



INTERNATIONAL JOURNAL OF MULTIDISCIPLINARY RESEARCH

IN SCIENCE, ENGINEERING, TECHNOLOGY AND MANAGEMENT

Volume 10, Issue 1, January 2023



INTERNATIONAL
STANDARD
SERIAL
NUMBER
INDIA

Impact Factor: 7.580



+91 99405 72462



+9163819 07438



ijmrsetm@gmail.com



www.ijmrsetm.com



Management of Non-Governmental Organizations

Dr. Sonal G. Bairagi

Associate Professor, MVP'S College of Social Work, Nashik, India

ABSTRACT: As defined by the World Bank NGOs refers to not-for-profit organizations that pursue activities to relieve suffering, promote the interests of the poor, protect the environment, provide basic social services, or undertake community development. These organisations are not a part of the government, have a legal status and are registered under the specific Act (Societies Registration Act, 1860 in India) of the government. The term NGO in India denotes wide spectrum of organisations which may be non-governmental, quasi or semi governmental, voluntary or non-voluntary etc. In India, based on the law under which they operate and the kind of activities they take up, civil society groups can be classified into following broad categories:

- Registered Societies formed for specific purposes
 - Charitable Organizations and Trusts
 - Local Stakeholders Groups, Microcredit and Thrift Enterprises, Self Help Groups
 - Professional Self-Regulatory Bodies
 - Cooperatives
 - Bodies without having any formal organizational structure
 - Government promoted Third Sector Organizations

Keywords: NGO, community, social, bank, civil, trusts, cooperatives, sector, self help groups

INTRODUCTION

Since independence, India has achieved phenomenal economic growth in education, healthcare, poverty alleviation and overall standard of living. Issues of exclusion of women, children and marginalized communities in the development process however remains. Other adverse consequences of inequitable growth include the spread of Naxalism, recurrent violence for reservations and ever increasing cases of farmer suicides. India ranks 130th in the 2018 Human Development Index rankings. The Global Hunger Index for 2018 indicates that 38.4% of children under five in India are stunted. In such an environment civil society plays a key role in raising the concerns of people and ensuring that minorities are not neglected. The state requires the constructive and collaborative engagement of the civil society in its various developmental activities and programs. Non-governmental organisations (NGOs) acts as the operational arm of the civil society and thus have an important role in the development processes.

Legislations regulating the finances of NGOs

Foreign Contribution (Regulation) Act (FCRA), 2010

Foreign funding of voluntary organizations in India is regulated under FCRA act and is implemented by Ministry of Home Affairs. The acts ensure that the recipients of foreign contributions adhere to the stated purpose for which such contribution has been obtained. Under the act organisations require to register themselves every five years.



Foreign Exchange Management Act, 1999

Foreign Exchange Management Act (1999) aims to consolidate and amend the law relating to foreign exchange with objective of facilitating external trade and payments and for promoting the orderly development and maintenance of foreign exchange market in India. A transaction under FEMA is called a fee or a salary while the same under FCRA is called a grant or a contribution. In 2016, the powers of Ministry of Finance to monitor NGOs were placed under the FEMA. The idea was to bring all NGOs, which receive foreign contributions, under one umbrella for better monitoring and regulations. The step was taken to that ensure only one custodian monitors flow of foreign funds to these organisations.

Constitutional Provisions for NGOs in India

Article 19(1)(c) on the right to form associations; Article 43 which highlights the State's having an endeavor to promote cooperatives in rural areas; Concurrent List in Entry 28 mentions about – Charities and charitable institutions, charitable and religious endowments and religious institutions”.

Role of Non-Governmental Organisations

The Advocacy/Social Safety-Valve Role

Non-profit organisations play vital role in mobilizing public attention to societal problems and needs. They are the principal vehicle through which communities can give voice to their concerns.

Improving government performance

NGOs can broaden government's accountability by ensuring government is responsive to citizens at large rather than to narrow sectarian interests. They also induce innovation and flexibility in policymaking by bringing their own independent expertise and research teams. They enhance the efficiency of delivery of many services at the local level through involvement of residents. They also improve policy monitoring and evaluation as Comptroller and auditor general (CAG) takes cognizance of reports and social audits by NGOs while preparing its reports.

The Service Role

The non-profit sector acts as a flexible mechanism through which people concerned about a social or economic problem can begin to respond. It also caters to groups of the population who desire a range of public goods that exceeds what the government or society is willing to support. NGOs help in constructive conflict resolution. In the international arena Track II diplomacy (involving non-governmental bodies) plays a crucial role in creating an environment of trust and confidence.

Building Community Participation

The non-profit organisations offer alternative perspectives; and most importantly, the capacity to conduct a meaningful dialogue with communities, particularly those that are disadvantaged. They foster pluralism, diversity and freedom. Many NGOs work to preserve and promote India's diverse culture. For example SPIC MACAY is a society for promoting Indian classical music and culture amongst youth.

II.DISCUSSION

Activities undertaken by NGOs

Advocacy, Analysis and Awareness Raising – acting as a voice for people both on a representative and self-appointed basis; researching, analyzing and informing the public about issues; mobilizing citizen action through media campaigns and other forms of activism; and lobbying business leaders and policymakers.



Brokerage – acting as an intermediary between different sectors and groups.

Conflict resolution – acting as a mediator and facilitator.

Capacity Building – providing education, training and information.

Delivery of services – operational delivery of essential humanitarian, development and/or social services.

Evaluation and Monitoring – serving as a ‘watchdog’ or third party / independent ‘auditor’, invited and uninvited, of government and corporate performance, accountability and transparency.

Accreditation remains a big challenge as it is very difficult to distinguish whether an organization wants to work for the cause or has been set up only for the purpose of receiving government grants. Over dependence on funds from the government dilutes the willingness of NGOs to speak out against the government. NGOs have acted as a cover for organized crime in past and are often seen as fronts for fundamentalist causes. Foreign funded NGOs have been responsible for organising agitations and scuttling development projects in India. NGOs are often seen as encroaching on centuries-old tradition and culture of the people, and lead to mass protest at times. Ban of Jallikattu, after the PIL by PETA is one such example. A National Accreditation Council consisting of academicians, activist, retired bureaucrats should be made to ensure compliance by NGOs.

There should be better coordination between Ministries of Home Affairs and Finance in terms of monitoring and regulating illicit and unaccounted funds. A regulatory mechanism to keep a watch on the financial activities of NGOs and voluntary organizations is the need of the hour. Citizens today are keen to play an active role in processes that shape their lives and it is important that their participation in democracy go beyond the ritual of voting and should include promotion of social justice, gender equity, inclusion etc.

Societies Registration Act, 1860 is a Central Act for registering not-for-profit organisations. Almost all the states in India have adopted (with modifications, if any) the Central Act for creating state-level authorities for registering various types of not-for-profit entities. According to the Act, any seven persons who subscribe to the Memorandum of Association (MOA) can register a society. The memorandum should include the name of the society; its objectives; names, addresses and occupations of the members subscribing to it as well as the first governing body to be constituted on registration. Public trusts can be created for public charitable purposes. There is no All India Level Act for setting up public charitable trusts. Some of the states in India have enacted the Public Charitable Trust Act, while most states in India do not have a trust Act. An NGO can be created only under a public trust Act. Madhya Pradesh and Rajasthan have independent state-level public trust Acts. States like West Bengal, Jharkhand and Bihar do not have any Act to register a public trust.

A trust can be registered in one state, but the same has the scope to operate in any number of states. In the state of Maharashtra and Gujarat, all organisations that are registered as Society are by default also registered as public trusts under Bombay Public Trust Act, 1950.

Conferring of corporate personality to associations that promote cultural and charitable objectives, but exempting them from some cumbersome requirements (which are essentially for regulation of business bodies but are difficult for compliance by non-profit companies), are the noteworthy features that are provided under the Companies Act, 2013.

According to section 25(1) (Companies Act, 1956): "Where it is proved to the satisfaction of the Central Government that an association is about to be formed as a limited company for promoting commerce, art, science, religion, charity or any other useful objectives, intends to apply its profits, if any, or other income in promoting its objectives, and to prohibit the payment of any dividend to its members, the Central Government may, by license, direct that the association may be registered as a company with limited liability, without addition to its name of the word "Limited" or the words "Private Limited".

In India, cooperative societies are regarded as instruments to mobilise and aggregate community effort to eliminate layers of middlemen in any product or service supply chain hence resulting in greater benefit sharing for the grassroot farmer, worker or artisans. The Cooperative Credit Societies Act, 1904 enabled formation of cooperatives for supplying to farmers cheap credit and protect them from exploitation in the hands of the moneylenders. The cooperative act 1912 expanded the sphere of cooperation and provided for supervision by central organisation. The Multi-state Co-operative Societies Act, 2002 which substitutes the earlier statute of 1984, facilitates the incorporation of cooperative societies



whose objects and functions spread over to several states. The act provides for formation of both primary (with both individual and institutional members) and federal cooperatives (with only institutional memberships). Any application for the registration of a multi-state cooperative society, of which all the members are individuals, should be signed by at least fifty persons from each of the states concerned. In case of a society of which members are cooperative societies, it should be signed by duly authorised representative of at least five such societies registered in different states. Trade union means any combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen or between employers and employers, or for imposing restrictive conditions on the conduct of any trade or business, and includes any federation of two or more Trade Unions.

III.RESULTS

Intelligence Bureau, in a report accused "foreign-funded" NGOs of "serving as tools for foreign policy interests of western governments" by sponsoring agitations against nuclear and coal-fired power plants and anti-GMO agitation across the country. The NGOs are said to be working through a network of local organisations to negatively impact GDP growth by 2–3%.The report says,

A significant number of Indian NGOs funded by donors based in US, UK, Germany and Netherlands have been noticed to be using people-centric issues to create an environment, which lends itself to stalling development projects.

It alleged that Greenpeace was leading a "massive effort to take down India's coal-fired power plant and coal mining activity" by using foreign funds to "create protest movements under 'Coal Network' umbrella at prominent coal block and coal-fired power plant locations in India".The Intelligence Bureau said the foreign NGOs and their Indian arms were serving as tools to advance Western foreign policy interests. "Greenpeace aims to fundamentally change the dynamics of India's energy mix by disrupting and weakening the relationship between key players," the IB report said.

In April 2015, the Government of India shared a list of over 42,000 NGOs with Financial Intelligence Unit (FIU) to check suspicious foreign funding amid the crackdown on some top international donors for flouting the Foreign Contribution (regulation) Act, 2010. These 42,273 NGOs were put under watch after intelligence reports claimed that several charity organisations are diverting funds for purposes other than the permitted use of foreign contribution. The list includes NGOs operating in cultural,religious, social, economic and educational fields. For the first time, the government has clearly defined the sectors in which it has listed Christian missionaries, Hindu, Sikh and Muslim religious groups receiving foreign contribution besides other activities of NGOs in which funds are claimed to be utilised. There is also suspicion that money launderers could use the legitimate route to wire illicit money. Many of them are Christian Missionaries and other religious groups who are found to evade taxes.

Following the enquiry, permits of about 8,875 NGOs have been revoked for a variety of reasons ranging from non-filing of returns or non-compliance with Foreign Contribution Regulation Act (FCRA).

Example- CARE:-

CARE (Cooperative for Assistance and Relief Everywhere, formerly Cooperative for American Remittances to Europe) is a major international humanitarian agency delivering emergency relief and long-term international development projects. Founded in 1945, CARE is nonsectarian, impartial, and non-governmental. It is one of the largest and oldest humanitarian aid organizations focused on fighting global poverty. In 2019, CARE reported working in 104 countries, supporting 1,349 poverty-fighting projects and humanitarian aid projects, and reaching over 92.3 million people directly and 433.3 million people indirectly

We are a not-for-profit organisation that builds capacity of communities to ensure empowerment for marginalised women and girls. Our sustainable and holistic interventions in Health, Livelihood, Education and Disaster Relief & Resilience, provide innovative solutions to deep-rooted development problems. Along with access to the international confederation of expertise, we integrate internal knowledge and strong network of partnerships to deliver outcomes at scale to varied stakeholders. CARE's relationship with India began over seven decades ago, at the precipice of its independence, when the country was facing a severe shortage of food. Much like other developing nations, India received 'CARE Packages', containing food and other essential items as CARE's first offering. The relationship grew remarkably over the decades, transitioning into a large-scale movement backing India's socio-economic development. The organisation is formed to help the survivors of World War II, as 22 American charities form the 'Cooperative for American Remittances to Europe'



(CARE). The 'Indo-CARE Bilateral Agreement' signed between CARE and Government of India – first 'CARE Packages' arrive in India.

Distributed over 20,000 tonnes of food across the country, laying the foundation for CARE's nutrition programme. Introduced Disaster Relief, Nutrition, Agriculture, Health, and Education programmes. Provided medical and food assistance to thousands of Tibetan refugees that came along with His Holiness the Dalai Lama.

The expansion of the 'Mid-Day Meal Scheme' and the establishment of 'Central Kitchens'. Extending nutrition to those affected by famines. Five million people were given free lunch every day by CARE and over 155,000 tons of food was distributed, during the one-square-meal-a-day project, running through 27,000 primary schools. A million children were given a glass of milk on each school day at the request of the Punjab government. Received a letter of appreciation from former Prime Minister of India, Indira Gandhi.

Provided relief to several natural disasters including flood relief in West Bengal in 1979, and cyclones in Andhra Pradesh in 1977. Collaborated with the Rajasthan State government to provide food grain support and digging 10,000 irrigation wells in Udaipur district, which was hit severely by drought — honoured by the district administration during the 1975 Independence Day celebrations. The construction of 400 warehouses started — at a cost of INR 20 million. Provided INR 35 million for the construction of 5,500 Balwadis (preschools) in 14 Indian states.

Started 'Project Poshak' and supported the Government's 'Integrated Child Development Services' to provide nutrition to malnourished children. Midday meal beneficiaries rose from 750,000 in 1960 to 12 million children daily in 130,000 schools in 14 States. CARE changed the meaning of its acronym to 'Cooperative for Assistance and Relief Everywhere', owing to its diverse global interventions. Shifted attention to the widespread concerns involving women and girls — population control, Girl's Primary Education, reproductive health, food security, unemployment, and access to credit facilities. CARE's Integrated Nutrition and Health Programme (INHP) impacted approximately 80,00,000 mothers and children in 1,23,000 villages every day. Launched the Girls' Primary Education (GPE) project to support the Government of India's goal of "Education for All". Provided relief in several disaster-struck regions, including cyclones in Andhra Pradesh in 1996, and earthquake relief in Latur, Maharashtra in 1993 and Chamoli, Uttar Pradesh, in 1999. Distributed 10,303 metric tons of food, to over 425,000 families, in Odisha, after the super cyclone of 1999. With an increased understanding of poverty, CARE starts addressing the root causes of poverty — inequality, social injustice, and marginalisation. Provided relief to the victims of the Gujarat earthquake by building 5,554 houses, 15 schools, 11 community centres, 21 crèches, 12 Panchayat buildings, 5 sub-health centres, and water and sanitation infrastructure. Became a key partner in the Enhancing Mobile Population Access to HIV/AIDS Services Information and Support (EMPHASIS) along with CARE Nepal and CARE Bangladesh.

Over the years, CARE India emerged as a preferred partner for communities, governments, project implementation partners, donors, and other key stakeholders, by delivering planned outcomes at the grassroot level through innovative solutions, while generating knowledge that can be shared and adapted to diverse development challenges. Our work in India continues to play a significant role in the global CARE outreach, accounting for more than 50% of direct reach globally. CARE India worked in difficult times to reach communities, with state and local governments across India towards control and containment of COVID-19. We have contributed to 2% vaccination and reached over 10 million people with our response through system strengthening, community resilience and vaccinations.

IV. CONCLUSIONS

NGO plays a crucial role in organizing the public inconvenience and becomes an advocate to the societal problems and needs. They play a significant role in lending voice to the poor and needy. It is one of the functions of NGO to ensure that the government is responsive and are solving the problems of the citizens thus making the governments work accountable. NGO is also authorised to give suggestions and encourage improvement and flexibility in the government's policymaking by giving their own research teams and expertise. The performance of major functions of NGO has come a long way in working for women empowerment. Few of the examples like fighting against sati, dowry, cruelty, other social menaces to



educating women, lowering the female foeticide rate, employment to female, etc. It is still giving their best in removing gender inequality. There are many foundations working for such causes like Sewa, Agrani foundation, Eklavya, and Environmental Action Group etc. NGO is keeping an eye to all of this and coming up with control measures to prevent an overutilization of natural resources which is the reason to environmental threats which later cause health problems and natural calamities.

The NGO has a major role and is the biggest reason for the deprived people's development in the society. It is also performing commendable job in this direction. It has undertaken various projects like eradication of poverty and are working upon various social evils. It has contributed in the construction of dams, railways and roads and has made availability of all the basic facilities to the underprivileged, rural areas and vulnerable sections of the society. The functions of NGO is setting an example for serving the humanity. It is following the fundamental principle of "Sarvajan hitay – Sarvajan Sukhey" and therefore has a long way to go in nation building.

REFERENCES

1. Mathew Cherian, Director CAF India
2. ^ "Foreign-funded NGOs stalling development: IB report – The Times of India". The Times of India. Retrieved 24 October 2015.
3. ^ "Intelligence Report Claims Foreign-Funded NGOs Hurt India's Economy". India. Retrieved 24 October 2015.
4. ^ "Intelligence Bureau says Greenpeace endangers economic security". Reuters India. Retrieved 24 October 2015.
5. ^ "Over 42,000 NGOs Under Government Scanner". The New Indian Express. Retrieved 24 October 2015.
6. ^ "NGO under Scanner for Diverting Funds". The New Indian Express. Retrieved 24 October 2015.
7. ^ "Vatican Charity Funded Political Activities, Put Under Government Scanner: Sources". NDTV.com. Retrieved 24 October 2015.
8. ^ Burnett, John. "Can A Television Network Be A Church? The IRS Says Yes". NPR.org. Retrieved 24 October 2015.
9. ^ "4,470 NGO Licences cancelled: Sisodia's Kabir, DU, JNU on list". The Indian Express. 10 June 2015. Retrieved 24 October 2015.
10. "CARE's History". Care International. Retrieved April 2, 2019.
11. ^ "Annual Report 2013" (PDF). Archived from the original (PDF) on February 19, 2015.
12. ^ "'Father' of CARE Hailed On Its 12th Anniversary". The New York Times. May 14, 1958. Retrieved October 15, 2019.
13. ^ O'Keefe L, Drew J, Bailey L, Ford M. (1991). "Guide to the Records of CARE" (PDF). New York Public Library.
14. ^ "How Much Famine is "Policy Made"?". Saturday Evening Post. 1946. Archived from the original on February 19, 2015. Retrieved February 19, 2015.
15. ^ Morris D. (1996) A Gift From America: The First 50 Years of CARE. Longstreet Press. Atlanta, Georgia. ISBN 1-56352-285-3
16. ^ "Cooperative Aids Overseas Relief" (PDF). The New York Times. November 30, 1945. p. 2. Retrieved September 16, 2022.
17. ^ "Gen. Haskell Dies on 74th Birthday" (PDF). The New York Times. August 14, 1952. p. 23. Retrieved September 16, 2022.
18. ^ "Richard D. McKinzie (1975) "Oral History Interview with Arthur Ringland " Truman Library, p1(10–11)". Trumanlibrary.org. Retrieved June 11, 2014.
19. ^ Goldberg A. (April 17, 1947). "Surplus Army Rations Gone, CARE Adopts Own Packages for Hungry". The Palm Beach Post. Retrieved June 11, 2014.
20. ^ Henry K. (1999) "CARE International: Evolving to Meet the Challenges of the 21st Century", Nonprofit and Voluntary Sector Quarterly. 28: 109
21. ^ Barnett M (2011) Empire of Humanity: A History of Humanitarianism. Cornell University Press
22. ^ Saxon, Wolfgang (January 13, 2005). "Richard W. Reuter, Executive at Relief Agencies, Dies at 86". The New York Times.



INTERNATIONAL JOURNAL OF MULTIDISCIPLINARY RESEARCH

IN SCIENCE, ENGINEERING, TECHNOLOGY AND MANAGEMENT



+91 99405 72462



+91 63819 07438



ijmrsetm@gmail.com

www.ijmrsetm.com