

**give**



# Due Diligence Report

**UNDER PRIVILEGED  
ADVANCEMENT BY YOUTH  
SOCIETY**

# Methodology

The due diligence methodology has been designed to collect and represent comprehensive information about the nonprofit, its capacity, capabilities and impact delivered

1



## Compliance documentation

Registration certificates, tax exemption, FCRA, etc.

2



## Annual Filings

Audited financials, tax returns, FCRA returns, income and expenses

3



## Financial systems

Understanding the book-keeping, audit process, vendor management

4



## Understanding the impact

Program details, impact metrics, beneficiary identification methods, external impact assessments

5



## HR Maturity

Information on the key management personnel, organization structure and policies

6



## Legal information

Past litigations, revoking of certificates, political and religious affiliations

7



## Reference Checks

Donor interaction and Beneficiary interaction.



# Description of parameters

The evaluation of nonprofits is done on the basis of their character, capability, and impact delivered. These are further divided into objective criteria which are then measured against predefined values and best practices for evaluation. The final outcome is a red, amber, or green rating across individual parameters which then leads to a final rating for the nonprofit.

|               |     |       |       |
|---------------|-----|-------|-------|
| DD<br>grading | Red | Amber | Green |
|---------------|-----|-------|-------|



# Description of parameters

| DD grading                        | Red   | Amber  | Green   |
|-----------------------------------|---|--|---|
| Registration Documents            | Non availability/ expiry of document  | Validity of documents expiring in the near future  | Documents available and valid   |
| Annual Filings                    | Non availability of Document Filings not done<br>Serious notes by auditor<br>Mandatory Disclosures not available in filings   | Delayed filing of documents<br>Higher income over expenditure  | Annual filings are available and done on time<br>Documents do not have any adverse remarks/observations from auditors   |
| Financial Processes and Practices | <ul style="list-style-type: none"> <li>No internal record of books of account</li> <li>No process of fund tracking</li> <li>Expenses paid in cash more than 50% of total expenses</li> <li>Daily cash withdrawal from FCRA account more than ₹20,000</li> <li>Transfer from FCRA utilization account to domestic bank account</li> <li>Organization not maintaining bills and vouchers</li> </ul> | No system of tracking budgeted vs actuals<br>Financial approval matrix not available<br>Internal Audit not done<br>No procurement process defined<br>High cash withdrawal.<br>Expenses paid in cash between 10% to 50%<br>High cash donation (10-50%)<br>Daily cash withdrawal from FCRA account between ₹2,000 to ₹20,000 | Has in house accounts team<br>Finance management software available<br>Finance approval matrix well defined<br>Internal Audit at regular intervals<br>Tracks actuals vs budgeted at regular intervals<br>Has well defined finance and procurement policy<br>Expenses paid in cash less than 10%<br>Daily Cash withdrawal from FCRA is ₹2,000 or less<br>Bills and vouchers are maintained |
| Program Evaluation                | M&E of projects not done<br>Impact metrics not defined and tracked<br>No clear budget and program design<br>No program/project reporting  | Inadequate M&E infrastructure and capability<br>Delayed reporting<br>Admin expenses more than 20%  | Has a dedicated M&E team<br>Impact metrics well defined and tracked<br>Have proper program budget and program design<br>Reports available   |
| HR Maturity                       | No clear organization structure<br>Reporting/escalation matrix not defined<br>Non availability of policies  | Key management information is not available  | Organization Structure clearly defined.<br>All major policies available<br>Information about key management available   |



## Organization Overview

# Underprivileged Advancement by Youth Society

Cause area: Education, Skill Development

UPAY (Underprivileged Advancement by Youth), was founded in May 2010 by an IIT Kharagpur Alumnus & Engineer from NTPC Ltd, Mr Varun Shrivastava with the help of few young engineers from IITs and NITs. Its main aim is to provide opportunities to underprivileged children and bring smiles on the dejected faces.

Amidst the different societal initiatives being taken across the board for the upliftment of the underprivileged and equitable distribution of wealth and rights, UPAY NGO introduces a unique multi-pronged approach of taking education to the kids through a franchise model of sorts. The NGO develops tailor-made initiatives and programs to address the pain-points in education for different cadres of the society.

Through a volunteer based offering, their mission is to join hands with the immensely rich and already literate human capital of India to eradicate illiteracy from the rest of the country and break the seemingly unbreakable deadlock.



## Organization overview

# Underprivileged Advancement by Youth Society

Cause area: Education, Skill Development



Overall DD Grading

Green

### Contact details

UPAY c/o Pratik Kamble, Behind D. Ed College,  
Bhandara, Nagpur, Maharashtra

Public mail ID:  
info@upay.org.in

Contact Number:  
91-7030735531



**Established**  
19/09/2011



**Founder & Chairman**  
Varun Shrivastava



**Demography served**  
Youth, Women, Children, Migrant  
Labourers



**Implemented in**  
**State and District :**  
Delhi NCR, Karnataka,  
Maharashtra, West Bengal



**Vision**  
The vision of UPAY NGO is to overcome  
disparities in education by fair and ethical  
means so that every child gets an  
opportunity to Learn, Grow and Succeed.

### Mission

- To Bridge the gap and make quality education accessible for all.
- Holistic development of the street children to bring them into the mainstream.
- To build a self-sustainable ecosystem by enhancing and promoting vocational skills for a better livelihood.
- To create a chain of change by developing social leaders within the community.



# Due Diligence Report Summary

Below is the summary of the due diligence conducted on the NGO, including its rating and values for each individual parameter. Using this information, we have determined a final grading

**Financial & Legal Compliance:** We diligently scrutinize and authenticate the financial and compliance documents of the nonprofit, ensuring strict adherence to the regulatory requirements set by the government.

| Sr. No. | Parameter   | Document   | Comments  | DD Grading |
|---------|---|--|---|------------|
| 1       | <b>Financial and Legal Compliance</b>   |  |   | Green      |
| 1.1     | Basic Registration Document:- Availability and validity of the documents are checked and verified | 12A  | Available and valid till 31/03/2026                     | Green      |
|         |   | 80G  | Available and valid till 31/03/2026                     | Green      |
|         |   | PAN  | Available and Verified                                  | Green      |
|         |   | Society Registration Certificate   | Available and Verified                                  | Green      |
|         |   | FCRA certificate   | Not Available   | Green      |
|         |   | CSR Form 1   | Available and Verified                                  | Green      |
| 1.2     | Audited Financials: Availability and validity of the documents are checked and verified           | FY 2023-24   | Available and Verified                                  | Green      |
|         |   | FY 2022-23   |   | Green      |
| 1.3     | IT Returns: Availability and validity of the documents are checked and verified                   | FY 2023-24   | Available and Verified                                  | Green      |
|         |   | FY 2022-23   |   | Green      |
| 1.4     | FCRA Return: Availability and validity of the documents are checked and verified                  | FY 2022-23   | Not Applicable  | Green      |
|         |   | FY 2021-22   |   | Green      |
| 1.5     | Litigation History  | Based on information provided by the NGO. No specific database search/due diligence done by Give | Not involved in any ongoing or past litigations         | Green      |
| 1.6     | Political/ Religious causes   | Based on information provided by the NGO. No specific database search/due diligence done by Give | Does not work towards any political or religious causes | Green      |

# Note on Financial Practices

## Income Sources

- The NGO has received their donations through Corporates, foundations and institutions and individuals. The NGO has a large volunteer base that helps in mobilizing donations.
- The NGO also raises funds on retail fundraising platforms.

## Accounting Practices

- Adopts a historical cost concept and accrual basis for the preparation of its account.
- Uses Tally software for bookkeeping.
- Accounts prepared in accordance with section 12A(b) of the Income-tax Act, 1961.

## Audit and Compliances

- Auditor: PA Kothari and Company, year ending 31 March 2024.
- ITR of the organization filed within the prescribed timelines.

## Admin Expenses

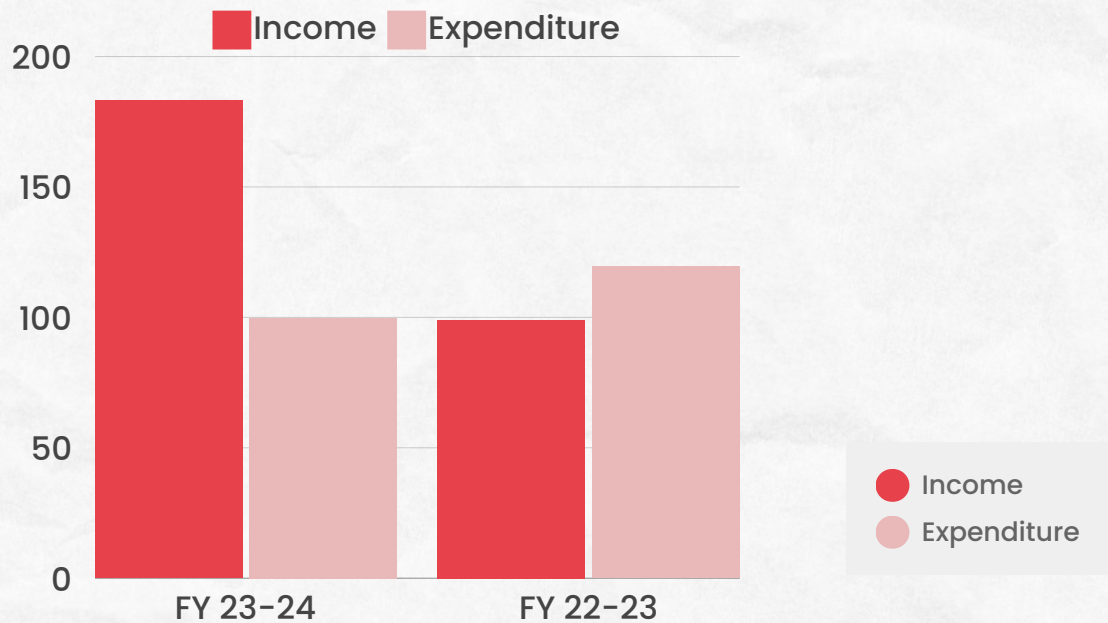
- Has less than 5% of its spending in cash transactions and limits on cash spends is in place
- Has an overall administrative spending of approximately 10% of the total expenditure of the organization



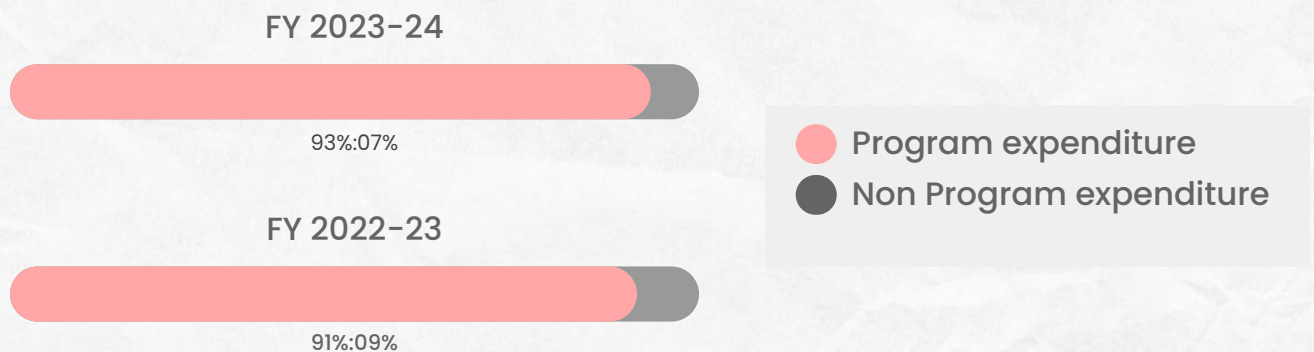
# Additional Information

Current FY Budget : 175 Lakhs

## Annual Budget(in Lakhs)



## Program Vs Non Program expenditure



# Due Diligence Report Summary

**Finance & Program:** Assessing the financial practices and understanding of programs are done both through documentation as well as during field visits.

|     |                                   |  |       |
|-----|-----------------------------------|--|-------|
| 4   | Financial Processes and Practices |  | Green |
| 4.1 | Mode of Book keeping              | Tally is used for accounts   | Green |
| 4.2 | Accounts Team                     | The NGO has one part time person looking after accounts. They have a volunteer team also looking after audits apart from external audit  | Green |
| 4.3 | Cash Payments:Bank Payments       | Cash payments account for less than 05% of expenses  | Green |
| 4.4 | Procurement Process               | Available  | Green |
| 4.5 | Approval Matrix                   | Available  | Green |
| 4.6 | Internal Audit                    | Available  | Green |
| 4.7 | Expenses categorization           | Programmatic: 93%<br>Non-Programmatic:07%  | Green |
| 5   | Program and Program evaluation    |  | Green |
| 5.1 | Program Details                   | Available  | Green |
| 5.2 | Program Visit                     | UPAY Day boarding centre (Wardhaman Nagar)   | Green |
| 5.3 | Beneficiary interaction           | Met with children that are part of the footpath Shala and Day boarding program<br><br>Also, in the second half met with few girl students who are part of the after school education program | Green |
| 5.4 | Monitoring and Evaluation         | M&E is currently being managed by R&D committee and Donor Management team. A dedicated resource hiring is in the plan in the next 6 months   | Green |
| 5.5 | Impact Metrics                    | Available  | Green |



## Program Description

# Footpath Shala

## Education

### Program Brief:

Footpathshala is one of the flagship initiatives of UPAY NGO. It is a unique street-based education model designed to provide accessible education to underprivileged children living on the streets, footpaths, and slum areas. The initiative addresses the issue of children who do not have access to formal education due to social, economic, or logistical barriers.

### Key Features of Footpathshala

**Open Classroom Model:** Footpathshala classes are conducted in open spaces like streets, footpaths, and public areas. This approach eliminates the need for formal school infrastructure and makes education accessible directly in the communities where children live.

**Flexible Timings:** Since many street children are involved in helping their families earn a livelihood, the classes are scheduled at flexible hours to ensure maximum participation.

**Holistic Education Approach:** Footpathshala goes beyond traditional education by incorporating interactive teaching methods, recreational activities, and skill development sessions. This holistic approach aims to ensure the children's overall development and prepares them for mainstream education.

**Volunteer-Led Initiative:** The program is run by dedicated volunteers who serve as teachers, mentors, and guides for the children. Many of these volunteers are professionals, students, or individuals with a passion for social change.

**Transition to Formal Education:** One of the key objectives of Footpathshala is to bridge the educational gap and prepare children for enrollment in formal schools. By building foundational literacy and numeracy skills, the program helps children reintegrate into mainstream education.

### Mode of Implementation:

Direct Implementation. Worked with various funding partners and vendors

# Additional Information

| Sr. No. | Particulars                              | Details   | DD grading |
|---------|--|---|------------|
| 1       | Total Employees                          | 12 Full time and 42 part time employees. The NGO has a very large volunteer base that work as teachers, campaigners etc.        | Green      |
| 2       | Donor Testimonials                       | Mr Sarang Lakhaneer - Vishvaraj Environment Pvt Ltd   | Green      |
| 3       | Government Partnerships                  | The NGO has signed an MoU with Govt of Meghalaya for education of children in Garo Hills  | Green      |
| 4       | Donor Reporting Metric                   | Quarterly activity updates, Annual impact report, Student Progress report compiled by donor management team                     | Green      |
| 5       | Accreditations(Guidestar/NGO Darpan etc) | NGO Darpan: MH/2011/0046244   | Green      |
| 6       | Awards                                   | NGO Leadership Award by World CSR Day, 2017<br>Nagpur First Award 2018<br>NATIONAL YOUTH LEADERSHIP AWARD BY LUCKNOW UNIVERSITY | Green      |

# Conclusion

After evaluating Underprivileged Advancement by Youth Society (UPAY) across the parameters mentioned in the preceding pages of the report, it is evident that they have robust processes and policies to deliver large-scale projects to create the required impact on the ground.

**Financial & Legal Compliance:** UPAY demonstrates excellence in meeting all financial and legal requirements mandated by the government. They diligently maintain all necessary documents and audit files within the prescribed validity periods.

**HR Maturity:** UPAY adheres to structured HR practices and implements all policies mandated by the law. They have a well-defined hierarchy, with experienced professionals occupying key management positions.

**Financial Processes & Practices:** During the DD process, a comprehensive review of UPAY financial processes was conducted. The organization maintains meticulous financial and accounting systems, encompassing bills, invoices, contracts, employee information, and beneficiary details. Furthermore, all financial transactions are carried out in accordance with legally defined procedures. The only observation being that they only have one temporary resource for day to day accounts.

**Program evaluation:** The programs of UPAY have been designed based on the need assessment conducted by the organization that involves regular monitoring and evaluation. The organization has a dedicated program management and evaluation team that works for continuous improvement and evaluation of the programs. The program metrics, budgets and outcomes are well defined.



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