



SUPPORTING
AN ENABLING ENVIRONMENT
FOR CIVIL SOCIETY

Enabling Environment Snapshot

India

March 2026

Context

Period covered by the report: December 2025 – March 2026

The enabling environment for civil society in India continues to be shaped by a complex blend of laws, policies, administrative practices, and prevailing social attitudes. During January to March 2026, the civic space remained under significant pressure from restrictive regulations, specifically the [recent FCRA amendments](#) with securitised governance.

At the same time, socio-geopolitical tensions, including the fallout from the India–Pakistan conflict in 2025 and wider regional insecurity, continued to narrow the space for dissent, peacebuilding, and cross-border civil society engagement. In conflict-affected and politically sensitive areas - such as North-East, Jammu & Kashmir regions - civil society actors faced heightened surveillance, movement restrictions, and suspicion, which further discouraged independent advocacy and public participation.

In early 2026, the political environment was further shaped by the state election cycle for Assam, Kerala, Puducherry, Tamil Nadu, and West Bengal, which heightened scrutiny of civil society actors engaged in voter awareness, transparency, misinformation monitoring, and electoral accountability. Election periods tend to intensify political polarisation and place civil society under greater scrutiny, particularly organisations engaged in media monitoring, and rights-based advocacy. In such contexts, CSOs and independent media often face accusations of bias, stronger monitoring of their digital and field activities, and greater risk of intimidation or content restrictions, all of which can discourage public-interest participation and reduce room for civic dialogue. In Meghalaya, internet services were suspended in West Garo Hills in March 2026 after election-related unrest and reports of social media misinformation, directly limiting communication, mobilisation, and civic coordination in the region.

There were, however, a few limited openings. In Ladakh, the Ministry of Home Affairs revoked the National Security Act detention of activist Sonam Wangchuk in mid-March, suggesting that dialogue remained possible in some contexts. Maharashtra also signed multiple MoUs with Tata Trusts and Naam Foundation, and some state-level consultations continued to involve civil society in policy and service delivery. Even so, these openings were narrow and did not alter the broader pattern of tightening scrutiny, digital constraints, and reduced operating space for independent civic actors.

1. Respect and protection of fundamental freedoms

Civil society organisations in India face mounting pressure as security legislation targets activists, writers, and community members for peaceful expression and assembly. In conflict-affected regions, such as Northeast and Jammu & Kashmir, where laws do not protect everyday people and activists, safety cannot be guaranteed, making fieldwork precarious in such regions. This chilling effect spreads beyond direct targets, triggering self-censorship and discouraging broader civic participation.

In Telangana, on 6 March 2026, the National Investigation Agency (NIA) [sent notices](#) to over ten people, including activists, poets, writers, teachers, and political leaders, just for attending a Maoist leader's funeral, showing how Unlawful Activities Prevention Act (UAPA) laws can target civil society and scare others from speaking out.

Transgender activist Malem Thongam was [blocked](#) by security forces on her peace rally that she had started on 12 March 2026 from Lamangdong Keithel in Bishnupur. This restriction not only blocked her freedom of movement but also denied a marginalised voice the chance to advocate for peace, raising concerns about equal protection for transgender individuals and the ability of civil society to organise non-violent initiatives in conflict zones. Such curbs illustrate how security measures can disproportionately silence vulnerable activists seeking to bridge divides.

In Manipur, between 20 and 23 March 2026, [ethnic violence](#)—from the siege of Sinakeithei village to militants firing at villagers collecting firewood—has made it difficult for civil society actors to work safely and consistently. Restrictions on movement, flare-ups, and the risk of intimidation have affected activists, journalists, and local organisations trying to document abuses, support affected communities, and promote dialogue.

Though restrictions on freedom of assembly and expression remain, positive developments have been reported. For example, on 14 March 2026, the Ministry of Home Affairs (MHA) [released](#) Ladakh activist Sonam Wangchuk by revoking his National Security Act (NSA) detention, opening space for dialogue instead of jail. The MHA stated that the decision to revoke his detention was taken to foster an environment of peace, stability, and mutual trust in Ladakh and to facilitate constructive dialogue with all stakeholders, while clarifying that he would face no further action under the NSA order.

2. Supportive legal framework for the work of civil society actors

The legal landscape for civil society organisations presents a mixed picture. On the regulatory front, recent legislative amendments have introduced sweeping executive powers over foreign-funded organisations, including the potential takeover of assets, without adequate safeguards or legislative clarity. The compliance burden this creates — around timelines, fund utilisation, and reporting — is particularly acute for smaller organisations that lack dedicated legal and administrative capacity. The cumulative effect is one of institutional uncertainty, where even technically compliant organisations cannot be confident of their operational continuity.

In February 2026, the Manipur High Court [affirmed](#) the Registrar's power to investigate societies for prima facie mismanagement under Section 22 of the Manipur Societies Registration Act, 1989. It reinforces regulatory oversight and highlights the importance of internal governance and compliance for societies.

The Foreign Contribution (Regulation) Amendment Bill, 2026, was proposed on 18 March 2026 and [approved](#) by the Union Cabinet on 25 March 2026. The [Bill](#) seeks to clarify the validity period for receiving foreign contributions and set timelines for their utilisation, while also creating a more time-bound mechanism for NGOs whose registration has been suspended, cancelled, surrendered, or has otherwise ceased. It further [proposes](#) creating a “designated authority” empowered like a civil court to take over, manage, sell, or dispose of assets derived from foreign contributions. Taken together, these changes reflect a tightening of the FCRA regime and raise significant compliance concerns for foreign-funded organisations. India has around 16,000 FCRA-registered associations receiving approximately ₹22,000 crore or roughly €2.2 billion annually, making the implications of the proposed amendments substantial. This is leading to excessive delegation of essential legislative functions, as key issues such as vesting, management, disposal of assets, timelines, exemptions, and appellate structures are left to be prescribed by the Central

Government through rules. This has been viewed as giving the executive sweeping discretion without adequate safeguards or legislative clarity.

Despite these pressures, the judicial landscape offers meaningful protective possibilities. Courts have repeatedly stepped in to quash unjustified registration cancellations and clarify the scope of regulatory authority.

In January 2026, The Securities and Exchange Board of India (SEBI) issued a [Master Circular on the Social Stock Exchange \(SSE\) framework](#), consolidating the rules governing registration, fundraising, disclosures, and impact reporting. Further amendments extended the Non-Profit Organisations (NPO)/Non-Government Organisations (NGOs) registration period and eased certain fundraising requirements, reflecting a gradual relaxation and clarification of the framework.

The [Finance Bill](#) accompanies the annual Union Budget 2026, which was presented in the Union Budget on 1 February 2026. It was later passed by the Lok Sabha on 25 March 2026 and references the New Income Tax Act 2025, effective 1 April 2026, which restructures Non-Profit Organisation (NPO) rules into sections on registration. Its positive impact is described as mild, offering relief like tax-free mergers under new Section 354A and removing some violations from triggering cancellations.

According to a report published on 16 February 2026, the Income Tax Appellate Tribunal (ITAT) Chandigarh [quashed](#) a trust's Section 12AB registration cancellation, clarifying that NRI donations do not automatically count as foreign contributions and the Principal Commissioner of Income Tax (PCIT) lacked jurisdiction to cancel registrations.

On 9 March 2026, the Bombay High Court [held](#) in *The Chamber of Tax Consultants & Commissioner of Income Tax (Exemptions)* that charitable trusts cannot be denied Section 12AB registration solely because their trust deed does not contain an express irrevocability clause.

On 24 March 2026, The Rural Development Trust (RDT), an NGO working in the Rayalaseema region, finally had its FCRA clearance [restored](#), allowing it to resume full operations after [months of uncertainty](#) and administrative limbo. This marks a significant relief, as it enables the organisation to continue its long-standing work with renewed stability.

These developments reflect both judicial support and tightening regulatory pressures on CSOs.

3. Accessible and sustainable resources

Funding access remains a growing concern. International donors are increasingly deterred by asset seizure risks and India's elevated compliance classification, shrinking the pool of available foreign funding. The convergence of foreign funding restrictions and donor hesitancy is pushing some organisations toward financial crisis or closure. Domestic philanthropy, while expanding, remains heavily concentrated among a small number of large family offices, leaving mid-sized and grassroots organisations structurally vulnerable. Changes to eligibility criteria for social financing platforms now allow a wider range of civil society organisations to explore market-based funding, providing an alternative to both philanthropy and government grants for those with the capacity to meet disclosure and reporting requirements.

According to recent Foreign Contribution Regulation Act amendment, [FCRA asset seizure rules](#) deter donors fearing permanent capital loss, while strict spending deadlines heighten compliance risks. Foreign funding is shrinking as stricter FCRA-related controls and rising compliance risks make donors more cautious, with smaller CSOs particularly affected and

domestic funders hesitant to disburse funding. These developments accelerate the funding crisis, pushing affected organisations toward closure.

Despite such constraints, [analysis](#) shows that the domestic funding environment, while uneven, is undergoing a structural shift. CSR remains the largest, most reliable funding source but demands multi-year partnerships, measurable impact, and regular reporting. According to [India Philanthropy report 2025](#), family philanthropy surges with now ~40-48% of private philanthropy via family offices (up 7x since 2018), with family-owned firms contributing 65-70% of Corporate Social Responsibility (~₹18,000 crore). The top 2% of families dominate 50-55% of giving.

Digital fundraising via UPI, QR codes, crowdfunding, and social media is now essential and has lowered the barriers to resource mobilisation in ways that benefit even smaller organisations. The widespread adoption of mobile payment platforms, crowdfunding, and social media-based outreach means that CSOs can now reach individual donors at a national scale without significant infrastructure. Monthly recurring donations from individuals create steady income, building more resilient, community-anchored revenue streams and reducing big-donor dependency. Donors prioritise transparency, real impact stories, and consistent communication over raw numbers. Technology (AI dashboards, CRM tools) helps track donations and prove outcomes.

Success goes to CSOs that are able to invest in demonstrating measurable impact, maintaining consistent donor communication, and building long-term relationships with funders — rather than relying on one-off grants. These organisations are increasingly well-positioned to secure multi-year partnerships that provide genuine financial stability.

In some instances, sustainable resources and costs are affected by global events. For example, in March 2026, global conflicts and geopolitical instability [have triggered cascading supply chain disruptions](#) - such as the LPG crisis on CSOs in Telangana state. As a result, preparing large quantities of food has turned into a challenge. Some NGOs have shifted to firewood, coal stoves and makeshift cooking arrangements. Despite the hardship, most organisations have not reduced the number of people they serve. Smaller CSOs divert budgets away from programme delivery to meet regulatory demands during such phases. Here organisations are diverting time, effort, and coordination capacity away from their core mission simply to maintain basic operations.

4. State openness and responsiveness

The formalisation of state–civil society partnerships in some parts of the country represents another avenue worth pursuing. Where governments have shown willingness to institutionalise collaboration through formal agreements and policy consultations, CSOs have been able to influence development priorities and access resources that would otherwise be unavailable. Engaging constructively with these structures — while maintaining organisational independence — offers a pragmatic route to policy relevance and programmatic reach.

- On 12 February 2026, the Maharashtra government [signed 12 Memorandums of Understanding](#) with Tata Trusts and one with Naam Foundation to support health, nutrition, water conservation, and rural livelihoods. This signals a growing willingness to institutionalise collaboration with philanthropic actors and civil society, which can broaden participation in development planning and implementation.
- The India Voluntary National Review 2025 similarly highlighted [consultations](#) with more than 1,000 organisations through NITI Aayog, although it also underscored persistent financing and data gaps that continue to limit Sustainable Development Goals progress.

- The Government of Tamil Nadu has [recommended](#) the creation of a task force to regularly review gig economy policies, collecting feedback from workers, platforms, and civil society organisations in the month of February 2026. The same state Government has [rolled out](#) an urban green policy in February 2026 and stated that CSOs, associations and self-help groups will be part of this initiative.
- On 10 February 2026, the Telangana High Court [asked the state](#) to frame Standard Operating Procedures on anti-human trafficking enforcement and consider inputs from Prajwala, an NGO. This shows greater openness to civil society input in policy and implementation.

Nevertheless, there are also persistent gaps and instances of weakening of transparency mechanisms which further compounds pressures, such as:

Amendments introduced through the Digital Personal Data Protection (DPDP) Act, passed in 2023 and in effect since notification of its Rules in November 2025, have [significantly undermined](#) the Right to Information (RTI) framework. Civil society groups [raise concern](#) about the unconditional exemptions for all personal information created by the DPDP amendments and report dramatically higher rejection rates for accountability-related applications. This erosion is particularly damaging because RTI still remains one of the core tools CSOs rely on to monitor state action, expose corruption, and advocate for policy change. The DPDP Act fundamentally weakens this mechanism while also failing to adequately protect the right to privacy. The result: diminished CSO effectiveness precisely when government oversight is most needed, with a rising threat to RTI's role as an anti-corruption tool.

The March 2026 Delhi court [acquittal](#) of two men charged under the Unlawful Activities Prevention Act (UAPA) highlighted pending concerns with the law that have repeatedly been communicated by civil society actors. The men had spent more than seven years in custody despite insufficient evidence of their alleged links to ISIS, their involvement in conspiracy or possession of arms. Civil society has actively documented such abuses of the law, mounted strategic legal challenges, [including several Supreme Court petitions](#), and sought international pressure. While these actions have produced judicial scrutiny and case-level relief such as the recent acquittal, the state's investigatory and prosecutorial reliance on expansive UAPA powers continues to produce prolonged detention and chill civic activity, indicating limited state openness to structural reform.

5. Political Culture and Public Discourses on Civil Society

CSOs increasingly operate in a hostile public discourse environment, where misinformation and politically motivated complaints are used to delegitimise civil society voices. In ethnically sensitive and politically polarised contexts, especially in the North East region, the reputational and legal risks of speaking out are considerable, creating an atmosphere in which public advocacy carries personal and organisational costs that many smaller actors are ill-equipped to absorb.

In Meghalaya, tensions around representation and identity also shaped the public discourse. A [controversial notification barring non-tribal candidates](#) from contesting the 10 April Garo Hills Autonomous District Council (GHADC) elections triggered protests and vandalism during the nomination process, particularly in Chibinang. The situation escalated on 9 March 2026, leading to fatalities and prompting immediate curfew. Such frequent violence reflects tensions in public discourse around representation and identity.

Civil society actors, including Thadou student and Naga organisations, [rejected a police complaint](#) in the month of March 2026, against activist Ashang Kasar over his comments on a television discussion about the Kamjong killings. They argued that the complaint misrepresented the facts and could deepen communal tensions, while the intervention by village authorities to clarify the identity of a victim highlighted the role of public narratives, accountability, and misinformation in shaping inter-community relations.

Lastly, on 12 March 2026, civil society organisations in Manipur [urged](#) that the National Register of Citizens (NRC) be updated before the census is conducted, arguing that proper verification is needed to avoid demographic imbalance and protect indigenous rights. It shows that civil society can play a meaningful role in public oversight, press for transparent and lawful processes, and bring equality and inclusion concerns into official decision-making.

6. Access to a secure digital environment

India is strengthening its cyber defence infrastructure while CSOs, particularly smaller organisations, face mounting barriers to secure and accessible digital operations. While the system expands cyber defence capacity, the combination of internet shutdowns, telecom vulnerabilities, and compliance burdens creates an unequal digital environment.

In March 2026, Assam's Crime Investigation Department (CID) [arrested five individuals](#) in Guwahati for running a cyber fraud and illegal SIM card racket. Such cases reveal systemic vulnerabilities in India's telecommunications framework, reducing CSOs' trust in digital services, limiting advocacy on data protection while highlighting urgent gaps in DPDP Act enforcement and cybersecurity for vulnerable populations.

Internet shutdowns in conflict-affected areas further undermine CSOs' ability to communicate, coordinate, and advocate safely online. For example, [internet suspension](#) in Meghalaya's West Garo Hills in the month of March 2026 after the Garo Hills Autonomous District Council (GHADC) poll violence directly impacted the communication in the region.

According to an [analysis](#) report published in January 2026, the Indian Computer Emergency Response Team CERT-In's growing prominence appears to reflect the consolidation of this existing statutory body into a more central operational hub for cyber governance under Section 70B of the [Information Technology Act](#). The reported handling of over 29.44 lakh (2.94 million) cyber incidents in 2025 suggests a sharp rise in scale, while its alerts, vulnerability notes, and round-the-clock response functions indicate a shift toward proactive coordination rather than narrow incident response. In effect, CERT-In is being positioned as a key node in India's cyber defence architecture, with its expanded mandate signalling both greater administrative capacity and a stronger state role in digital risk management.

Lastly, smaller and grassroots organisations face disproportionate compliance demands under emerging data protection rules. [Centre for Advancement of Philanthropy \(CAP\) India analysis confirms](#) heavy compliance burdens under the Digital Personal Data Protection Act, 2023 and its [Rules](#), 2025: consent management systems, data mapping, Data Protection Officer (DPO) appointment required even for basic beneficiary databases, while "legitimate use" exemptions do not apply to CSOs collecting sensitive data. These demands are diverting a significant share of grassroots organisations' programme budgets away from direct impact work, threatening operational sustainability.

Challenges and Opportunities

Challenges

Although civil society organisations are very vibrant in India, they are facing multilevel and existential challenges due to complex regulations, depleting financial support and high operational risks. It is gradually not only becoming difficult to seek foreign as well as domestic funds but reporting has also become more complex. The reduced availability of overhead expenses does not allow organisations to hire adequate human resources, eventually leading to increased burden on limited staff. At the same time, global conflicts have severely impacted the quantum of foreign funds, and recession has limited the availability of local funds. Due to restrictions on sub-granting, smaller organisations are on the verge of closure.

Adverse changes in subsidiary laws like those relating to right to information or information technology has also impacted the work of CSOs. The situation is further complicated by the promotion of negative public narratives around CSOs, which lead to damage of public image and limit the ability to access legal remedies. Frontline field activists, writers and community organisers often face the heat of changing times, forcing them to deal with the impact of an overall tightening civic space.

Opportunities

The contemporary crisis has induced resilience and innovation within civil society organisations. The relationships with digital and print media, courts of law, communities and policy makers are redefined. The courts have given pathbreaking judgments to safeguard fundamental freedoms. These interventions signal that legal engagement remains a viable — and sometimes effective — avenue for CSOs to defend their operating space and build a body of jurisprudence that protects civic freedoms more broadly.

Organisations have also started looking for financial support beyond traditional donors by working with corporate sector (CSR) philanthropic foundations, and individual donors from communities. Climate distress and calamities such as recent landslides in Uttarakhand in the month of March 2026 isolated communities, and local organisations worked with state authorities to deliver emergency supplies. This promoted constructive engagement between government and civil society to collectively address the issues and add value. The role of CSOs takes a prominent place.

Finally, the formation of civil society coalitions and collective advocacy structures presents a significant strategic opportunity. When organisations act in concert — combining their voices, networks, and legitimacy — they are better placed to counter misinformation, resist regulatory overreach, and shape public narratives on issues that matter to the communities they serve. In a context where individual organisations face considerable risk, solidarity and coordinated action offer both protection and amplified impact.

Overall, while Indian CSOs face significant structural and political challenges, their ability to be innovative, resilient and relevant gives hope for a brighter future.

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