005-2006	%
<b>Assets</b>				
Fixed Assets	553718	15%	403260	22%
<b>Current Assets</b>				
Deposits & Advances	60311		9703	
Cash & Bank balance	3134072	85%	1500935	78%
<b>TOTAL</b>	<b>3748101</b>	<b>100%</b>	<b>1913898</b>	<b>100%</b>
<b>Liabilities</b>				
Asset Fund	553718	15	403260	22%
Corpus Fund	35000	1%	35000	67%
Unutilised Grants	2766672	74%	1298143	67%
Current liabilities and provisions	83749	2%	65219	3%
Excess of income over expenditure	308962	8%	112276	6%
<b>TOTAL</b>	<b>3748101</b>	<b>100%</b>	<b>1913898</b>	<b>100%</b>

- Credibility Alliance is registered as a Society under Societies Registration Act, (XXI) of 1860. Registration no. s-49315 dated 28.05.2004
- Credibility Alliance is registered with Income Tax Department under Section 12A No. DIT (E) 2004-2005 /c-824/04/1487 dated 25.01.2005
- All contributions to Credibility Alliance are exempted under Section 80(G) of the Income Tax Act, 1961 no. DIT (E) 2007-2008/c-824/148 valid from 01.04.2006 to 31.03.2009
- Credibility Alliance has prior permission for FCRA No. II/21022/94(0440-01)/2004-FCRA-IV dated 09.02.2005
- Income Tax Permanent Account No. AAAAC2595B

## GOVERNANCE - DETAILS OF BOARD MEMBERS (As on March 31st, 2007)

Name	Position on Board	Affiliate organization
Mr. B. N. Makhija	Chairperson	Advisor, Society for Services to Voluntary Agencies (SOSVA)
Ms. Neelima Khetan	Vice Chairperson	Executive Director, Sewa Mandir
Mr. Mathew Cherian	Treasurer	Chief Executive, HelpAge India
Ms. Sheelu Francis	Member	Director, Tamil Nadu Women's Collective
Mr. George C. Varughese	Member	President, Development Alternatives
Mr. Jagadananda	Member	Founder, Centre for Youth and Social Development
Dr. Armaity Desai	Member	Former Chairperson, UGC
Mr. Babu Mathew	Member	Country Head, Action Aid India
Mr. K.N. Gupta	Member	Partner, Thakur Vaidyanath Iyer and Co.
Mr. S. Sen	Member	Deputy Director General, Confederation of Indian Industry
Ms. Rewati Bhagwat	Ex-officio Secretary	Executive Director, Credibility Alliance

Our Board met thrice in the financial year 2006-2007. It met on July 18, 2006, October 28, 2006, February 9, 2007. Six Board members were present at each of these meetings.

## INCOME & EXPENDITURE

Amount in Rupees

PARTICULARS	2006-2007				2005-2006			
	INDIAN	FOREIGN	TOTAL	%	INDIAN	FOREIGN	TOTAL	%
<b>Income</b>								
Self generated income								
Membership fee	150500		150500	4%	149250		149250	4%
Consultancy fee					34855		34855	1%
<b>Indian sources</b>								
Contribution	17000		17000	1%	10863		10863	1%
Interest received					4872		4872	1%
International sources	11183		11183					
Others	1857		1857					
Grant in aid (Ford Foundation)		3197986	3197986	95%		3012354	3012354	93%
<b>TOTAL</b>	<b>180540</b>	<b>3197986</b>	<b>3378526</b>	<b>100%</b>	<b>199840</b>	<b>3012354</b>	<b>3212194</b>	<b>100%</b>
<b>Expenditure</b>								
<b>Recurring Expenses (Programme)</b>								
Staff Support		1502869	1502869	44%		1557104	1557104	48%
Meeting & Travel		695846	695846	21%		418165	418165	13%
Publication & Website		59322	59322	2%		52100	52100	2%
Communications		173643	173643	5%		141581	141581	5%
Office Expenses	7196	391777	398973	12%		597614	597614	18%
Capital Expenses transferred to Asset Fund		316180	316180	9%		374196	374196	11%
<b>Recurring Expenses (Administration)</b>								
Audit Fee		13469	13469			13469	13469	1%
Excess income over expenditure	173344	44880	218224	7%		57965	57965	2%
<b>TOTAL</b>	<b>180540</b>	<b>3197986</b>	<b>3378526</b>	<b>100%</b>	<b>3212194</b>	<b>3212194</b>	<b>3212194</b>	<b>100%</b>



## NOTE OF THANKS

No of copies?

Our sincere thanks to Board members, state representatives, conveners & state committee members. Credibility Alliance also expresses its gratitude to Ford Foundation, MoserBaer, Sriram Fibres, Tata Consultancy Services, AFTAK Ltd. Credibility Alliance also recognizes the valuable contributions made by its core-group members, norms committee members, consultants, YASHADA, Grant Thornton, Give India, and GuideStar. We would also like to thank our member organizations for adopting Norms for Good Governance. At the end, Credibility Alliance acknowledges the work done by its staff members to carry out the objectives of the organization. We express our sincere thanks to Mr. Nayan Marfatia and Mr. Praveen Jain. Our special thanks to Greater Mumbai Municipal Corporation and to the Additional Municipal Commissioner and Education officer. *Venkant, ICI Bank*

revise

### STAFF DETAILS (As on March 31st, 2007)

Gender	Paid full time	Paid part time	Paid consultants	Volunteers
Male	6	-	1	7
Female	4	-	-	4

### ACCOUNTABILITY AND TRANSPARENCY

- No remuneration, sitting fees or any other form of compensation was paid to any Board member.
- Travel reimbursements were made to Board members for attending Board meetings and other office meetings: Rs. 15,671
- Executive Director's Remuneration: Rs. 50,000 per month
- Remuneration of 3 highest paid staff members:  
Rs: 50,000 per month  
Rs. 30,000 per month  
Rs.16,000 per month
- Remuneration of the lowest paid staff member: Rs.5,000 per month
- Total cost of national travel by all staff during the year: Rs. 3,81,104 (including Rs. 15,671 which was reimbursed to Board members)
- Total cost of international travel by all staff during the year: Nil

### DISTRIBUTION OF STAFF ACCORDING TO SALARY LEVELS (As on March 31st, 2007)

Slab of gross salary (in Rs.) plus benefits paid to staff	Male	Female	Total
< 5000	-	-	-
5,000-10,000	1	-	1
10,000-25,000	6	2	8
25,000-50,000	-	2	2
Total	7	4	11

### SUPPORT US

- by becoming a member (only applicable to eligible organizations)
- by becoming a supporter (for individuals and corporates)
- by making a contribution to the general or corpus fund of the alliance (open to all)

Credibility Alliance Registered Address:  
B-32, Tara Crescent, Qutab Institutional Area, New Delhi- 110016

East Regional Office	North Regional Office	South Regional Office	West Regional Office
Ms. Ritupama Bose 4, Brabourne House Lane 6 Chowringhee Lane Kolkata 700016. West Bengal Phone: 033 22523166 Email: rceast@credall.org.in	Mr. S. N. Srivastava Dwaraka Apartments Duplex Flat No B-603 Plot No 21, Sector VII Dwaraka Phase I New Delhi 110075 Email: rcnorth@credall.org.in rcnorthca@rediffmail.com	Mr. S. Praveen C/o MCC, 2nd Floor Vijay Kiran Apartments 314/1, 7th Cross, Domlur Bangalore 560071 Karnataka. Email: rcsouth@credall.org.in	Mr. Pramod Kumar Gupta C/o RM Parikh Resource Centre Third floor, Sumeru Complex Near Parimal Railway Crossing Paldi, Ahmedabad 380007 Gujarat Email: rcwest@credall.org.in

If you feel strongly about building a credible voluntary sector, please visit or call us today.



### CREDIBILITY ALLIANCE

3rd Floor, West Khetwadi Municipal School, 5th Lane, Back Road, Khetwadi,  
Mumbai 400004. • Ph: +91-22-23894046/47  
Email: info@credall.org.in • Website: www.credall.org.in