



CAP Capacity Building Program helps NGO to be compliant in these areas – **Legal; Financial; Human Resources; Board Governance; Communication; Strategy; Fundraising and Volunteer Management.**

CAP will conduct a series of workshops through the year that will successively broaden the scope of training in each of the aforementioned areas. This will be done in a structured manner, with each workshop following a defined syllabus.

Each workshop will be followed by a one-on-one consultancy with the NGO. NGOs that are part of this program will depute different personnel working in these core areas to attend the workshops and consultancy sessions. Each such representative will work towards fixing the compliance required within that area. For example, an HR employee will attend HR workshops to build his/her organization's HR resources and ensure that it remain compliant in this area.

As part of the programme the organisation will work on documenting/refining their organisation's Governance, HR, FR & Volunteer Management Policies. You will be laying processes to ensure your organisation meets the mandatory & other compliances.

At the end of the year, if the NGOs successfully fulfil their requirements and have instituted systems to ensure that they remain compliant, they will be awarded a compliance certificate by CAP.

4 non-profits have availed of the CAP COMPLIANCE COMPLETE CERTIFICATION this year. If your organisation would like to avail of this certification in FY 2017 – 18, write to us. Interviews will be held in MAY 2017. For more details/application write to - meher@capindia.in

PHILANTHROPY

Legal news and updates for the social sector



The Year at CAP

Another year has flown and it is time to reflect on the one gone by to review for the year ahead. We started the year with our 1st CAP Compliance Complete conference in April 2016. 21 panelists, 6 sessions and topics that focused on CAP's 8 core areas of compliance – Legal, Board Governance, Finance, Human Resources, Fundraising, NGO-Corporate Partnerships. We were apprehensive because it was a full day program from 10 am to 9 pm. Would we be able to hold the attention of the 60+ participants? It was amazing that they all stayed till the very end and no one was restless, distracted or found twiddling with their cell phone.

The conference also launched CAP's Compliance Complete Certification programme. 5 non-profit organisations signed up. This programme ensures that the NGO attends all the training programmes followed by consultancy to fix their compliance gaps in core areas – Legal, Finance, Board Governance, HR, Communication (reporting), Strategy, Volunteer Management & Fundraising. One of the 5 dropped out mid-way. The others did not expect it to be so rigorous, but, we are happy to state that they completed it.

Our capacity building workshops were a full house with full attention, as always. The newsmagazine 'Philanthropy' in its 30th year still continues to be requested in print by 70% of our readers. However, the CAP blog has gained momentum and although the hits & likes are not visible on the page, we get queries with reference to the blog.

Last year there was total chaos and panic within the sector with several NGO Board members seriously contemplating resignation fearing they may have to disclose their personal assets in compliance with the Lokpal Act. Though CAP is all for legal compliance, we were convinced from the word go that NGO Board members cannot be deemed 'public servants' merely because the NGO where they serve in a fiduciary capacity receives Rs. 10 Lakhs or more under FCRA. We engaged with some of the best legal minds in Mumbai who in turn advocated the grievance of the sector to the Central Government. Member of the Rajya Sabha, Mrs. Anu Aga was also regularly in touch with us. As of the moment the matter is in limbo or as one parliamentarian said, "the legislation is now in coma". Yet, again, a case of a small organization like CAP, quietly yet effectively, making a difference to the sector.

Each one of us at CAP contributes to MAKING A DIFFERENCE in our own way with our own beliefs – each displayed on the front cover of this magazine.



PHILANTHROPY

Quarter 4 – January – March, 2017



CENTRE FOR
ADVANCEMENT
OF PHILANTHROPY

ABOUT US

Since its inception in 1986, Centre for Advancement of Philanthropy (CAP) has helped philanthropic organisations comply with the complex web of legal issues governing charitable giving in India.

WHO WE SERVE

CAP's Services Extend To

- | non-profit organisations
- | social entrepreneurs
- | NGO support organisations
- | family/community/corporate foundations
- | corporate social responsibility (CSR) units
- | grant making organisations
- | chartered accountants and lawyers

OUR AREAS OF SUPPORT

Legal Advisory

CAP specializes in all legal matters for non-profits and corporate social initiatives. CAP assists with Trusts/Societies Act, Income Tax Act, FCRA, Labour Law, Service Tax, VAT, Legal Aspects of CSR and a host of allied laws and good management & compliance practices.

Capacity Building

CAP training and consultancy advice on the core challenges of compliance – legal, financial, good board governance and human resource management.

Corporate Support

CAP also assists companies with their corporate foundation advisory and helps companies stay legally CSR compliant.

Research and Publications

CAP has published resource books that have become sector references on fund-raising and good board governance. CAP also publishes a quarterly news magazine that enables its readers to be up-to-date with pertinent news and legal updates in the sector.

To know more about our work –
www.capindia.in

CONTENTS

EDITORIAL	2
Update On The Sector and Theme	
LEGAL NEWS	3
The Good, the Bad & the Ugly Side of Finance Bill 2017	
NEWS	4
India Philanthropy Report 2017	
INCOME TAX	5
Is Obtaining PAN of Donors a Necessity	
INCOME TAX	6
Tax Exemption Under Section 10(23C)	
CSR TRENDS	7
Beyond CSR to ISR	
OVERSEAS OUTLOOK	8
Jumping on the Social Enterprise Bandwagon	
CAP WORKSHOP	9
Goods & Service Tax	
LABOUR LAW	10
Minimum Wages – Do NGOs need to comply.	
READERS CONTRIBUTION	11
A Tale of Two Accounts	
DEBATE	12
MANDATORY CSR IN INDIA - Is it really MAKING A DIFFERENCE?	
HOW I GOT HERE	14
Narendra Goidani	
INTERACTION	15
Stories of Change	
PRODUCTIVE PARTNERSHIPS	28
Making A Difference Through Arts & A Cause	
ASK THE EXPERTS	30
Readers' Questions – Experts' Answers	
JUDGEMENT	32
Readers' Questions – Experts' Answers	
UPDATE	32
The Maternity Benefit (Amendment) Bill 2016	

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Editorial

Theme
Thoughts

We can either choose to be indifferent or choose to make a difference. In the nonprofit sector we read this all the time: 'Make a Difference', 'The Ripple Effect', 'You have the power to change the world'. We read these clichés every day. Clichés are an easy way for 'change-makers' within the sector to woo stakeholders. How often we read: "Our experience with the slum-dwellers / the mentally challenged was 'amazing', 'exciting', 'thrilling' and 'life-changing'." But, the fact is, the only way one can genuinely process this information is by experience it personally and allow these emotions to emulate from actions rather than words. Ironically, there is yet another cliché for this: "Actions speak louder than words"!

For CAP, making a difference is all about ensuring that Indian NGOs are 'Compliance Complete'. It is not about what they do, but, how they do what they claim to do. Compliance begins with awareness followed by the acceptance that compliance cannot be compromised. It is not about doing things differently. It is about doing things in a manner that makes a difference – both internally and externally.

Aping the western world, India too is hooked on the idea of 'scale' and 'impact'. But, is making a difference about scale and impact? In your editor's view, it is about how lasting or profound the outcome of your intervention is. It is not necessarily about impact, but, it is about happiness – happiness that comes to both, the intervener and the beneficiary. Ultimately the question of what it means to 'make a difference' is a question for moral philosophy. The number of people whose lives you improve, and how much you improve them by and how it uplifts and transforms you personally. The difference made should be joyful for all stakeholders.

Our cover this time features the hands of the CAP team members with their Making a Difference quotes that each one at CAP believes in. Each one of us thought along different lines but the common thread was we are all working and in our own way to create change.

"No act of kindness, no matter how small, is ever wasted." —Aesop. Years ago when I was at Akanksha, as part of my job I was reviewing the progress of a centre. I was discussing how we could make a difference to the lives of about 25 children. My friend and teacher Rajshree piped right back and said "Even if I make a difference to one child's life, I will consider my job well done." this was indeed a changing point for me in the way I looked at success.

Today all the non-profits we work with are making a difference, creating change – some in big ways & others in tiny steps. Like every drop makes the ocean – every small difference ultimately lead to impact. Today while it is almost mandatory to have impressive designed reports with precisely measured quantum of impact, let's not forget that sometimes the hard work and toil put in by grassroots organizations and their workers cannot always be showcased there. In fact, at many levels their dedication and hard work is far more powerful. Did Gandhi, Mother Theresa, Dalai Lama present reports? Their change is visible and felt like many other.

What sometimes is also of greater value is the difference we see in ourselves as a result of our work. The little things that we begin to appreciate, the challenges that make us stronger, the lessons we learn and how we evolve as human beings more than professionals. Like everything else in life we need to balance what we do with what we portray. Let's not get so caught up trying to prove the difference we make that we forget to enjoy it. We need to appreciate all the small changes and celebrate every tiny positive step towards betterment, because ultimately, we all do Make a Difference.



The Good, the Bad & the Ugly side Of Finance Bill 2017 for Charitable Institutions



1) The Good

Unfortunately we find that the Finance Bill 2017 has nothing good to offer to charitable institutions, except tighten the noose and make the Income-tax Act more and more unfriendly for the voluntary sector.

However, going by the maxim, 'no news is good news', one could say no change proposed in the present rate of Service Tax which remains at 15% (inclusive of Swachh Bharat Cess and Krishi KalyanCess) is good!

2) The Bad

• Inter charity giving continues to be allowed. However, **corpus donation or grant by one charitable organization to another charitable organization will no longer be allowed** for organisations that are tax exempt and who wish to retain their tax-exempt status.

• It is now proposed that where a trust or an institution has been granted registration under section 12AA and, subsequently, it has adopted or undertaken **modifications of the objects which do not conform to the conditions of registration, it shall be required to make an application within a period of thirty days from the date of such adoption or modifications of the objects in the prescribed form and manner.**

• Entities registered under section 12AA are required to file return of income under section 139(4A) within six months of the close of the financial year or 30th September. There will be a fee/penalty for late filing of return.

• Also, the option of filing revised income tax return will now be allowed only till the end of the assessment year.

3) The Ugly

• Finance Act 2012 had inserted a new sub-section (5D) to Section 80G making any payment exceeding a sum of ten

thousand rupees allowed as a deduction only if such sum was paid by any mode other than cash. **The Finance Minister has now proposed that this limit of Rs. 10,000/- be further reduced to just Rs. 2,000/-.**

• Finance Bill 2017 makes no reference to **Sections 35AC & 35(1)(ii) & (iii)** because Finance Act 2016 has already amended these sections and accordingly:

- i) No deduction shall be available u/s 35AC with effect from 1.4.2017
- ii) Weighted deduction u/s 35(1)(ii) shall be restricted to 150 per cent from 01.04.2017 to 31.03.2020 and deduction shall be restricted to 100 per cent from 01.04.2020
- iii) Deduction u/s 35(1)(iii) shall be restricted to 100 per cent with effect from 01.04.2017.

• An Income Tax authority is empowered under section 133A to enter any place within the limits assigned to him or the place occupied by any person in respect of which he exercises jurisdiction or the place in respect of which he is authorized by such an income tax authority, who is assigned the area in which such place is situated or who exercises the jurisdiction in respect of any person occupying such place.

FCRA Returns for FY 2015-16

The last date for filing online return in Form FC 4 for organisations registered or having prior-permission under FCRA 2010 for the fiscal year 2015-16 was 31st December 2016.

Unfortunately it appears that quite a few organisations have not filed their returns online and have instead mailed hard copies by Indian postal service. The Ministry of Home Affairs has issued Public Notices dated: 16th December 2016 and later another dated 27th January 2017 wherein it has made two points quite clear: ♦

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However, going by the maxim, 'no news is good news', one could say no change proposed in the present rate of Service Tax which remains at 15% (inclusive of Swachh Bharat Cess and Krishi Kalyan Cess) is good!

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India Philanthropy Report 2017

Bain & Co's has been bringing out the **India Philanthropy Report since the year 2010 analyzing major trends within the philanthropic sector.** The focus of the recent 2017 report is the growing importance of the individual philanthropist in the overall landscape of funding for the development sector. It goes beyond analyzing how much philanthropists are giving and instead focuses on the evolving approaches that givers are adopting to maximize their philanthropic impact.

Key Highlights:

- 1) Overall, total funds for the development sector have grown at a healthy rate of approximately 9% over the past five years, increasing from approximately INR 150,000 crore to approximately INR 220,000 crore
- 2) While the government remains the largest contributor (INR 150,000 crore in 2016), its share in total funding has been declining steadily
- 3) Private contributions primarily accounted for the INR 70,000 crore five-year growth
- 4) Private donations made up 32% of total contributions to the development sector in 2016, up from a mere 15% in 2011
- 5) In response to the requirements of the Companies Act 2013, companies have begun focusing on their CSR activities. However, in relative terms, the share of corporate philanthropy in funds raised for the development sector has declined. In 2016, companies accounted for 15% of the total share of private philanthropy, down from 30% in 2011
- 6) Foreign sources are no longer the biggest sources of private philanthropy. Although philanthropy from foreign sources has continued to increase over the years, the domestic philanthropy market has overtaken it. The rapid growth of philanthropy from individuals bodes well for the sustained growth of Indian philanthropy
- 7) Philanthropic funding from private individuals recorded a six-fold increase in recent years: approximately INR 36,000 crore in 2016, up from approximately INR 6,000 crore in 2011

- 8) The number of people who have volunteered their time and money between 2009 and 2015 has also increased, up 2 times and 1.5 times, respectively.

The report concludes with the observation: "As givers mature in their philanthropic outlook, reflect on their various engagements and evolve in their giving approach, we urge them to be cognizant of three critical aspects of a philanthropic journey":

1. **Constant change.** The giving journey is one of constant change. Philanthropists change their engagement over the years as they learn from their own experiences and adapt and align their giving approach to their vision. This constant evolution is not just necessary but is almost inevitable.
2. **Collaborative action.** The scale of India's problems is large, and the change needed is immense. This is not a task that one individual can face alone. It is through meaningful engagement with a range of stakeholders, including philanthropist peers, that givers learn, grow and multiply the impact of their efforts.
3. **Continuous effort to attain full potential.** The giving journey is a personal one as philanthropists strive to reach their potential. Through the case studies, what stands out is the value of doing one's bit, regardless of scale, to the best of one's abilities. Achieving one's own potential is a key part of a donor's responsibility towards the larger social collective. ♦

To keep in touch with the latest news related to legal compliance, stay connected to CAP through our blog on our website or through the Facebook page.

Is Obtaining PAN of Donors a Necessity?



As a general rule of the thumb Income tax professionals and practitioners have always suggested that NGOs should obtain the Permanent Account Number (PAN) of their donors, even if the donation is made by cheque exceeding Rs. 50,000/-. We agree that there is no specific mandate under the Income tax Act 1961. However, professionals and practitioners suggest this as a requirement and arrive at this figure of Rs. 50,000/- based on inference [ITR-7 and Section 13(3)(b)] and practical experiences (during tax assessment).

Very recently a friendly debate erupted within the sector whether professionals are putting an unwarranted compliance burden on NGOs or worse still scaring donors away.

We therefore wrote to three Mumbai based Chartered Accountants in this matter in order to get a sense of what each individual expert felt in this matter or experiences in actual practice and these were the responses that we received. We thank each one of them for their insight and input.

The geneses of obtaining PAN of donors contributing more than Rs. 50,000 has arisen from the following:

- Section 13(3)(b) of the Act provides that any person who has made contribution more than Rs. 50,000 is said to be a person who has made substantial contribution to the charitable institution.
- Part C of Schedule K of the Income-tax return form (ITR-7) requires the institution to state name, address and PAN of the person who has made substantial contribution to the charitable institution.

Ironically an institution is not obligated by the Act to obtain donor's PAN, but, is required to mention PAN in the income-tax return form which is prescribed under the same Act!

Actually, all that the Act requires a charitable institution to do is to obtain only the name and address of the donor. Section 115BBC of the Act dealing with anonymous donation is very clear on this. Incidentally, sub-section (3) of that section also grants powers to the government to introduce any other particulars of the donor besides name and address that a charitable institution will be required to obtain. Presently, the government has not prescribed any other particulars to be obtained. If the government intends, it can very well prescribe donor's PAN as one of the requirements to be obtained by charitable institutions.

We believe it would be a good practice to obtain donor's PAN at least for donations above a particular threshold. It just adds to the optics and creates genuineness about a transaction.

Milind Gandhi
Gandhi & Associates
Chartered Accountants

I have instructed my clients to maintain details for donations of Rs. 10,000/- and more, in a separate excel file. This file is maintained in the course of the year and kept updated at all times. Name of the donor, address, PAN is all that is requested. Most donors comply.

During assessments, the questionnaire we receive requires these details. Though the notice does not mention any limit, the AO upon request accepts details for donation of Rs. 10000/- and above. Thus I consider this a threshold limit. This has been my experience.

The ITR requires disclosure of Rs. 50,000/- and more, because they are considered "persons who have made substantial contributions to the Trust" u/s 13(3)(b). Since my threshold is Rs. 10000/-, these details are already part of records maintained.

Sundeep Wagh
S. M. Wagh & Co.
Chartered Accountants

Under ITR it is mandatory to provide the PAN in order to cross verify the information. In the interest of transparency and identification of donors it is advisable to quote PAN. It may not be mandatorily enforced but should be implemented voluntarily for self regulation and governance sake.

Sanjay Mehta
Akkad Mehta & Co
Chartered Accountants

Tax Exemption Under Section 10(23C)

Most NGOs in India claim exemption u/s 11 by registering u/s 12AA of the Income tax Act 1961. However, a few also claim tax exemption under the relatively less known Section 10(23C). Three questions are frequently asked:

Q. 1. What is the benefit of registration u/s 10(23C) over registration u/s 12AA?

A.1. Earlier there were several benefits that organisations registered u/s 10(23C)(iv) & (v) enjoyed, including no requirement to file tax returns, no requirement to spend 85% of the income on objects, etc. However, with various amendments over the last 16 years, compliance for an organization registered u/s 10(23C) (iv) & (v) is now more or less on par with one registered u/s 12AA

Q. 2. Can every NGO register u/s 10(23C) (iv) & (v)?

A. 2. Broadly speaking exemption u/s 10(23C) (iv) & (v) can be availed by universities, educational institutions, hospitals and medical institutions.



Q. 3 Can an NGO be registered under both?

A. 3. Yes. An institution registered under 10(23C) (iv) & (v) may also be registered u/s 12AA and vice versa.

Application Process

Application in the prescribed form No 56 should be submitted to the Director General (Income tax – Exemptions), through the commissioner of income tax, having jurisdiction over the trust or institution.

Sections 11 & 10(23C) are mutually exclusive

Exemption u/s 10(23C) (iv) or (v) can be obtained by a charitable institution, in addition to the exemption granted u/s 11 which also deals generally with charitable or religious activities.

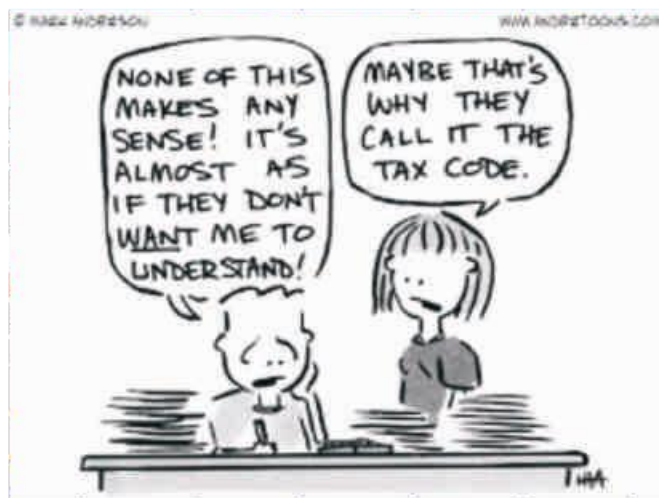
Notably Section 10(23C) does not prescribe any stipulation which makes registration u/s 12AA a mandatory condition. The provisions of section 11 and

10(23C) are two parallel regimes and operate independently in their respective realms.

Relevant Case laws

- In Commissioner Of Income tax Vs. Mahasabha Gurukul Vidyapeeth Haryana (2010) 326 ITR 25 (Pun), it was held that Exemption u/s 11 was allowable to the assessee Society running an educational institution which was registered u/s 12A, once it is held that all requisite conditions for exemption u/s 11 have been met, **even if conditions u/s 10(23C)(vi) have not been complied with, there will be no bar to seek exemption u/s 11.** Conversely, while claiming the exemption u/s 10(23) (vi), it is not required to fulfill the conditions mentioned u/s 11 as also exemption u/s 10(23)(vi). Exemption u/s 10(23)(vi) can be claimed by the assessee without applying for registration u/s 12A.

- In the case of Commissioner of Income tax Vs. Jeevan Deep Charitable Trust (2014) 361 ITR 0143 (All) the assessee was registered u/s. 12A as being a charitable institution. However, its claim for exemption u/s. 10(23C)(vi) was rejected on the ground that the institution was not solely established for the educational purposes. Relying on the same, assessee's registration u/s. 12A was cancelled by CIT. **The High Court held that exemption u/s. 10(23C)(vi) can be claimed by an assessee without applying for registration u/s. 12A as it is not required to fulfill the conditions mentioned u/s. 11 and hence the registration u/s 12A was restored.** ♦



Beyond CSR to ISR

By: Chandni Lamba

The concept of social engagement by Indian business has had a historical background, directed towards 'doing good and giving back to society'. Most of these thoughts and initiatives had their roots in the value of re-distributing wealth in different forms. Practised since the 1900's, a few industrial houses, through charitable trusts, set aside a portion of their profits for philanthropy.

Evolution of CSR has seen an increased allocation of profits towards sustainability through integration with and of businesses. Over the last few years, CSR has become a commitment towards a community; either directly associated with the business or because of a responsible management practise, without there being a directive for such behaviour.

Because of the recently formulated Policy under the Companies Act, 2013, CSR expenditure has been mandated for companies qualifying as per a set of parameters. While India may lead the world in passing such legislation, many other countries have been doing it as a voluntary social initiative. For India Inc., this is an ideal opportunity to join the CSR movement towards a sustainable and long term impact for the communities they are surrounded by. Corporate India should try to expand its participation in social and human development and internalize the Triple Bottom Line of measuring gains for People, Planet and Profit, as against only the profit line.

There is a need for companies to engage with NPO's, NGO's, academics and entrepreneurs to launch effective, scalable development strategies and plans. It is equally important to empower rural & urban youth and women to make them agents of change for the community. Locally relevant sustainable models directed to benefit the socio-economic environment of the communities has to come from those who are a part of it – through a 'bottom up' approach. For instance, through healthcare projects, if we can measure the basic health factor in, say the women, we can direct health services to bridge the gap that shows up during such measurements. Recently I volunteered for a Health camp for women, in a 'slum'. While doing basic blood tests, we were shocked to see that 90% of the participants had an iron deficiency and low haemoglobin, but were preparing for motherhood! Can then the future generation of the nation be healthy and strong to withstand the battle for resources?

So, some of us decide to make that difference through a contribution or donation. While it is also important, it is not only about writing a donation cheque to provide financial resources. It is more about optimising resources to create an ecosystem for developmental change. Ethical practises and responsible behaviour within companies can build a perspective that can improve systems that can be best used involving skilled employee volunteers, to upskill and upscale those, most in need of it –

economically and socially. There is a dire need to cascade the tools that will benefit. One critical aspect of sharing tools is the teaching of a common business language, such as English and the expeditious use of simple technology, to the underprivileged in order to create a model and environment of mainstream employability.

It is therefore time to look beyond doing mere 'CSR' activities. Doing ISR -Individual Social Responsibility--collectively, working on the gaps that exist on the ground and creating a positive ecosystem of development, growth and self-reliance, for those who have no means or knowledge, to access.



In brief, it is about scalable development programs - creating livelihood, through sustainable enterprises using innovation, support and mentoring. ♦

Chandni Lamba, with 25 years work experience in the corporate sector, has a passion for CSR & Sustainability and people interaction. Having worked with communities for over two decades, she tries to bring a difference to whatever she does.



Can your organisation can be Compliance Complete with CAP? Read on the outside back cover of this magazine

Jumping on the Social Enterprise Bandwagon

By: Dr. Ruth Shapiro

In January 2014, the Ministry of Finance announced the creation of the India Inclusive Innovation Fund “that will drive and catalyse the creation of an ecosystem of enterprise, entrepreneurship, and venture capital, targeted at innovative solutions for the bottom of the pyramid”. **Some states have set up their funds which may include projects in the social investment area but primarily focus on information technology.** As of now, the national fund is still designing the specifics regarding the who, why and how of the money in this fund is to be distributed.

Our research shows that India is not alone in creating such a fund. In Asia, there is a great deal of excitement and buzz around social enterprises. Hong Kong, Singapore, Thailand, South Korea, and Indonesia have created funds to support the creation of social enterprises. **The tricky part here is the definition of what is a social enterprise and the role the government can provide in supporting their creation and viability.** Here there is great variability across countries.

balance necessary SKS veered toward profit first, resulting in the state government closing it down after numerous suicides by overleveraged borrowers. **At the time of its IPO, Mohammed Yunus of Grameen Bank warned that by going public, there would be incredible market pressure to focus on financial returns.** He was right. In order to create financial opportunity while protecting social mission, the Benefit Corporation or B Corp accreditation system was created. By becoming an accredited B Corporation, a company must maintain strict compliance with the profitability/purpose goals of the company. The first Indian company to become a certified B Corporation is eKutir which listed in June of last year. More are certainly on the way.

The most important component of government schemes is the availability of capital, especially in the start-up phase of the effort. Again, there is great variability. Singapore has put US\$6 million into two funds – one grant and the other impact investment for social enterprises. South Korea has put US\$28.3



In the write up for the India Fund, the goal of supporting world class enterprises that focus on the problems of the poor is highlighted. This is a broad definition. South Korea uses the following definition, “a company which performs business activities while putting priority on the pursuit of social purposes”. This definition stresses the primacy of the social bottom line. **A social enterprise must perform the delicate balancing act of meeting its financial obligations while staying true to its social imperatives.** As we know from the case of SKS Financial in Andhra Pradesh. Unable to maintain the

million in their social enterprise support fund and Thailand provides \$1.2 million in financial resources to social enterprises. For India, according to an article in the Business Standard at the time of the announcement, the fund has an initial corpus of Rs 500 crore, which it expects to expand to Rs 5,000 crore once launched.

All of these funds also offer ancillary types of support ranging from help with networking, mentoring, incubation hubs and registration assistance. **The key question here is who is doing the mentoring?** Generally, government bureaucrats and officials do not necessary know what makes a business plan

viable. It is important that people with on-the-ground business experience are brought into the mix so that their experience can be brought to bear on the projects. In Hong Kong, the Social Enterprise partnerships program serves as matchmaker between start-up social enterprises and private sector mentors who work with the teams as they develop their ideas and launch them as businesses.

As India is still working on the development of the details of this fund, we do not know what specific products and services will be provided. **We do know however that while government support is still forthcoming, there is ample private sector support in place.** The Ministry of Commerce lists 209 funds offering financing to new business enterprises and while not all include social enterprises, many do. The government’s fund will add to this support.

Looking across other countries in Asia however, shows that there is widespread enthusiasm and support for the creation and growth of social enterprises. **It is still early days and there is much experimentation and innovation taking place.** As more and more people try their hand in creating new social enterprises, we will learn a great deal and in the process bring about win-win solutions to a better world. ♦

Dr. Ruth A Shapiro is the Chief Executive and Founder of the Centre for Asian Philanthropy and Society (CAPS). CAPS is committed to increasing the quality and quantity of philanthropy and social investment in Asia.

CAP WORKSHOP

CAP organized a workshop on the impact of the new GST law on NGOs, at AZB & Partners, on 22nd February 2017. The interactive workshop was conducted by Mr. Nilesh Vasa, Executive Director (Tax & Regulatory Services) of Ernst & Young LLP.

Mr. Vasa felt GST will prove beneficial to all (including NGOs) as it will be a single tax to replace multiple levies of Central and State government and bring uniformity of tax laws and procedures across the Centre and State.



Goods & Service Tax

He pointed out that GST Act and Rules are yet to be finalized and added that though under GST NGO is a taxable entity; the exemption list is still awaited. The threshold limit for applicability of GST has been kept at INR 20 Lakhs and it would prove beneficial to NGOs which currently are required to register under Service Tax if their revenue from services exceeds Rs. 10 Lakhs or if they make products for sale and the turnover exceeds Rs. 5 Lakhs.

Mr. Vasa also cautioned that **under the GST regime, charitable donations “without any benefits and advantages” to the donor are not considered as taxable supply and hence not covered under the GST regime.** However, donations may be liable to GST if there is any advantage or benefits accruing to the donor, such as:

- Promoting and Advertising of the donor’s or sponsor’s name or its products;
- Naming any event after the donor or sponsor;
- Displaying the sponsor’s or donor’s name on shirts worn by a team.

Participants were also briefed about the broad tax rate structure and various compliance and transition provisions under GST which is likely to be implemented on 1 July 2017. ♦

Email from a Participant

Thank you so much for organising the workshop on GST last week. The session was very informative and congratulations for staying ahead of the curve, as always!

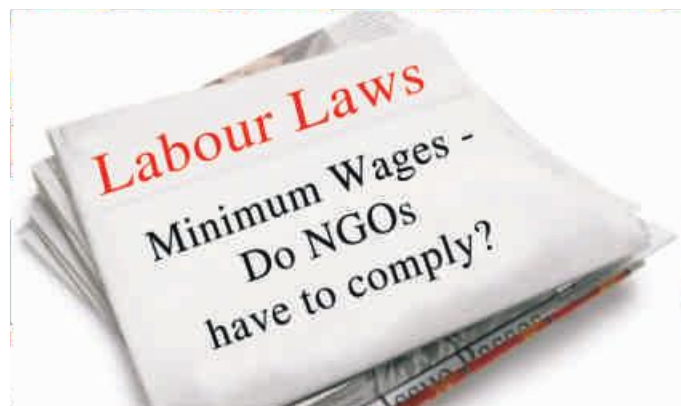
Warm regards
Vrishali

Vrishali Pispat
Chief Executive



Minimum Wages – Do NGOs need to comply?

NGOs often raise the question whether they should be paying minimum wages to their employees or whether the Minimum Wages Act applies to NGOs, whether registered as a charitable trust, society under the Act of 1860 or a company u/s 8 of the Indian Companies Act?



While the Minimum Wages Act 1948 does not make any specific reference to NGOs under any of the 'scheduled employments', it is applicable besides industries and factories to 'establishments' registered under the Bombay shops & establishment Act 1948 or the Factories Act 194, irrespective to the strength of employment. In other words even if an NGO registered under the Bombay shops & establishment Act has just one employee, the NGO must pay Minimum Wage to that employee.

Minimum wage rates in India are fixed under the Minimum Wages Act, 1948. Since labour is a concurrent subject under the Indian Constitution, minimum wage rates are determined both by the Central Government and the Provincial Governments. Minimum wage rates in India are declared at the National, State, Sectoral and skill/occupational levels.

Minimum wage rates may be established for any region, occupation and sector. Also, minimum wage is established for trainees, youth and piece-rate workers. Minimum wage is determined by considering the cost of living.

Minimum rate of wages may consist of a basic rate of wages and a cost of living allowance; or a basic rate of wages, with or without the cost of living allowance, and the cash value of concessions in respect of the supply of essential commodities at concession rates (if authorized); or an all-inclusive rate allowing for the basic rate, the cost of living allowance and the cash value of the concessions (if any).

While fixing or revising minimum rates of wages, different minimum rates of wages may be fixed for different scheduled employments; different classes of work in the same scheduled employment; adults, adolescents, children and apprentices; and different localities. The minimum wage rates may be fixed by hour, day, month or any such other larger wage period as may be prescribed.

Minimum wage is announced for 45 scheduled employments in the Central Sphere while the State level minimum wage is determined by every state keeping in view the sectors more dominant in the State.

The term 'Minimum Wage' includes the Basic Wage plus Special allowance, as prescribed & published by the Labour Department from time to time for a given schedule of employment.

For example Maharashtra State has brought out the 'Total Minimum Wages' Chart for the Period 1st January 2017 to 30th June 2017.

The table for Shops & Commercial Establishments is as follows:

Special Allowance: Rs. 3,256.20

	Zone I	Zone II	Zone III
Skilled	Rs. 9,056.20	Rs. 8,756.20	Rs. 8,456.20
Semi-skilled	Rs. 8,656.20	Rs. 8,356.20	Rs. 8,056.20
Un-skilled	Rs. 8,256.20	Rs. 7,956.20	Rs. 7,656.20

Zone I: Shall comprise of the areas falling within the limits of Municipal Corporation.

Zone II: Shall comprise of the areas falling within the limits of 'A' & 'B' grade Municipal Councils.

Zone III: Shall comprise of all other areas in the state, not included in Zone I and Zone II.

In accordance with the Minimum Wage Act, the employer is obliged to pay wages on regular and timely basis at least once a month. Wage period may be fixed on hourly, daily, weekly or monthly basis. If the employment of a worker is terminated by or on behalf of the employer, the outstanding wages are paid within two days of employment termination. Wage periods can't be fixed for duration longer than one month. ♦

To keep in touch with the latest news related to legal compliance, stay connected to CAP through our blog on our website or through the Facebook page.

A Tale of Two Accounts

“ I wanted to relate to the readers - an incident that we encountered with a Bank, very recently. It makes us feel that we need to be on our toes and be ready for Murphy's law absolutely anywhere. It may be a bit long, but I think it IS important and may be of use sometime for another non profit - ”

The problem - Our FCRA Account in the Bank was recorded in their system as a regular Trust Account, ever since we opened it in 2011.

How did we find out this?

We received a donation into our FCRA account - an amount of USD 255. This was from a crowdfunding campaign, where three foreign sources had donated. The crowdfunding platform gave us the donation in the name of their sister concern in the US.

The Bank wanted us to write them an email telling them about the donation and also giving the address, email id and website of the organization. We did this.

Next they wanted us to fill a form called - "disposal instruction" and we did that too

A few days later I got a call from their foreign exchange department saying that QMed Knowledge Foundation needed an FCRA Account, and ours was only a regular Trust Account, and that they could not credit this \$255 into our account

I told the gentleman that we had both accounts with them. He read out our FCRA Account No and said that "in their system" it is registered as a Trust Account. **I told him I was unaware of the Banks' Systems, but that OURS WAS INDEED AN FCRA ACCOUNT.** I also told him that we had been receiving donations in the account from abroad - definitely since 2013, if not since 2012.

I also told him that both accounts had a common Customer ID and I was wondering how the Bank never caught this problem earlier. My guess was that when we were applying for the FCRA Account, we needed a bank account and had opened it as a second Trust account, (but with - FCRA added at the end, for clarity). Once we got the FCRA registration, we sent a copy to them, and informed them. They had not changed our status to FCRA Account!!

I then opened a statement from the account and told him - that the name clearly reads as "Quality Medical Knowledge Foundation-FCRA"

I also told him that I had been filing FCRA Annual Returns and recently renewed our account too. I sent him screenshots of the FCRA Website, which showed that we



Vasumathi Sriganesh



were listed in there.

He then said that he would once again check and ask me if he needed anything more.

Two or three days later, we got the same explanation - that in their system we were registered as a Trust Account and not FCRA, and could we fill in a form asking them to change this status. We refused - saying that if we filled such a form and signed it, that was tantamount to admitting that we never had an FCRA account all these years, and were still receiving foreign funds!

My husband Sriganesh, went and met the Operations Head in our branch and explained everything. She then asked the Head office, and they finally said they would do the change, but wanted one letter from us, declaring that ever since we opened the account, all donations that came into it were only from foreign sources. We agreed, only because the Ops Head had been helpful.

Finally today, the amount has got credited! The whole process took almost a month.

Why did the Bank never raise the question before?

Our earlier donations - from Global Giving and also from one individual apparently came through a routing channel, by which the final money came in Rupees. This time it was in USD and that made them open their eyes. ♦

MANDATORY CSR IN INDIA - is it really MAKING A DIFFERENCE?

When the new Indian Companies Act 2013 came into force from 1st April 2014, many within the sector hailed Section 135 as a "game changer". After completion of two fiscal years, in this issue we debate whether "mandatory CSR" has made a difference to either corporate India or the voluntary sector!



Debabrata Guha
Chief Executive
Tata Power Community
Development Trust (TPCDT)

Making CSR disclosure mandatory under law is a step towards making CSR a priority in conducting business and helps in nudging the corporate towards 'inclusive growth'. This is a good starting point.

At the House of TATAs CSR has been a part of our DNA. Today the trust that the TATA brand evokes is not only due to the quality of our product and services but also for the goodwill that we earned through our CSR work.

Growth through industrialization comes at a cost. It impacts societies that get displaced, it impacts environment. It is therefore morally necessary for business houses to minimize these impacts. We owe it to our future generation.

To have significant impact the Companies/NGOs should carefully select the field of work, which would benefit the target beneficiaries most. For this, one needs to do a careful need assessment rather than adopting a general approach. Emphasis should be given to make an initiative self-sustaining, wherever possible, within a definite period of time and move on.

We must acknowledge that there are good and bad species in every field. The same applies for NGOs. While for the good ones, it will be a boost to intensify their efforts. At the same time we need to guard against the unscrupulous ones who would take this opportunity in furthering their vested interest.

Tatapower Community Development Trust is the CSR implementing arm of Tatapower and its subsidiaries in India. They operate mainly in the vicinity of Tatapower business units, focusing in the field of Education, Health and Livelihood



Pearl Tiwari
President (CSR & Sustainability)
Ambuja Cements Limited

Mandating CSR law has opened up vast opportunities for India Inc. to actively participate in fulfilling their social responsibilities. It is true that companies' operations do impact their neighbouring communities both positively and negatively. While an industrial setup provides better job prospects and improves socio-economic status of people, there is also a struggle to share common resources between the company and the community. The CSR law is thus an attempt to bring in a strategic focus on societal development and creating a streamlined process for corporates.

Unquestionably, any company is primarily responsible to do its business right and serve the interest of its shareholders. However, its liability also extends to other stakeholders, of which its neighbouring community is an important part. Interestingly, even before the mandate, corporates had been sensitive to community needs and were implementing related projects. For instance, Ambuja Cement has been spending much more than 2% on its CSR since many years and has achieved complete compliance and beyond with reference to section 135 of The Companies Act.

Now, as more and more companies are partnering with NGOs, there is an increased demand for documentation and adherence to compliance norms. This is also creating better prospects for NGOs to transition from an informal setup to a stronger and robust system of documentation.

Also, while talking about partnerships, I feel there is still a lot of scope for different companies to collaborate and build on each other's strength. The CSR mandate is indeed a promising move for corporates to create synergies and bring a large scale, lasting impact on the ground.

CSR has been an integral part of Ambuja Cement since its inception. Ambuja Cement Foundation (ACF) was established in the year 1993 as the CSR arm of the Company. With its presence in 21 locations in 11 states, ACF has been working with a vision to create a sustainable, prosperous society, built on long-term partnerships. Currently, ACF has an outreach of over 1.8 million rural population and is yearning to do more.



Delnaz Paliwalla
CEO
Bombay Community Public Trust

'Social Responsibility' and 'Statutory Giving' were merged together through this one of a kind legislation. While the intrinsic nature of CSR is voluntary how does forced philanthropy create any change?

Business houses have undertaken voluntary charity for decades hence practicing CSR without calling it so. But this legislation has made CSR the 'buzz word' in every boardroom. After all, CSR has become target focused and numbers driven. This, in my opinion, has led to a shift from philanthropy to community investing. Today the agenda is not just about doing 'good' but forming partnerships that can yield returns that encourage economic and social growth. The focus is on impact and the vision is long-term.

This has worked for established NGOs that are able to engage at a much larger scale with CSR departments. Such partnerships are seeing effective projects with long-lasting impact. Sadly, the benefits of this trickle-down effect have yet to be seen on the smaller, grass-root level NGOs. Most of these remain under funded and this large pool of CSR money seems out of their reach.

This legislation could easily have ended up becoming tick-box for companies. But this has not been the case, the CSR story may not have grown in leaps and bounds but concerted efforts by both NGOs and corporates make the coming years very exciting for this sector.

The Bombay Community Public Trust (BCPT) was set up as a People's Foundation to address the various development problems affecting the citizens of Mumbai. The Trust works in partnership with individual donors and companies to support NGOs and causes in the areas of education, child-welfare, health, livelihood support and elderly care.



Niraj K Lal
Head - CSR
Arvind Limited

I certainly think the new CSR Act is making difference and will be stronger in years to come. Following is why I am saying so:

I consider mandatory CSR Act as a landmark act. It is most certainly making real difference. To me the Act has done four unprecedented things for CSR fabric of the country.

First, it has steered companies to create a CSR structure leading to better governance. A CSR Committee, declared CSR policy, Board's approval to CSR initiatives, defined yet flexible schedule VII initiatives are all steps which are directionally correct.

Second, it has given CSR a continuous rather than ad hoc approach. The growing 2% CSR funds will be available year after year and that is when the projects will start becoming programs.

Third, getting talent into CSR that has the contextual and applied knowledge and putting in strong monitoring and evaluation mechanisms through the technology based data solutions has already started. I can visualise that this will lead to setting up of new CSR benchmarks.

Last but not the least, though in a little long term, it will start making CSR more strategic to businesses, bringing in innovations to make it win-win for company and the community and take it beyond 2% and will create such CSR models for social renewal that pave way for new kind of Private-Private Partnerships (PPP)—something that I am very positive about.

At Arvind Limited, we firmly believe that only in a healthy society, healthy businesses flourish and to ensure this, Business leaders must proactively and positively impact society. SHARDA Trust and NLRD Foundation have been the CSR arms. Arvind Foundation has recently been incorporated to bring initiatives under one umbrella and help maintain a common CSR thought thread. Education, Health, Skills and Cultural advancement form the present CSR focus.



How I Got Here

Narendra Goidani

Life skills is a term used to describe a set of basic skills acquired through learning and/or direct life experience that enable individuals to effectively tackle issues and problems commonly encountered in daily life. I was privileged to have a short meeting with Narendra Goidani with a long-lasting impression. His challenges may have been similar to many of ours but his approach different and methodology uplifting. In the non-profit sector where we always see the beneficiary as the receiver Life School's approach makes you re-examine who gains the real benefit.

I founded Life School because... I had a dream - "Let's fill the world with INSPIRED people" Why? Because, Inspired people create revolutions"
The philosophy with which Life School is run is...Inspire or Expire

Before I started Life School I ...was a successful businessman

The greatest challenge in my life has been...actually, I did not have great challenges. I had simple solvable issues. Though, I must say, I have met a few people who faced HUGE challenges and overcame them. They INSPIRE me.

One of life's most important learning has been...Creation is ALWAYS a messy affair.

The one aspect in my life I am eternally grateful for...the hundreds of opportunities that I have got that billions on this planet haven't.

My involvement with the social sector began...in 2001 with Keep Moving Movement (www.mykmm.co.in)

One learning with social organisations/roles has been...empathy based grass root connect is super important.

Funding for any social sector organisation is...for most social organisations, funding is a struggle.

Social Impact according to me is...A duty and very very fulfilling. Khalil Gibran says, "The giver must have greater gratitude than the receiver. For, if the receiver did not exist, what will the giver do?"

My thoughts on scaling up...The most awesome feeling. Its like seeing your child growing up.

The social sector in India today has...woken up and very dynamic.



If I could change one thing about the social sector...pay people at corporate levels

My advice to non-profit founders...build a robust team who makes you dream bigger

The one person who has inspired me... Mother Teresa

My greatest strength is...commitment and

My greatest weakness is... weak network

In my free time... I love to listen to people, I love to read, I love to explore heart touching music

The best way I deal with a difficult situation is...stay composed and break down a bigger issue into the smallest possible solvable units

An incident that changed my thinking...My first experience of deep meditation

A book I would recommend everyone should read is...Man's search for meaning by Dr Victor Frankl & Vedanta Treatise by Swami Parthasarthy

A song I identify with my life is...'No matter what' by Boyzone and 'Ekla Cholo Re' from the movie Netaji Subhash Chandra Bose sung by Amitabh Bachchan

A day in the life of Narendra Goidani is...to learn, earn and return ♦

As the name suggests, Life School is about sharing experiences, learning, and co-creating methods to inspire a fulfilling life. Based on his own trials and tribulations of success, failure, and success again, the organization was founded by Naren to help and work with people to find their passion and strive to sustain it. The organization is centered on inspiring people to pursue their dreams and explore their potentials. Life School believes, teachers are the key to igniting change at the grass root levels. Through Life school Foundation, it has developed Keep Moving Movement (KMM). KMM is an initiative that travels around India to hold workshops for teachers across Tier I, II, and rural cities to demonstrate how they can make small changes to their pedagogy for larger impact. This movement has traveled to more than 15 cities across India and Sri Lanka, impacting more than 25000 teachers, and lakhs of students. Apart from these initiatives, the organization holds workshops for general public, business workshops, and weekly Life School Lessons early Sunday morning every week.

Making A Difference

All of us in the social sector are MAKING A DIFFERENCE. This simple underlying reason is the theme for our last newsmagazine of the year. We thought of keeping it simple and a reinforcement to the fact that keeps us all firmly rooted. We inviting our CAP organisations to send in an inspiring story of a beneficiary or change achieved in the organisation - creative yet keep it simple. Due to space constraints, here are a few shortlisted ones.

We are thankful to AMRITA NERKER of Cipla Foundation for going through these stories and choosing her top 3 choices.

JAI VAKEEL FOUNDATION – the representation in a poem form made it look easy to read and interesting too.

YUVA – The serious issue of girls and their protection was woven well with a fun story. It highlighted the serious issue with an element of light-hearted parallel.

MAVA – They explained common everyday situations to provide the deeper understanding without being preachy.

Congratulations & thank you for sending in your entries & continue Making a A Difference ♦





All of us are different, **no two people are the same**,
To help all **understand** that is precisely **Jai Vakeel's aim**.

The numbers are too many, it's hard to ignore,
Intellectual disability today is 2% or a lil more

They may look a bit **awkward**, **have funny little ways**,
But their **smiles are bright n shiny** and they **lighten up our days**.

Sadly, they face **hardships** owing to **segregation**,
This was the reason for the birth of our **Community Integration**.

The programme wants to build **inclusion** and also **awareness**
It is then that the **true magic** begins, we must say in all fairness.

We take our kids to **malls, clubs, restaurants and fun places**, and
see them **laugh and shine**,
They have an **equal right** to these as much as yours and mine.

We bring in other people too, for them to **feel and see**,
How **giving yourself to others** is as magical as can be.

This year till date **1456 people** have come through our door,
From **Cathedral, BIS, HR, KC, Jamnabai** and many more.

They came in thinking huge knowledge they'll impart,
They went back having **learned so much** and a **complete change of heart**.

These interactions made the children as **proactive** as can be,
This led to many **initiatives** like **ripples in the sea**.

A few kids from BIS, planned a **swimathon for seven schools**,
What happened there was nothing short of **magic** in a pool.

The whole gala was a picture of **enthusiasm**, and happy cries.
Along with the awareness and support, **11 lakhs** was our prize.

Last two years every **Xmas**, BIS kids remember with **warmth** their friends,
Goodies and toys with **'Love in a shoe box'** they send

Another group from **Jamnabai Narsee** too play their part,
They have founded a **support group** for us - a group called **'The crescent heart'**

The Akanksha Foundation children organized an Xmas fair
Able and differently abled kids **enjoying as a pair**.

We are **changing mindsets one child one person** at a time, and we
know there is a **long way to go**,
Come **Join our journey** and **seeds of change you can sow**.



Jai Vakeel Foundation provides holistic services to intellectually disabled individuals; under four broad categories - healthcare, education, skill development and support services. We are the largest and oldest non-profit serving this space.



Meet Sanjana...



Her favourite book, **"Chal Re Kaddu, Tunak-Tunak"**, is the tale of an old lady venturing through a dense jungle where she encounters many animals that threaten to eat her for their lunch. Bargaining with them, she tells them that her body is lean and will not fill them up; instead she assures them that she will be more filling on her way back, as she is on her way to her daughter's house for a hearty meal. When she has to return, the old woman disguises herself under a large pumpkin (kaddu). The animals ask the kaddu if it has seen a fattened-up old lady, but a voice from within the kaddu replies that it has no idea about her whereabouts. Safely escaping from her predators the old woman commands her vehicle, **Chal re kaddu, Tunak-tunak** (Ride on Pumpkin, Giddy Up).

Sanjana's life in the narrow lanes of Lalubhai Compound holds similar threats at every corner, because of which she devises her own covers and routes. She was barely of 2 years, when her family moved into the rehabilitation settlement in Govandi. They saw big dreams in their shift from a slum to a building; but for Sanjana, a large part of her childhood had passed looking at the interior walls of her house. With no open space to play and the constant threat of drunks and drug addicts lurking downstairs, her family chose to keep her safe at home. She recalls her grandmother chastising her, "Don't go down. There are too many young boys there."

At such a young age Sanjana was forced to become aware about her body and sexuality, not to enjoy it but rather to restrict it in the public space. She says the "boys would sit at the side of the road or in auto-rickshaws whistling and passing comments at us when we passed. I, too, felt more comfortable at home and so rarely came out." But all this changed when she chanced upon YUVA's Child Resource Centre (CRC), which was housed just down the road from her. She convinced her grandmother to accompany her to the Centre to check it out. Sanjana was immediately drawn to the library section, which held a wide range of picture books. A few years ago, she had dropped out of school to take care of her sister's daughter and so the CRC appeared to be a space where she could reacquaint herself with reading. Her grandmother, on her part, was impressed by the presence and care that was given by the didis and bhaiyyas at the Centre.

Today, Sanjana is 11 years old and she is part of the first batch of

girls participating in Dance Movement Therapy sessions hosted at YUVA's CRC. These sessions use sound, body movement and play to untie physical and psychological knots. At first they were marked by pure 'masti' (fun) but as time passed the sessions came to acquire new meaning for the girls. Sanjana shares what a unique space it offers for the girls, whose lives are otherwise ridden with restrictions. She says, "This is a safe space for us. We can run around and move freely. And what's more, nobody shouts at us."

Sanjana and her friends are hosting similar sessions for the younger girls of the area. They lead them into the side room of the centre, draw the curtains and play loud music to which they all dance together. And while this new space has afforded her the freedom to let go of certain insecurities, others still await her outside. But much like the old lady in the book, Sanjana too has to seek refuge in this closed room as the boys her grandmother had warned her about still roam on the outer side of the wall.

Besides dance movement therapy for the young girls, YUVA has catalysed the formation of Child Protection Committees in many buildings and has also encouraged the police to take action against various anti-social elements in the locality.

Youth for Unity and Voluntary Action (YUVA) is committed to enabling vulnerable groups to access their rights and address human rights violations. The Organisation has developed a Holistic and 360 degree approach to address the issues of urban poor.



Upholding Women's Right To Safety, Ved Walks The Talk And Proves To Be Role Model For Peers



Vedprakash Jaiswal (known fondly as Ved by all) says he is different from other boys in his community at Colaba. He helps his mother, aunties in his neighbourhood, with water-filling, carrying loads from the bus stop. **He does not want to go the same way as the other boys in his area.** They are all either gambling, loitering or passing comments on girls. He says vehemently "I don't want to be like them". He also agrees with his mother who gets battered by her husband regularly, that he should not grow to be like his father.

Ved is not just repeating words copied from someone. They are words that mean a lot to him and his mother. **They express his desire to be a better human being, to not create fear and anger in his loved ones.** Ved, a small built boy with a stylish hairstyle and a shy smile, had started interacting with two-three mentors from Men Against Violence & Abuse (MAVA), two years back when he was 17 years old. The group of about 10-12 boys from his Shivshakti Nagar slum and MAVA facilitators, would play football on the playground closeby and periodically chat under the trees about some serious matters: gender violence, discrimination against women, men's behaviour and attitude. This was the beginning of Umang (meaning Aspiration) project started in 2014 with youth from the community. After a few months, they were taken to Lonavla for a 3-day residential workshop.

Here, Ved along with his community friends met boys like him from other disadvantaged communities in Mumbai. There he learned about "how the girls and boys' body is, how we feel attracted to girls, how we can be abused if we are unaware, about laws that protect children". He said, Amol Sir and Harish Sir from MAVA took training. **They asked us to think about many things like, why there are so many bad words for women, why girls cannot be equal to boys in playing cricket - in studying - working in big companies, how would it feel to be teased like boys tease girls, why boys cannot grow their hair like girls or wear earrings, necklaces, why we tease people for doing what they like doing", why films show only some body parts".** They learned about "mardangi" (referring to dominant model of Masculinity) and how this makes boys behave "badly".

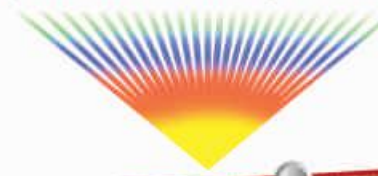
Ved, along with other boys in the community, were given training in communication and street-theatre. He recalls how they participated in performing many street plays on preventing sexual harassment of girls and attended some big programmes like at YMCA, and meet "nice educated people", He also learnt that education is very important and he is working hard for his Xth Board exams. He has to do well because he aspires to get a government job. MAVA has also helped him with his educational fees. He says he and his mother are very happy that he is learning new things. **"I am more confident, I think properly, I advise some of my friends, I don't shout at my mother and sister and do household chores without hesitation".**

Ved is one among hundreds of MAVA's promising young mentees, who has proved to be a role model among peers and upholding women's right to dignity and safety. By championing the cause of MAVA, he has amply demonstrated that Men, who are seen as 'part of the problem,' can be 'part of the solution.'



MAVA - Men Against Violence and Abuse's pioneering work among Boys and Men for Gender Equality. MAVA works on Empowering Women through Humanization of Men

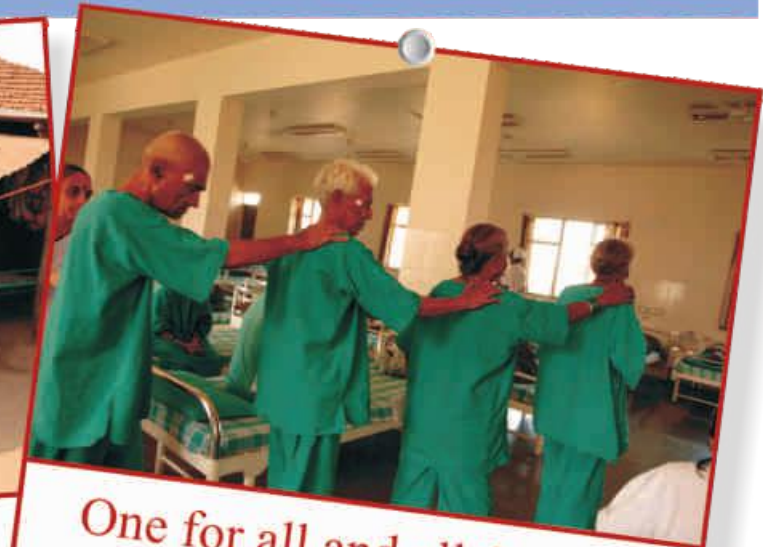
Mission for Vision
partners in eye care



Mission For Vision was founded in the year 2000 on the ethos of Caring Capitalism, with the objective to restore the gift of vision to every visually impaired human being, irrespective of nationality, religion or socio-economic status. In the last 17 years we have enabled high quality eye services to millions of people with our 22 partners in 14 states of India.



Peace be with you too !



One for all and all for one.



We donate smiles,
the glasses are incidental.



The first love letters are
written with the eyes.



Step - 1 : Look at the watch dial and tell the time. Cannot, does it appear blurred ? Feeling lost; confused ? That's what life is like for a cataract patient, pre-surgery.

Step - 2 : Count the number of fingers being held up by the man. ... THREE !! got it; great! How do you feel now – confident? self assured ? That's what life is like for a cataract patient, post-surgery. This is what we do !

A CATALYST OF CHANGE



Ashalata is a Fellow from the 2015 batch of CORO's Grassroots Leadership Development Program and is based in Marathwada. Four years ago one day her world came crashing down when all of a sudden Ashalata's husband left home, denying all familial responsibilities. She found it difficult to get an earning source since she didn't even have any identity documents to avail of any government schemes. She finally got her identity documents after a long struggle with Grampanchayat.

What Ashalata went through, led her to support single women like her. She came to know of CORO's Grassroots Leadership Development programme which she readily joined to fulfil her dream of helping these women.

As a fellow Ashalata did commendable work. She created livelihood opportunities for women through formation of 15 Self Help Groups (SHGs) of 200 women, helped 6 SHGs get subsidy of Rs 90,000/- and made available a revolving fund Rs. 2 lakhs to 4 SHGs. She encouraged a widow with a child to get re-married, another unimaginable and pioneering task in a rural setup. Ashalata made 160 women participate in Gramsabha (Village Meetings) for the first time, hitherto a male-dominated assembly. In the personal front she struggled & successfully registered her own house in her name.

Today Ashalata continues to make difference in the lives of single women through a well organised Single Women's campaign in Marathwada, of which she is one of the key-leaders and resource members.

CORO (Committee of Resource Organisations), established in 1989, works for the empowerment of marginalized community people adopting the constitutional entitlement based development approach with three flagship programmes. i.e. Quest Grassroots Leadership Development Programme (QGLDP), Gender Sensitization and Women Empowerment.

Shared by a 12-year-old boy - On his way back home in the evening, four boys in his neighborhood touched his private body parts. He did not inform anyone about the incident. After attending the Personal Safety Education (PSE) Program, he decided to disclose the incident to our trainer. The trainer then referred the case to our counsellor. In the first session with the counsellor, he seemed shy while talking about the incident. Play therapy techniques like puppets were used as different characters, to form a story through which the child was able to narrate the incident and his feelings related to it. The child shared that he felt angry and sad.

The main focus of the sessions was to stop the abuse, for which the child's safety mechanisms were assessed and it was understood that the abuse would happen in the evening, in an area that was empty after 7 pm. Post this, safety planning was done and resources were built so that the child understood that it is unsafe to venture in unsafe areas alone.

The next critical step towards achieving the goal of the session was to inform the child's parents about the incident. The child lived with his grandparents, while his mother lived in a village and his father lived in the neighborhood and met the child once a week. The child felt deprived of love at his grandparent's house. The child decided to tell his

father about the abuse and after the father intervened and spoke to the boys and their parents, the abuse stopped.

It was also important to address the child's feeling of being unloved at his grandparent's house. The counsellor had a session with the grandmother to make her aware of the child's insecurity and enable her to support and help him deal with the trauma related to abuse. A joint session between the child and his grandmother enabled the child to identify the grandmother as his support system. As an outcome of the sessions it was observed that the child could express himself, identify support systems and access it to seek help.

Arpan is an award-winning organization addressing the issue of child sexual abuse in India for over 10 years. Directly reaching out to 130,000+ children, adolescents and adults through its services of prevention and intervention and over 530,000 indirectly through training and capacity building of various stakeholders.





IMPACT INDIA FOUNDATION'S (IIF) COMMUNITY HEALTH INITIATIVE (CHI)
Nutritious Recipe Demonstration for Out-of-school Adolescent Girls

56% of adolescent girls in India are anaemic which adversely affects their health, cognitive ability, and as mothers, to Infant and Maternal mortality. IIF's CHI in three areas of Palghar District, Maharashtra, enables Adolescent Girls to reduce intergenerational Anaemia thereby maximizing opportunities for education and livelihood.

On October 3, 2016, CHI staff, wearing Blue caps, planned a Health & Nutrition Education programme for out-of-school girls at Behedpada, in the Sakharshet area of Jawhar Block. They report: On our way to Behedpada, our hearts sank..... because, many people had gathered around a tempo and all the girls had gathered around a car. On seeing us, 7-8 girls came to us. We asked, "Why have so many people gathered?" The reply was, "Some of our girls work in a Grape orchard at Nasik."

We were worried about the attendance at our session. But, the girls said "Tai please proceed to the venue....we will definitely come!" Much later we saw a group of girls approaching us in colourful attire. When they came closer we were happy that the number of girls was more than expected.

We commenced the session stating we would make Bhakri (flat bread) using the leaves of the 'Shekta' (Drumstick) tree and the leaves of the 'Bhaji' (Basella Alba/ Mayalu) creeper." The girls looked at us in disbelief. They had eaten drumstick pods but could you eat the leaves? Trusting us, they prepared as we instructed and soon Bhakris were rolling out. Meanwhile, the employer, who had come to fetch the girls to work at Nasik, arrived. He asked impatiently "How much more time will this take? I have to take the girls." Before we could respond, the girls asserted that it would take time.....**In this way, with the confusion and anxiety to go to work and, even with the employer standing there, Bhakris were cooked.**

The Bhakris were served to all and each one relished eating them. That too topped with a curry made of drumstick leaves! All of these dark green leafy vegetables contain iron and help in raising Haemoglobin levels and in reducing Anaemia.

The girls said "Today for the first time we learnt how to make new Bhakris good for our health. We will make these Bhakris and carry them to eat at work. We did not know that one could make Bhakris of creeper leaves. We thought they were only for show".



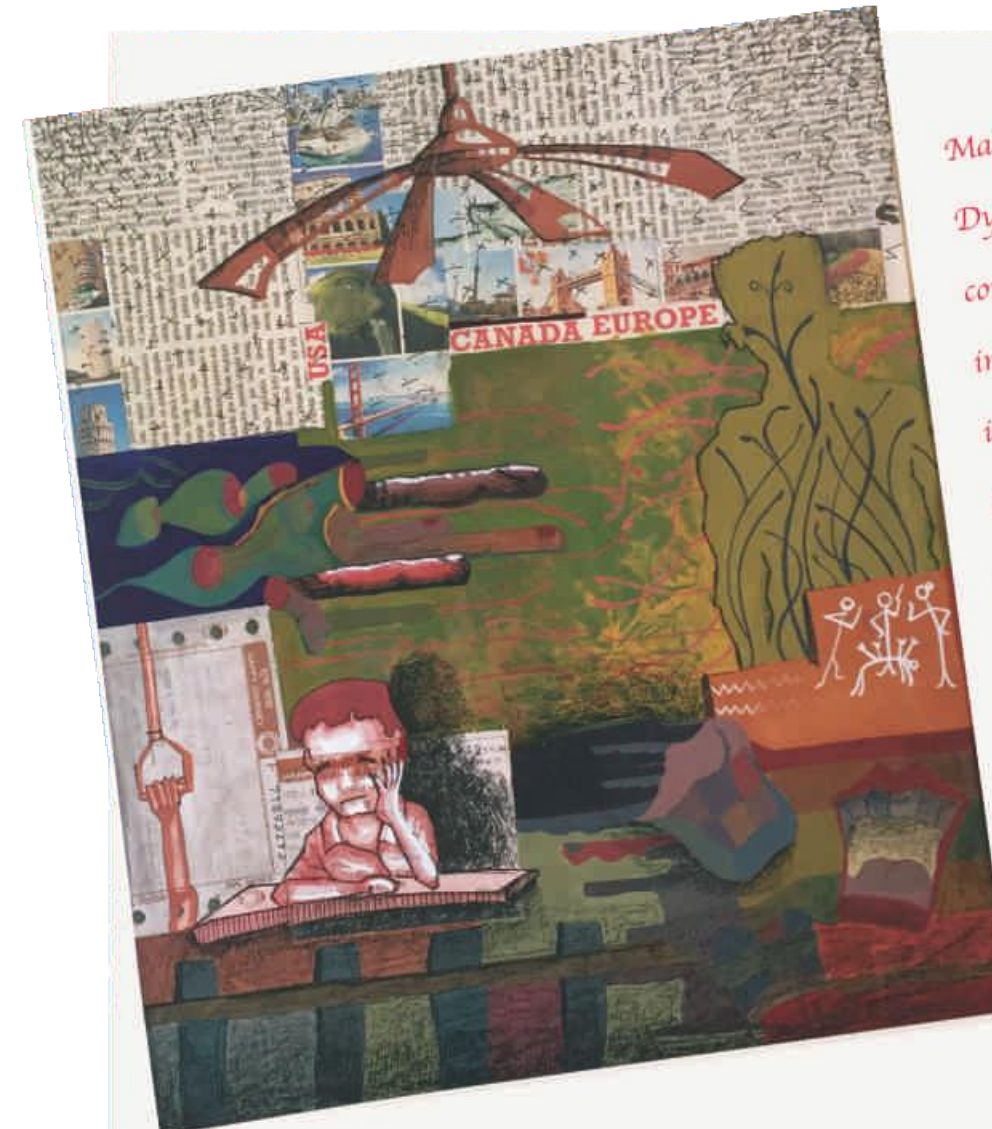
Impact India Foundation's (IIF), Community Health Initiative (CHI) is a sustainable, replicable model, in partnership with the Government specifically focused on Adolescent girls. IIF recognizes that there is a critical need to improve nutrition outcomes for adolescent girls and places them at the centre of its model, while simultaneously working with key influencers - the community and Government health and education staff. The period of adolescence in girls offers a unique window of opportunity to break the cycle of malnutrition at the individual and inter-generational levels. Investing in their nutrition is a prerequisite to ensure adequate returns on investments made in their education, livelihoods, empowerment and potential motherhood. There are 113 million adolescent girls in India; 56% of them are anaemic.



"I was known for making frequent mistakes in school but thankfully by the time I was 7 years old my parents realised that something was amiss. Their timely intervention led me to Maharashtra Dyslexia Association (MDA) where I began remedial sessions at their centre in Sophia College, Near Grant Road. Considering that I was living in Virar at the time, this was a very exhausting schedule for me and my parents, which we continued for the next 7 years.

To name a few, my mentors Ms. Deepali Shah, Bela M'am and Masarrat M'am greatly encouraged me and kept me motivated through all those years. They not only helped and guided me to improve my learning capabilities but also encouraged me to pursue art given my natural inclination towards the subject. Not only did my academic results improve, but due to the constant encouragement received at MDA I also participated in and won many art competitions.

This experience helped me define a clear career goal. I enrolled at Vasai Vikasini College of Visual Arts where I am currently pursuing my Diploma in Fine Arts. In the future, I plan to complete my Diploma in Education to enable me to teach and guide students with Dyslexia just the way my mentors at MDA guided and supported me."



Maharashtra Dyslexia Association is committed to building an integrated support system for individuals with Specific Learning or Language Disability (Dyslexia) in order to equip them with the necessary skills and opportunities required to lead successful and fulfilling lives.



“The Jewish community prepare a special bread called **Challah** for their Shabbat services that take place in their synagogues and homes starting Friday evening. Here too, a Jewish organisation – ORT India used to bake Challah for the Jewish community for the Shabbat services. However, their bakery closed down in the year 2013.

Incidentally, we had an overseas American Volunteer, Kimberly Duenas whose family ran a bakery in California, USA and was adept in making Challah. I was aware about Om Creations Trust activities since the Founder Director Dr. Radhika Khanna and I studied together at the Mount Carmel Training Centre in Israel on a course “Management of NGO’s”. We decided to have a joint venture wherein the young adults of OM Creations Trust will be trained in making Challah by the volunteer. We started the Challah project with the specially challenged youth, making and baking Challah from August 2014. These Challot are sold to community members prior to Shabbat and the money obtained through the sale is given to OM Creations Trust.

This is a wonderful example of MAKING A DIFFERENCE by empowering specially challenged young adults to earn a livelihood and at the same time address a need in the Jewish community. A win - win situation for both the organisations. The Challah project continues to date with supervision of the Challah making by a staff of the AJJDC on a weekly basis.”



toybank®

Development Through Play
www.toybank.org

A Story From The Field

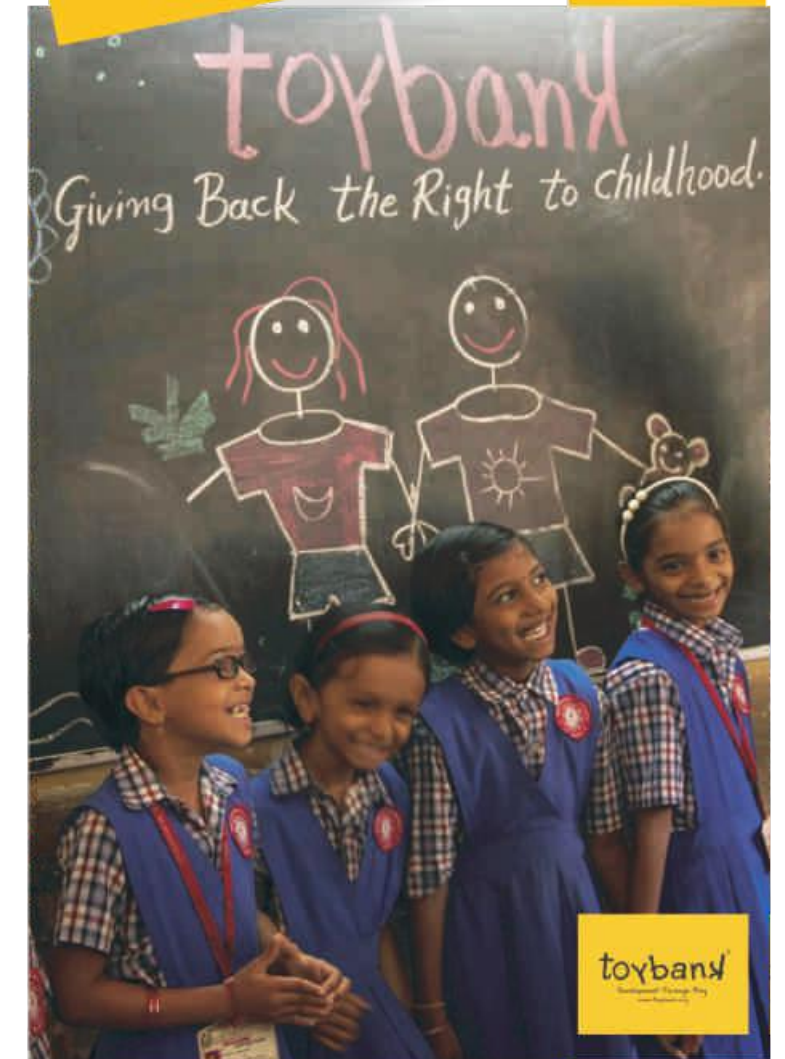
Seven-year-old Priya (name changed) is an autistic child at our Toybank play centre in Bandra, Mumbai. A very quiet child, Priya also displayed poor motor skill performance, repetitive behaviour and had low levels of interaction among her peers. As initially noticed by Toybank field officers and the centre-in-charge, she was unable to build any bonds as she failed to familiarize faces and voices. Priya also found difficulty in responding to complex and non-verbal methods of communication.

The Toybank play sessions at Priya’s school are conducted 6 days a week. It is during these sessions that our field officers personally focus on Priya and provide her the right toys and games. She is encouraged to play with special puzzles that aid in enhancing the motor skills. **The bright blocks, sorters and screws allow Priya to build self-awareness of her own capacities.** After initially being hesitant, she started enjoying to play during the Toybank sessions.

On close observation, Priya has shown positive development signs and increased interaction with other children as well as her teachers. She is able to concentrate and pick up the toys. Her mother has also informed us of Priya’s positive basic development and is showing signs of ‘expressing’ her happiness on being able to achieve a task during play.

Through more guidance and hand holding support, we at Toybank firmly believe that Priya will benefit through our continued play sessions.

Toybank will continue to do the work we do and not stop until every child has been given the right to enjoy their childhood, through toys, games and play.





At a tender age of 7, **Alfiya Sulemanji**, a young Dawoodi Bohra woman, was put through a rite of passage that changed her life forever; a rite of passage, which took away her right to a complete body. This was the rite of FGM/C or Khatna, as it's called within the community, where a piece of the clitoris is cut off, using a razor/blade/knife.

In March of 2016, when Sahiyo's efforts of breaking the silence through our story-telling platform, gained momentum, and cut across all generations, and borders, **Alfiya** became one of those brave voices from New York to share her painful memory of Khatna.

Today, almost a year later, on the occasion of Zero Tolerance Day for FGM/C, which took place on the 6th of February, **Alfiya** shared this photo with us, and the world. Her message was loud and clear-“Not my daughters”.

We at Sahiyo, are no doubt elated to see, how a small murmur conceived by us, birthed a roar, a movement so big, which has not only challenged age old traditions, but also grabbed the attention of change makers all over the world.

We applaud **Alfiya's** exemplary courage to choose compassion over tradition.

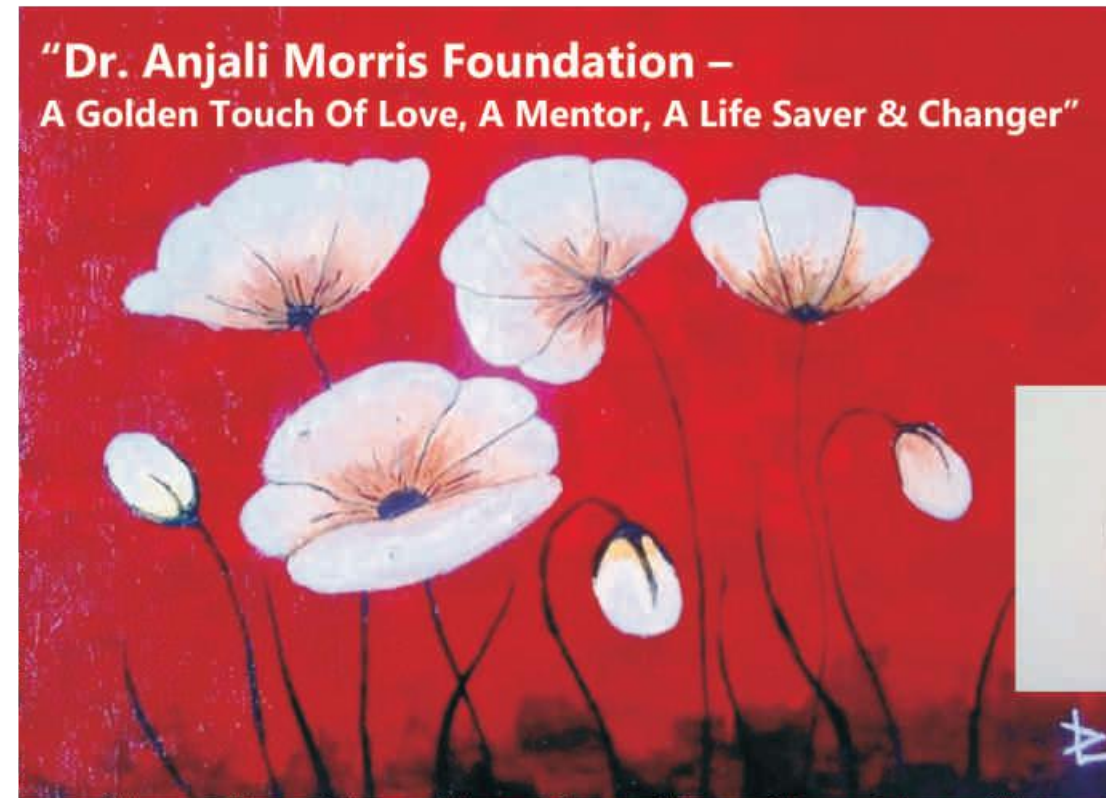


Sahiyo's mission is to empower Dawoodi Bohra and other Asian communities to end female genital cutting and create positive social change through dialogue, education and collaboration based on community involvement. The NGO has received international recognition for its community-based approach in addressing FGC through research, public awareness campaigns, their website's story-sharing platform, and advocacy initiatives.



MORRIS FOUNDATION

“Dr. Anjali Morris Foundation – A Golden Touch Of Love, A Mentor, A Life Saver & Changer”



Today as I look back at my 15-year-old daughter, I cannot believe that, 3yrs ago, as a 6th std student who was hugely struggling in academics, labeled as “Intellectually Impaired” by Society, very low in self-esteem and confidence could successfully reach 9th std and be a gold medalist in State level Thai Boxing competition.

In November 2013, I visited the Anjali Morris Foundation with my daughter who struggled to read 4-5 letter words, poor writing and unable to do any math. The staff conducted some academic assessments and the first thing they confirmed to me was that my daughter was not “Intellectually Impaired” and only had skill deficit in reading, writing and math, which could be improved by remedial education. What a relief!!!. All they requested was my cooperation and patience in this long journey.

Since December 2013 until date, my daughter showed remarkable improvement in learning concepts of reading, writing and math. Currently she is enrolled in the Empower reading programme. AMF also guided us to get certification from Sassoon hospital, which offers accommodations to children with Learning Disabilities. We are confident that with this she will successfully complete her tenth standard.

Teamwork, love and patience helped my daughter succeed and same will be for your children.... All it takes is a helping hand.....

AMF provides remedial services to children who are at risk of Learning Disabilities and Attention Deficit Hyperactivity Disorders. It also provides technical assistance to other educational entities, conducts teacher orientation programs. AMF is a Global Partner with the International Dyslexia Association.



Making A Difference - Through The Arts And A Cause



Well known theatre artists, producers, directors Mahabanoo Mody-Kotwal, and her son Kaizaad Kotwal run Poor-Box Productions. Most well known is The Vagina Monologues, which has been running for over 15 years. They also founded the Make-A-Difference Foundation to help raise awareness and funds to help combat violence against women from the grassroots up. Keeping the theme of this newsmagazine we wanted to feature how they make-a-difference.

Your entry into the social sector

The Vagina monologues talks about bringing about an awareness of abuse towards women and trying to stop violence against them. Internationally, it has raised over 50 million dollars by the playwright, Eve Ensler. She has opened a centre in the Congo where she spends a major part of the year. Since violence against women is a major problem in India, we thought of doing something similar, though on a smaller scale considering that we are a very, very, small theatre company.

Tell us about your day job

It's not a regular day job, unless it's mounting a new production, in which case it's 4-6 hour rehearsals at least 4-5 times a week and more frequent nearing the opening of the show. During fundraising, we spend at least 9-12 months working on the project.



(March 25, 2009 - N.C.P.A. Tata Theatre, Mumbai): Backstage at the event V-DAY INDIA 2009: WOMEN AND MEN ENDING VIOLENCE "ALL" TOGETHER to raise funds to combat and end violence against women. POOR-BOX PRODUCTIONS collaborated with Bollywood's youngest and brightest to raise funds for SNEHA (a shelter in Dharavi) and Haseena Hussain. (L to R: Avantika Akerkar, Haseena Hussain, Dolly Thakore, Mahabanoo Mody-Kotwal, Imran Khan & Loveleen Tandan.)

Learning and difficult moments along the way in setting up the foundation

Getting permission to set up the foundation, had its usual problems of getting the 80-G certificate, etc. Our aims and objectives had to be very clear...we work only for the empowerment of women. That is our focus.

Do you think being a celebrity makes it easier to raise awareness/funds for a cause?

As I am not a celebrity, cannot answer this question.....yes, being in the public eye it's easier to reach out and bring about awareness, but not easy to raise funds.

What have been fulfilling moments?

There have been many fulfilling moments, on and off the stage, but our work with the women for the NGO, SNEHA, in the Dharavi slums has been extremely satisfying, as well as financially helping Haseena Hussain, an blind acid attack victim from Bangalore. She now mentors other victims of acid attacks and has found a regular job. There are many others, but these are the main ones.

How do you ensure that your partnership with the beneficiaries is productive?

We interact on a regular basis and are part of the process of the cause. Thereby we get to know that the work done by the NGOs is credible and along the lines of our aims and objectives. We have over the years learnt that to be forthright and clear in our objectives to our beneficiaries is of utmost important. We look hard and deep for credible people / organizations we deal with. Sometimes we have had to back off from projects when we felt this was not so.

What is the common skill you need/display when on stage /when at the foundation?

I, personally, have found that when I get emotionally involved without sorting things out at a mental level, things have gone a bit awry, but...we try our best to be as practical and judicious as possible. It's difficult and not easy considering the horror stories we listen to.

How do you see your cause scale up & remain sustainable?

The problem is so vast, that, sometimes one feels dejected and frustrated. But till this endemic of violence continues, we have no choice but to toil on, because as the tag line of the play goes, SILENCE=DEATH. ♦

Growth in CSR Spending

Thanks to the Indian Companies Act 2013 which came into force from 1st April 2014, Corporate Social Responsibility (CSR) became mandatory for companies falling within the criteria of net-worth, turnover or profitability u/s 135(1) of the Act 2013. During the first fiscal year 2014-15 compliance and spending on CSR activities was low. However, in the second year (fiscal year 2015-16) CRISIL Foundation's (the philanthropic arm of the credit rating agency CRISIL) analysis shows overall spending increased by 22%, with the bulk of the funds going to education, skill development, healthcare and sanitation initiatives.

The report has analyzed 1,505 companies out of the 4,887 Bombay Stock Exchange (BSE) listed firms that qualify for CSR spending. The report shows an increase in the number of firms that are in compliance with CSR Rules and thus the rise in spending.

The report also states that the key focus areas of CSR spending in FY 2015-16 were education, skill development, healthcare and sanitation—similar to those seen among the top 100 National Stock Exchange firms in the previous year.

Key Highlights:

- CRISIL Foundation's analysis shows overall spending increased by a significant 22%.
- Average spending rose 29 points to 1.64% as compared with 1.35% in FY 2014-15.
- In absolute terms, the total money spent rose by Rs. 2,500 crore to Rs. 8,300 crore in FY 2015-16.
- There were two reasons for the 22% jump in adherence by the larger companies— firms are overcoming the challenge of large-scale interventions, which takes more time and effort, and they are using implementing agencies, mainly non-governmental organisations, for execution.
- Among the trend shifts between FY 2014-15 and FY 2015-16 is the focus of firms on ensuring impact. ♦

ASK THE EXPERTS

LEGAL



Our major project is a 100-day residential programme for boys/ girls in literacy skills, life-skills, livelihood skills. We work under contract model and hence pay huge service tax (input), can a refund of the service tax be claimed. What is the industry practice?

A - Unfortunately No. You may be exempt under Income tax. However, Service tax is an Indirect tax and it is applicable for services rendered or received even by charitable organisations.

FINANCE



We have fixed deposits in banks but they are deducting the tax on interest. We are a registered NGO under section 12a / 80G. How can we get exemption from TDS deduction?

Most banks deduct TDS despite submission of 12AA certificate. You may allow TDS to be deducted and then file claim for refund with income tax while filing your annual return. Alternately you may apply (in Form No. 13) to the ITO for an order under section 197 for non deduction of TDS. You may request your CA to do this for you.

BOARD GOVERNANCE



Is there a legal requirement for an organisation registered under the Societies Act, to maintain a Minutes Book /File for board meetings and do the minutes have to be signed?

The Societies Registration Act makes no reference to recording the minutes of the meeting and the Rules do not specify how minutes should be maintained. Regardless, it is at duly convened meetings that important policy decisions are adopted and therefore it is important to record such decisions and resolutions. The concept of a Minutes book is essentially a bound register in order to avoid manipulation. The Companies Act allows minutes to be maintained as loose leaf but duly signed.

HUMAN RESOURCES



Can any employee opt out of PF and if so, is there any cap on the salary/wage below which PF is compulsory?

The Employees Provident Fund and Miscellaneous Provisions Act, 1952 is a Central Act applicable throughout India, to provide, retirement benefits to employees of organisations (whether for-profit or non-profit) which employ 20 or more persons. Organisations which employ less than 20 persons may choose to register under the Act, provided that the management and majority of the employees agree.

Under the Act, employees drawing wages (being Basic Wages plus Dearness Allowance) less than or equal to Rs. 15,000/- (up to year 2015 Rs. 6,500) per month are eligible for benefits under the Act. If an employee's salary at the time of joining is above Rs. 15,000/- he/she may opt not to become a member of EPF however one cannot opt-out afterwards.

STRATEGY



What attributes should one have in an effective strategy plan and how does one ensure practical implementation?

- ♦ A strategy plan should be purpose-driven based on a mission
- ♦ Each element should be Integrated and support the next.
- ♦ No objectives disconnected from goals, and no strategies sit all alone.
- ♦ Make the document systematic by breaking it into manageable and executable parts.
- ♦ Keep the plan dynamic to incorporate changes as you go along.
- ♦ Include all areas of the organization.
- ♦ Keep it simple understandable by all. If anyone, from the top of the organization to the bottom, doesn't understand the plan or how he or she fits in, it won't work.
- ♦ Lastly keep it realistic. Do not over plan. Make sure you have the resources to support the goals.

VOLUNTEER MANAGEMENT



We wish to hire a foreign (British) volunteer for our work in India. Do we need an FCRA registration for that? What visa should the volunteer have?

Being registered under FCRA has nothing to do with hiring volunteers. Foreigners doing volunteer/intern work in India are now granted employment visas with special endorsement on his/ her E Visa "To Work With NGO— (Name of the NGO and place of work) subject to usual checks and formalities. Employment visas are usually granted for one year, or the term of the contract. They can be extended in India. In order to apply for an Employment visa, the foreign national will need proof of employment, such as a contract or volunteer agreement that states the terms and conditions.

CORPORATE SUPPORT



Can a Corporate Foundation utilise a part of its Corpus Fund to fill resource gaps in CSR projects?

CSR Contribution made by the company to its foundation can be in the form of a 'Corpus Grant'. For the Foundation this would not be 'income' and therefore reflected as a 'capital receipt' in the Balance Sheet. If the Foundation is faced with a cash crunch, it may dig into its capital or corpus to sustain projects and programs which would otherwise come to a standstill if funds are not released at the promised time.

COMMUNICATION /REPORTING



Recently we were told that our NGO website was not mobile friendly? How important is it?

These days, a majority of web browsing (around 52%) is done from mobile phones. It is said that number shoots up to 80% when browsing Facebook! That means if all the elements of your posts aren't mobile-responsive, you're probably missing out on the majority of your donors. This tip is especially important when it comes to online donation forms. It's critical that these forms are mobile-responsive. That way, when your supporters are ready to contribute, it is always an option.

FUNDRAISING



If a public charitable trust arranges for a musical programme - is it allowed to sell the tickets? Will this in any manner constitute as business activities?

If it is a one-off fundraising or awareness building event it would not be considered as business activity. Instead of tickets you can issue donor passes. Print on Donor pass "By Invitation only" to show private nature of event. ♦

Readers can send in their queries & our experts will provide the answers. Write to us at connect@capindia.in

CAP's Accountant Jerry Retires

Jerry our senior accountant retired after 25 years of meticulous and methodical accounting. Jerry's role involved ensuring CAP complied with all statutory fiscal requirements.

According to CAP's statutory auditor, Mr. Sanjay Mehta, "His book-keeping is so flawless and timely that it makes the annual financial audit a very smooth and easy process." This combination of accuracy and attention to detail in his work has helped CAP continue to maintain its sound financial systems.



JERRY retires to a laid back life in his Goan home. We wish Jerry all the best and thank him for his valuable service.

Bombay High Court grants interim relief to 'Lawyers Collective'

Court has observed that FCRA “does not provide for a government to stifle the very functioning of individuals or associations”

The Bombay high court has ordered de-freezing of the domestic and non-FCRA bank accounts of 'Lawyers Collective', the not-for-profit association run by former Additional Solicitor General of India Ms. Indira Jaising.

Justice M.S. Sonak in an interim order on 30th January 2017 restrained the Charity Commissioner from attaching the assets and accounts of the Lawyers Collective. The High court observed that while the Union government had powers under the Foreign Contribution Regulation Act (FCRA) to “regulate or, even prevent the acceptance of foreign funds by an association, the Act did not provide for a government to stifle the very functioning of individuals or associations.”

In November 2016, the Union Ministry of Home Affairs (MHA) had cancelled permanently the FCRA registration of 'Lawyers Collective', alleging misuse of foreign funds. MHA had also directed that all bank accounts of the NGO be frozen and that its assets be attached. The association then approached the High Court arguing that the MHA order that takes recourse under Sections 22 and 15 of the FCRA was erroneous and that the sections had been misinterpreted.

Senior counsel Aspi Chinoy, appearing for Lawyers Collective, argued that FCRA provisions allowed for disposal of assets of only such organisations that had become defunct, but Lawyers Collective was an existing entity that conducted extensive legal research in the fields of health and social justice.

The Union government, through Additional Solicitor General Anil Singh, argued on the other hand that the MHA's cancellation order was valid since the “trustees of Lawyers Collective had diverted the money received by the association for personal gains”. Justice Sonak, however, observed that some of the allegations leveled by MHA were “quite vague” and since the appeal will be taken up for final hearing to decide upon the legality of the MHA's decision, it would not be appropriate to halt the functioning of the association in the meanwhile. ♦

The Maternity Benefit (Amendment) Bill 2016

The amendment introduced under the Maternity Benefit (Amendment) Bill 2016 as and when it becomes the law, will prove beneficial to women and make India the third highest provider of paid maternity leave to women employees in the private sector after Canada and Norway.

The Maternity Benefit Act 1961 regulates paid maternity leave entitlement and other related benefits for women employed in factories, mines and shops or commercial establishments employing ten or more employees, for certain periods prior to and after childbirth and provides for post-partum care facilities amongst other benefits. This law is also applicable to charitable organisations / NGOs registered under the Shops & Establishments Act and employing ten or more employees.

Current Status of the Bill

It was passed by the Lok Sabha and Rajya Sabha. **Subject to Presidential Assent, the Bill will become a Law on and from the date of its publication in the Official Gazette.**

What does the Bill promise?

Increased Paid Maternity Leave: The Bill seeks to increase the duration of maternity leave available for women employees from the existing 12 weeks to 26 weeks.

Maternity leave for adoptive and commissioning mothers: The MB Bill provides that every woman who adopts a child shall be entitled to 12 weeks of maternity leave, from the date of adoption. Earlier, no such benefits were available to adoptive mothers.

Work from Home option: The Bill has introduced an enabling provision relating to “work from home” for women, which may be exercised after the expiry of the 26 weeks' leave period.

Crèche facility: The Bill makes crèche facility mandatory for every establishment employing 50 or more women. Women employees would be permitted to visit the crèche 4 times during the day.

Employee awareness: The Bill makes it mandatory for employers to educate women about the maternity benefits available to them at the time of their appointment.

CAP will provide further updates once this Bill receives Presidential assent and is published in the Official Gazette. This could happen over the next few weeks. Read this detailed article on our blog. ♦

