

**COMMUNITY ACTION FOR RURAL DEVELOPMENT (CARD)
CURRENT RISK REGISTER (2026)**

Risk Assessment Scale:

- Likelihood (L): 1–Low | 2–Medium | 3–High
- Impact (I): 1–Low | 2–Medium | 3–High
- Risk Score: L x I (1–9)
- Priority: Low (1–3), Medium (4–6), High (7–9)

1. Strategic & Governance Risks:

Risk ID	Risk Description	L	I	Score	Mitigation Measures	Responsibility	Status
SG1	Weak governance or board oversight	2	3	6	Strengthen board meetings, documentation, and policies	Program Director / Board	Ongoing
SG2	Leadership transition risk	2	3	6	Succession planning and second-line leadership development	Board	Ongoing
SG3	Misalignment with mission or donor priorities	2	2	4	Periodic strategic review and stakeholder consultations	Management	Ongoing

Weak governance can lead to instability and mismanagement if not addressed

2. Financial Risks:

Risk ID	Risk Description	L	I	Score	Mitigation Measures	Responsibility	Status
FR1	Funding uncertainty / donor dependency	3	3	9	Diversify funding sources, CSR partnerships, grants	Finance & Fundraising Team	High Priority
FR2	Misuse of funds / fraud	2	3	6	Internal controls, audits, segregation of duties	Finance Manager	Ongoing
FR3	Delay in fund disbursement	3	2	6	Maintain reserve funds and cash flow planning	Finance Team	Ongoing

NGOs commonly face unstable funding and financial risks due to donor dependency and policy changes

3. Legal & Compliance Risks:

Risk ID	Risk Description	L I Score	Mitigation Measures	Responsibility	Status
LC1	Non-compliance with FCRA / Income Tax / CSR rules	2 3 6	Regular compliance audits, legal review	Compliance Officer	Ongoing
LC2	Incorrect statutory filings (e.g., 10BD, returns)	2 2 4	Cross-verification and professional review	Accounts Team	Ongoing
LC3	Regulatory changes affecting operations	2 3 6	Continuous monitoring of policy changes	Management	Ongoing

Regulatory compliance (FCRA, tax laws) is a major risk area for NGOs

4. Operational Risks:

Risk ID	Risk Description	L I Score	Mitigation Measures	Responsibility	Status
OP1	Project implementation delays	3 2 6	Detailed planning, monitoring systems	Project Manager	Ongoing
OP2	Lack of skilled staff in rural areas	3 2 6	Training, local recruitment, capacity building	HR Team	Ongoing
OP3	Poor monitoring & evaluation	2 3 6	Strengthen MIS and reporting systems	M&E Team	Ongoing

Operational risks often arise from capacity gaps and resource constraints

5. Safeguarding & Social Risks:

Risk ID	Risk Description	L I Score	Mitigation Measures	Responsibility	Status
SS1	Abuse, exploitation, or harassment of beneficiaries	2 3 6	Safeguarding policy, grievance redressal system	Safeguarding Officer	High Priority
SS2	Child protection risks in education programs	2 3 6	Child protection policy, staff training	Project Team	Ongoing
SS3	Community resistance or conflict	2 2 4	Community engagement and awareness	Field Team	Ongoing

Safeguarding failures can cause serious harm and reputational damage

6. Human Resource Risks:

Risk ID	Risk Description	L I Score	Mitigation Measures	Responsibility	Status
HR1	High staff turnover	3 2 6	Incentives, career development, retention strategies	HR Team	Ongoing
HR2	Non-compliance with labour laws	2 3 6	HR policy and legal compliance checks	HR Manager	Ongoing
HR3	Inadequate staff capacity	3 2 6	Regular training and performance evaluation	HR Team	Ongoing

7. Data & Technology Risks:

Risk ID	Risk Description	L I Score	Mitigation Measures	Responsibility	Status
DT1	Data breach or loss of beneficiary data	2 3 6	Data protection systems, backups, DPDP compliance	IT / MIS Team	Ongoing
DT2	Weak digital systems	2 2 4	Upgrade MIS and cybersecurity tools	IT Team	Ongoing

Data security risks can compromise beneficiary privacy and trust

8. Reputational Risks:

Risk ID	Risk Description	L I Score	Mitigation Measures	Responsibility	Status
RP1	Negative publicity or media coverage	2 3 6	Communication strategy, transparency	Management	Ongoing
RP2	Poor donor reporting	2 3 6	Timely and accurate reporting systems	Project & Finance Team	Ongoing

Reputational damage can lead to loss of funding and partnerships.

9. External & Environmental Risks:

Risk ID	Risk Description	L I Score	Mitigation Measures	Responsibility	Status
EX1	Natural disasters affecting rural projects	3 3 9	Disaster preparedness plans	Project Team	High Priority
EX2	Political or policy changes	2 3 6	Stakeholder engagement and advocacy	Management	Ongoing
EX3	Inflation affecting project costs	3 2 6	Budget revisions and contingency planning	Finance Team	Ongoing

Monitoring & Review Mechanism:

- Risk register reviewed quarterly by management and board
- High risks monitored monthly
- Annual risk audit and update
- Integration with project planning and donor reporting

Risk registers should be reviewed regularly and linked to action and accountability

Conclusion:

This risk register provides CARD with a structured approach to identify, prioritise, and mitigate risks across governance, finance, programs, and compliance. Effective risk management strengthens sustainability, protects beneficiaries, and enhances donor confidence.

Approved by the Executive Committee in the meeting held on 12.03.2026.

SAMATHUVAPURAM
12.03.2026

P.VEDACHALAM
SECRETARY & PROGRAM DIRECTOR