

4 non-profits have availed of the CAP COMPLIANCE COMPLETE CERTIFICATION this year.
On pages 20 to 23 you can read their profiles.



CENTRE FOR ADVANCEMENT OF PHILANTHROPY

CAPacity Building towards Compliance

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.

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.

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 our COO Meher - meher@capindia.in

Certificate Of Compliance

awarded to

*For meeting or exceeding the compliance
requirements for non-profit organizations*

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CENTRE FOR ADVANCEMENT OF PHILANTHROPY

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PHILANTHROPY

Legal news and updates for the social sector



Evolution

of the Sector and



Centre for Advancement of Philanthropy

Celebrates Three Decades of Service to the Philanthropic Sector in India

On 7th November 2016, the Centre for Advancement of Philanthropy (CAP) completed thirty years of service. To further commemorate the occasion, on 9th November 2016, the Centre celebrated the evening at Sassy Spoon Nariman Point, Mumbai with its members, affiliates & well wishers.



Rati Forbes (Director, Forbes Marshall Group) is currently chairperson of the Centre and leads it with a remarkable sense of commitment and engagement. Her father-in-law Mr. Darius Forbes is a Founder Director of CAP and as a family; they have been Patrons of the Centre in the true sense of that word. Rati welcomed the guests.



Dr. Ruth Shapiro of the Centre for Asian Philanthropy & Society (Hong Kong) was the keynote speaker and provided valuable insights on philanthropic trends across Asia. CAPS is committed to increasing the quality and quantity of philanthropy and social investment in Asia. Dr Shapiro is currently writing a new book on philanthropy and social delivery norms and trends in Asia.

Continued on back cover

PHILANTHROPY

Quarter 3- October - December, 2016



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

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Editorial



In India or abroad, ideas and institutions that have survived are those that have managed change! When I joined CAP 30 years ago, American Foundations that were born out of wealth from the industrial revolution of the early twentieth century ruled the roost. Foundations such as Ford, Rockefeller and Mott funded a wide gamut of activities both within the USA and globally. Their philanthropic interests not only covered education and health care but also the arts and culture. Then came the new age twenty-first century philanthropists like Gates and Zuckerberg who overhauled the very concept of philanthropy.

Philanthropy today has become so professional, that somewhere along the way, it has lost its soul. 'Doing-good' is no longer a private act between a bountiful giver and a grateful receiver. It is now about prudent social investments! Support for relief of distress or misfortune is on the wane and considered, 'sob-stuff charity'. It's not about being 'hard hearted'; it's about being 'tough minded'.

Currently, overseas foundations are less interested in supporting philanthropy and philanthropic institutions and more focused on supporting 'civil society', advocacy and democratic values and institutions!

Indeed, the sector, globally, has evolved from charity to philanthropy and now to venture philanthropy and promoting new age 'social enterprises'! It's about taking concepts and techniques from venture capital finance and high technology business management and applying them to achieving philanthropic goals. It is characterized by a willingness to experiment and try new approaches, focus on measurable results and giving financial, intellectual and human capital! Any wonder that today we also have a 'Social Stock Market' where investors buy stocks and bonds of companies that have strong economic and social returns.

I wonder if evolution ensures existence or evolution ensures end of empathy!

Noshir Dadrawala
CEO - CAP



Theme Thoughts

I asked Noshir to think of one word when he looked back at 30 years of CAP. 'Evolution' he said and that's our theme. CAP certainly has evolved maybe not like many of the newer organisations set up today, but we don't measure evolution by success we measure it by satisfaction & fulfillment. So from being just a clearing house of information, we have evolved to being a one-stop shop for compliance certification.

The sector has evolved. More professional today than it was 30 years ago when it was driven only by good intention. Today we have more intermediary organisations assisting non-profits better their programmes, non-profits evaluating their method of work and donors asking more pertinent questions.

One point that was reinforced at the Fundraising workshop was how today donors decide less by the heart and more by the head. It was debated if they should give or not largely based on scale in numbers, sustainability of programmes & impact which often cannot be measured. However I met two well-known leaders in the sector who were happy to have their organisations remain the size they were, scale in depth and they were happy with the impact their work had on their 'being happy quotient'. I guess the bottom line would be to keep the balance.

When I look back at my journey in the social sector, I feel blessed to have worked with some of the best organisations, made some wonderful friends with grounded values and of course I think my life has evolved to being so much more meaningful.

At CAP's HR workshop, all participants discussed their journey of evolution. Almost all but one had crossed over from the corporate world, felt they evolved as professionals and personally and were in a happy space. Now isn't that's how we all should evolve?

Meher Gandevia- Billimoria
COO-CAP



Compliance under Lokpal Act Postponed Indefinitely

No need to file declaration of assets before 31st December 2016

There was a lot of anxiety and panic in the nonprofit sector across India around compliance under the Lokpal Act before the 31st December 2016 deadline. As usual certain 'professionals' and 'consultants' had even started to advertise tutorials on "how to comply". However based on our previous discussions with the government, we, at CAP, were reasonably certain that the date for compliance would be extended and indeed that has been the case.

CAP has also refrained from filing any writ petition in the court because we found that the authorities were quite responsive and sympathetic to the grievances which those within the sector had submitted earlier.

As per Office Memorandum (OM) dated 8th December 2016 issued by the Ministry of Personnel, Public Grievances and Pensions Department of Personnel and Training, Government of India: **"There is no requirement for filing of declarations of assets and liabilities by public servants now"**.

Further, according to the OM, the government is under the process of **"finalizing a fresh set of rules"** and the same would be notified in **"due course"**.

No specific deadline has been given within which the fresh rules will be framed. Hence, until the new Rules are framed and notified, one may simply stay alert and tuned in, but, do nothing more by way of compliance under this Act.

We are reasonably certain that given time, more reliefs will come our way.

CAP's Analysis and Advisory:

1) According to the OM of 8th December 2016, the government has withdrawn the requirement for "Public Servants" to disclose their income and assets for the present until Government notifies a new set of rules.

2) However, since there is no amendment made to Section 14(1) g and h of the Act, trustees, officers, etc., of organisations receiving more than ten lakhs rupees under FCRA 2010 or more than one crore rupees by way of grant from central government will continue to be deemed 'Public Servants', **though the disclosure requirement in the interim has been withdrawn.**

Lokpal Update



3) Our line of argument with the government continues to remain consistent -- persons covered under section 14(1) g and h should not be deemed as public servants as defined by the Act since they neither draw a salary from the public exchequer, nor are they appointed by the government and nor do not have the authority or representational character of a typical public servant for whom the Act was originally meant.

4) Much as we appreciate the interim relief provided, arduous requirements could once again be reintroduced by the government by way of a notification and hence it is strongly recommended that **Section 14(1)h should be completely rescinded** because there are more than adequate compliances and disclosures already in force under FCRA 2010. Besides, how does a trustee or an officer of charitable organization become 'public servant', simply because funds are received by the organization for charitable purpose/s from private foreign source/s?

5) Where Section 14(1)g is concerned, the issue pertains to grants from central government. However, the one crore rupees limit is too low. The threshold should be substantially raised. Also, for the purpose of improving oversight, the government could appoint government nominees to oversee and report to the government on utilization of such government grants.

CAP will continue to persuade the government in this matter along with other sector networks like VANI and industry bodies like CII. In the meantime, readers are requested to follow our blog for updates. ♦

Proposed Amendment to FC Rules

The government's obsession with regulating 'foreign funding' is now starting to border around paranoia and moving from 'regulation' to 'control'. It's unhealthy, to say the least.



The move is not only aimed at enabling tighter monitoring of NGOs' foreign receipts, but also keeping track of their utilization.

Right now, MHA depends on banks to give them details within 48 hours of any transaction. This proposed amendment will allow the Centre to readily access and examine the FCRA accounts of an NGO under scrutiny, through authorized agencies like the Intelligence Bureau, the RAW or the FCRA monitoring unit of the Home Ministry.

Another key amendment proposed to the FCRR would require all NGOs to maintain their FCRA accounts in banks with a core banking system. Reportedly, of the over 33,000 licensed NGOs, around 5,000 to 6,000 maintain their FCRA accounts in small cooperative banks that do not have core banking.

The third amendment under consideration seeks to limit the prior permission route to just two transactions/projects after which it will be mandatory for the NGO to apply for regular registration under FCRA.

Reportedly the Ministry of Home Affairs may soon require all NGOs registered or granted prior permission to receive foreign funds under the Foreign Contribution (Regulation) Act, 2010, to allow the Central Government to access details of their FCRA Bank accounts in real time.

According to amendments proposed by the Union Home Ministry to the Foreign Contribution (Regulation) Rules (FCRR), 2011, NGOs may have to give their consent in writing at the time of applying for registration or prior permission, and also during the renewal of the FCRA license.



CAP has always been a great support to NGOs like Aseema and given us sound and pragmatic advice on various matters. In the past year, CAP's practical insights on regulatory issues have helped greatly in understanding complex legal issues. The workshops organized by you from time-to-time and your newsmagazine enhance our staff's knowledge and skills and help us to adopt best practices followed in the development sector. Aseema's Education Centre will complete 20 years next month and we sincerely thank you for helping in our growth as well - your holistic approach resonates with our vision of realizing human potential through quality education. **Dilbur Parakh, Chairperson, Aseema Charitable Trust**

CAP is the 'go to place' where you get a solution for almost every problem an NGO can face. In the last 3 years the Anjali Morris Foundation (AMF) has consulted CAP on many major and minor issues. Each has been addressed satisfactorily. The legal audit conducted by CAP, a first for us, helped boost our confidence about our structured processes and documentation, especially regarding statutory compliances. Mr. Dadrawala's suggestion of having a savings account, rather than current account, helped us save money - a fact we were unaware of all these years. At the time when we faced a dilemma regarding strengthening our corpus fund, CAP helped us resolve all our queries. Thank you CAP!! Keep up your great work. **Uma Kulkarni, Anjali Morris Foundation**

WHAT IS



ALIA REPLIED

IT'S A
Abbreviation of
Good-night
Sweet dream
Take care



GST will come into force from 1st April 2017 and there is buildup of excitement and apprehension. At the appropriate time, CAP will organize a workshop on this topic especially for NGOs offering services falling within the purview of Service tax and NGOs who sell goods and products and fall within the scope of VAT.

What is Goods and Service Tax (GST)?

It is a destination based tax on consumption of goods and services. It is proposed to be levied at all stages right from manufacture up to final consumption with credit of taxes paid at previous stages available as setoff. In a nutshell, only value addition will be taxed and burden of tax is to be borne by the final consumer.

Existing taxes proposed to be subsumed under GST?

The GST would replace the following taxes:

- (i) Taxes currently levied and collected by the Centre:
- Central Excise duty
 - Duties of Excise (Medicinal and Toilet Preparations)
 - Additional Duties of Excise (Goods of Special Importance)
 - Additional Duties of Excise (Textiles and Textile Products)
 - Additional Duties of Customs (commonly known as CVD)
 - Special Additional Duty of Customs (SAD)
 - Service Tax
 - Central Surcharges and Cesses so far as they relate to supply of goods and services

(ii) State taxes that would be subsumed under the GST:

- State VAT
- Central Sales Tax
- Luxury Tax
- Entry Tax (all forms)
- Entertainment and Amusement Tax (except when levied by the local bodies)
- Taxes on advertisements
- Purchase Tax
- Taxes on lotteries, betting and ambling
- State Surcharges and Cesses so far as they relate to supply of goods and services.

The GST Council shall make recommendations to the Union and States on the taxes, cesses and surcharges levied by the Centre, the States and the local bodies which may be subsumed in the GST.



Introduction of GST would be a very significant step in the field of indirect tax reforms in India. By amalgamating a large number of Central and State taxes into a single tax and allowing set-off of prior-stage taxes, it would mitigate the ill effects of cascading and pave the way for a common national market.

CAP will conduct a session on GST before it comes into force. Kindly await a mail on the same.



Giving Around the Globe

By: Noshir Dadrawala



Latin America: Just 38% of Latin American companies offered matching-gift programs, which is lower than any other region, suggesting Latin American companies can explore increasing employee engagement by matching donations to employees' personal donations, engendering a deeper sense of giving back.

Africa: Few South African companies offer Pro Bono service opportunities, despite a deep-seated commitment to giving across the continent. Corporations may do well to leap-frog straight to skills-based volunteering, like pro bono, when building new philanthropy or community engagement efforts.

North America: The median number of countries included in a North America-based company's giving portfolio grew to 12 in 2016, up from 10 in 2015. With leading corporations taking on more commitments in global giving, businesses looking to expand their own efforts can leverage this median figure to make the case for expanding international giving geographically.



CECP recently released their "2016 Giving Around the Globe Report". This year's report is the result of a comprehensive analysis of data and key findings from over 120 large companies headquartered in 20 countries across the world. A key finding is that societal engagement is on the rise globally, however levels are uneven. Please click on <http://cecp.co/measurement/global-measurement.html>

Key Regional-Level Insights:

Asia: Pro Bono service is the most commonly offered domestic volunteer program and several organizations also promote skills-based volunteering opportunities for employees working in Asia.

Europe: 81% of surveyed European companies give internationally, although the United Kingdom (UK) European Union membership referendum (also known as Brexit) may affect companies' contributions within Europe and the UK as well as labor mobility.



Jai Vakeel Foundation and Research Centre has been a member with CAP for more than 15 years and have benefitted tremendously from all their guidance and support. CAP has guided us in terms of FCRA for receiving overseas donation in cash and kind. CAP is a ready reckoner for Compliance and good governance for our institute and its governing body. **Chetna Bhatt, Jai Vakeel Foundation**

NGO founders are driven by passion and a will to make a difference to their beneficiaries. The biggest challenge for us is to survive in an industry which has no ecosystem. CAP plays an important role by being an approachable, professional, knowledgeable and cost effective guide for us to manoeuvre in these stormy waters that we never anticipated. **Meenal Srinivasan, Educo**

By: Viney Kirpal

Is CSR a Planned or an Ad Hoc Activity of the Company?

Mandatory CSR giving is still new for most companies. CSR giving is largely an ad hoc activity. If this were not so, why do many proposals get selected merely because the founder of the NGO knew the CEO or the Head of CSR while others get rejected summarily in the absence of a properly planned and transparent screening process? The present approach generates a feeling of bias in the selection process because though a proposal is innovative and well-designed, it gets rejected for lame reasons such as 'We have already tied up our funds'. **I believe that greater transparency and a well-planned system of grant allocation must be initiated across companies. That would remove this feeling in NGOs 'that only if you know someone you are given grants'** Hence, I am sharing below some ideas for the readers' consideration and improvement.

Firstly, all companies must provide complete information on their websites about their CSR policy and strictly state that Proposals designed around them alone would be accepted. Next, all necessary Proposal templates and -this is very important- amounts available for grants should be provided. Further, a list of mandatory documents that an NGO should possess must be posted. This would help NGOs send in complete proposals and not waste the time of the funding body.

Secondly, the method of Proposal evaluation, the names of the CSR Committee as also core screening committee and the selection process - beginning with the dates of application and deadlines for different levels of selections and selection criteria- should be openly mentioned. In addition, the dates by which applicants would know whether or not they have been selected to the next level must also be made known. The date by which the list of the finalists/grantees would be announced must also be declared. Majority of foreign granters display such Calendars routinely on the website. High time we too did so. This would usher in transparency as well as a system.

Besides transparency and timelines, timely announcement of grant-allocation is also very important. This calls for consciously linking the time taken by the screening process to the ground realities of the project under consideration. Let me elaborate. Suppose an NGO works in the education sector and had submitted its proposal in April as asked, of what use are CSR funds to the NGO if they are disbursed in the month of December

because the members of their CSR committee were too busy to meet? A little consideration of the fact that the academic year in schools in India begins in May/June/July in most parts of the country would ensure that proposals are invited well in advance so that MoUs are signed in March, and grants are disbursed in April of the new fiscal year. NGOs can then begin their school projects on time.

Companies must understand that grants given late have diminishing returns. **Planning for CSR grant disbursements must be regarded as akin to planning a mega Project of the company instead of executing it as an ad hoc activity.**



This article was contributed by CAP member & newsmagazine reader Viney Kirpal, Executive President GREAT Foundation, Pune



Exemptions Under the Companies Act 2013 to Companies Licensed u/s 8

Section 8 (Nonprofit) Companies are exempted from certain provisions of the Indian Companies Act, 2013 as per section 462 of Companies (Amendment) Act 2015. Since a number of new NPOs in India are now registering under this Act instead of the Trusts or the Societies Registration Act, the following information should be of interest and importance.

The Central Government vide notification G.S.R. 466(E) dated 05.06.2015 directs that certain provisions of the Companies Act (CA) 2013 shall not apply or shall apply with some exceptions, modifications and adaptations to a body to which a license is granted under the provisions of section 8 of CA 2013.

- 1) **Definition of Company Secretary** [Clause (24) of Section 2]: The definition of Company Secretary to be appointed to perform the functions of a company secretary shall not apply.
- 2) **Definition of Private Company** [Clause (68) of Section 2]: The requirement of having minimum paid-up share capital shall not apply.
- 3) **Definition of Public Company** [Clause (71) of Section 2]: The requirement of having minimum paid-up share capital shall not apply.
- 4) **Time, Date and Place of AGM** [Section 96(2)]: Every company other than a One-Person Company (OPC) is required to call Annual General Meeting (AGM) during business hours (i.e. between 9 a.m. and 6 p.m.) on any day except National Holiday and shall be held either at the registered office or within the city/ town/ village in which the registered office of the company is situate. However, the Central Government exempts section 8 companies from the above requirements
- 5) **Notice Period for General Meeting** [Section 101(1)]: Companies licensed under section 8 may give notice for calling a general meeting just before 14 days instead of 21 days.
- 6) **Minutes of Proceeding of General Meeting** [Section 118]: The minutes may be recorded within 30 days of the conclusion of every meeting.
- 7) **Copy of Financial Statements** [Section 136 (1)]: Companies registered with charitable objects shall send a copy of the Financial Statements, including Consolidated Financial Statements (CFS), if any, Auditor's Report and every other document required by law to be annexed or attached to the financial statements, which are to be laid before a company in its general meeting to every member of

the company, to every trustee for the debenture holder of any debentures issued by the company, and to all persons other than such member or trustee, being the person so entitled, not less than fourteen days (instead of twenty-one days) before the date of the meeting.

- 8) **Minimum and Maximum Number of Directors** [Section 149(1)]: A One-Person Company shall have minimum one director; a private company shall have minimum two directors and a public company shall have at least three directors. Additionally, a company may appoint maximum 15 directors. To increase number of directors from more than fifteen, the company must pass Special Resolution in General Meeting. Companies registered with charitable objects are free to appoint any number of directors and there is no need to pass special resolution for appointment of more than 15 directors.
- 9) **Independent Directors in Board** [Section 149(4) to 149(12)]: Section 8 companies are not required to comply with the provisions relating to definition of independent directors, requirement of minimum number of Independent Directors, time limit for appoint and reappointment of an Independent Director, declaration of status by Independent Director, abide by Schedule IV, entitlement of stock option and remunerations, term of office of independent directors and retirement of directors by rotation etc.
- 10) **Data Bank of Independent Directors** [Section 150]: The selection of an Independent Director may be made from the data bank maintained by a body, institute or association notified by the Central Government. Data bank contains names, addresses and qualifications of persons who are eligible and willing to act as independent directors in a company. However, companies licensed under the provisions of section 8 of companies act, 2013 need not comply with such requirements.
- 11) **Consent of Directors to Registrar** [Section 152(5)]: Appointed directors have to give their consent to hold office as director and such consent has been filed within 30 days of appointment to registrar. However, the above provision shall not apply to companies registered u/s 8 of the CA 2013.
- 12) **Right of persons to stand for Directorship** [Section 160]: The appointment of directors except retiring directors in companies licensed u/s 8 of CA 2013 shall not require sending notice of 14 days along with deposit of 1 lakh rupees for being eligible for appointment to the office of a director at any general meeting.

- 13) **Number of Directorship** [Section 165(1)]: A person shall not hold office as a director in more than 20 companies and the maximum number of public companies in which a person can be appointed as a director shall not exceed 10. The above maximum limit for directorship is not applicable in case of companies registered under section 8 of the Companies Act, 2013.
- 14) **Minimum Number of Board Meetings** [Section 173(1)]: Section 8 companies are required to hold at least one Board Meeting (BM) within every 6 calendar months i.e. two BM in one year instead of minimum four meetings of its Board of Directors every year. Additionally, there is no restrictions of time gap (i.e. 120 days) between two consecutive meetings of the Board.
- 15) **Quorum for Board Meeting** [Section 174(1)]: The quorum for a meeting of the Board of Directors of section 8 companies shall be either 8 members or 25% of its total strength, whichever is less. However, the quorum for such board meeting shall not be less than two members.
- 16) **Independent Directors in Audit Committee** [Section 177(2)]: There is no need to constitute Audit Committee with independent directors forming a majority.

- 17) **Nomination and Remuneration Committee** [Section 178]: Companies registered u/s 8 are not required to constitute such committees.
- 18) **Powers of Board** [Section 179(3)]: There is no need to pass a resolution at meetings of board by section 8 companies for borrowing monies, investing funds, granting loans and giving guarantee or providing security in respect of loan. The above matters may be decided by the board by circulation.
- 19) **Disclosure of interest by Directors** [Section 184(2)]: Every director of section 8 (Non-Profit) Companies shall disclose the nature of his concern or interest at board meeting in case of related party transactions exceeding one lakh rupees and he shall not participate in such meeting.
- 20) **Register of Contracts for Directors** [Section 189]: If there are related party transactions exceeding one lakh rupees then every company registered with charitable objects shall keep registers giving separately the particulars of all contracts or arrangements to which section 184(2) or section 188 applies.



The Doing Good Index™

November 2016 was a big month!

Much happened in the world and in India in November! In the United States, Donald Trump was elected President much to the dismay of many (including yours truly!) around the world. In India, demonetization took everyone by surprise and soon proved to be an incredible hardship for the poor despite its lofty intentions and Delhi faced the worst smog in its history.

But, fortunately, some very good things happened as well. On November 9, I had the great honor of being the keynote speaker at the CAP 30th anniversary dinner. In the 30 years that the Center for the Advancement of Philanthropy has been doing its noble work, countless organizations have benefitted. It was inspirational to hear some of these stories during the celebration and I am grateful to be affiliated with this outstanding organization and the people behind it going forward.



The CAP Team

By: Ruth Shapiro

On November 15-16, my organization, the Centre for Asian Philanthropy and Society held a workshop in New Delhi with 38 partners from 16 Asian economies. The purpose of this workshop was to discuss and move forward with creating the Doing Good Index™, a groundbreaking study of the factors that hinder or enable the giving and receiving of philanthropy.

The factors that determine the vibrancy of philanthropic activity in any country are complex and multi-dimensional. The drivers for success vary across Asian economies, but there are common characteristics that are necessary – if not sufficient – for home-grown philanthropy to flourish. For example, local donors are heavily influenced by the regulatory and tax policies that govern philanthropy while the ability to register as a charity, to be tax-exempt, to receive tax-deductible contributions and to seek government contracts for projects aligned with their mission are critical factors for indigenous social delivery organizations to be successful. In order to align incentives, improve transparency and encourage more charitable engagement, it is important to understand the regulations, tax incentives and the general societal predisposition toward the giving and receiving of donations. The Doing Good Index seeks to conduct this analysis across 16 countries in Asia to cast a light on the policies and best practices that enable the domestic charitable sector to thrive.

One of the challenges in conducting policy analysis, is the lack of data about philanthropy and social delivery organizations. This is the case throughout Asia. CAPS is working with local research partners to collect data and undertake survey research to inform the analysis. We have identified those organizations with the capacity to carry out the necessary research in 16 economies in East Asia, Southeast Asia, and South Asia. The partner organizations have been selected on the basis of their expertise on the regulatory environment affecting NGOs and philanthropy and/ or have a network they can tap to carry out survey research. In India, our partners are CAP and Dasra and the analytical work is being carried out by ICRIER (Indian Council for Research of International Economic Relations).

The Doing Good Index will develop a set of indicators that in aggregate allow us to evaluate the environmental and regulatory factors that affect an individual's and a corporation's ability to engage in helping solve social

issues in the country. We will investigate four sets of questions – regulatory, tax policies, procurement, and environmental factors. Each of these areas will be further divided into indicators that will allow us to understand and evaluate them individually. Countries will not be ranked, but the comparative analysis will highlight country strengths. Our goal here is not to shame but to point to effective policies and highlight those efforts and factors that are working well in the region.

At a time when interest in Asian philanthropy has never been greater, the Doing Good Index would be groundbreaking as a first-of-its-kind review of the environment

for philanthropy across 16 Asian economies. Once the report is complete, CAPS will issue a press release with our findings. We will also work with our donors and our partners to call on relevant government officials or offer a seminar to share our findings. We hope to be able to replicate this study every two years to track change and compile longitudinal data.

We also hope that when we hold seminars in India about our work, those who are reading this column will attend to hear more about our findings and how we can all work together to strengthen the charitable sector going forward.



The CAPS Team



It is indeed heartening to see CAP's growth in such a specialised and critical niche that silently supports development practitioners from the wings. Cipla Foundation is fortunate to have been guided, right from its inception, by Noshir and Meher. Not only have they enabled us to understand critical aspects of legal and compliance, they have also helped us to not lose sight of our core purpose of existence - to make a difference in the lives of marginalised communities. We are deeply indebted and hope that many others are able to gain from their mentorship like we have. Our heartiest good wishes to all at CAP on completing 30 years. We wish you success in all that you do! **Rukmini, Cipla Foundation.**



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

Meet Madhura Yellapurkar and Arnaz Bhote

Arnaz Bhote and Madhura Yellapurkar recently joined CAP. While Madhura has taken over the reins of the accounting and office admin, Arnaz supports the programme functions. Read on to get to know them as they interview each other.



Arnaz Bhote



Madhura Yellapurkar

Q&A

M: After having worked in corporates for 15 years – how different is the experience in the social sector?

A: Working in the social sector is far from the glitzy corridors of the Fortune 500 companies I have worked for. Employees in non profit organizations sometimes “have to take it on faith” that the work they are doing day to day is contributing to a larger, more important goal.

The opportunity to learn new skills and gain experience in areas I haven’t worked in before are many due to fewer resources. Whether it is a natural disaster half the world away or a donor down the street wants the organization to think bigger about its programs, many non profits have employed new thinking, technological advances and a more entrepreneurial approach to become agile, adept and be prepared.

The best advantage is that it simply feels right to me to work for something, where I believe I can make a difference!!

M: What according to you is an important aspect of parenting?

A: Learning to “let go” and there is no “right time” to do that. Our children need to experience life and the only way they can do that is by walking the path and discovering things for themselves and valuing the lessons they learnt along the way. As parents we can be their “light houses” nothing more.

M: In your travels which country/city you enjoyed the most and why?

A: I was in awe of Isfahan, which is one of the most beautiful cities in Iran. It features numerous tree-lined

A: What inspires you to work within the social sector? What qualities does one need to work in this sector?

M: Motivating and spending time with people and seeing happy faces at the end of it all inspires me to continue my work in this field. Despite the lure of a higher salary and a better working atmosphere in the corporate world, I find my job here very fulfilling. According to those who know me, my cool temperament coupled with my passion and dedicating my 100% to everything that I do, makes me an ideal candidate to work in the social space.

A: Who has inspired you in your life and why?

M: My daughter Mrinal inspires me in my life. From her childhood she had the dream of pursuing a career in dance. As she grew up this dream turned into a reality and she choose the profession of Bharatnatyam as her livelihood. She completed her Masters in Performing Arts and joined tutelage under Guru Vaibhav Arekar who is a well known Bharatnatyam dancer, for performances. I admire my daughter’s determination for making her passion into her work. This profession may not pay her so well but the creative satisfaction she derives out of it is unmatched and unparalleled.

A: What do you do in your free time?

M: I volunteer at Ameya Palak Sanghatana (Gharkul) which is an organization for mentally challenged individuals. The organization takes care of these people from the age of 18 years till end of their lives, as some of them are abandoned or parents are incapable of providing special care to them. I spend time teaching them, telling stories and helping with the cooking of meals in the kitchen from time to time.

boulevards and flower gardens, miles of beautiful parks along the Zayandeh River; 1300 year-old covered bazaars, bridges, palaces, mosques, and minarets. It is also called nesf-e jahān meaning half of the world.

M: If you had not taken up a desk job and become a teacher instead – how do you think you would have fared?

A: Teaching needs you to be patient and calm and keep repeating yourself until you are understood. Unfortunately patience is not my virtue. So had I been a teacher I would have been called to the Principal’s office frequently....!

M: Which type of movies do you like?

A: I am a movie buff and watch all genres of cinema. I love watching Thrillers and Prison Break movies as the edge of the seat drama gets my adrenalin pumping!!

M: What is on your wish list from Santa?

A: A Little smile, a little cheer a bit of love from someone dear.... It doesn’t matter what we eat, what presents we get as long as the holidays are spent with our loved ones – My wish is to spend my holidays with my husband and kids because the love of a family is life’s greatest blessing!!

A: How does classical dance compare to other styles of dancing?

M: Classical dance is the basis of all other dance forms. If one is adept with classical dancing then learning other dance forms becomes easy.

A: What is the funniest thing that has happened to you recently?

M: I went to watch this comedy movie in Marathi called ‘Vazandar’. The story was about 2 friends and their issues with their weight and the comic situations they got themselves into. I found the movie very hilarious and could not stop laughing through it.

A: What is the one gift you would like Santa to bring you?

M: I would like Santa to gift me a Spa Holiday Package for 10 days. This will ensure that I have a relaxed and refreshed festive season and come back to work all guns blazing!!



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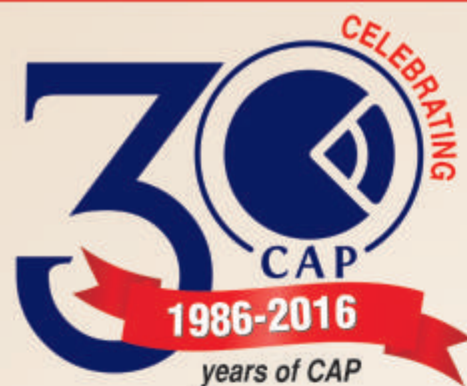
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CAP TURNS 30 What Some Of Our Members / Affiliates Say

Setting up the AURED Charitable Trust was the easy part, but there was no one to guide us in the 'DOs' and 'DONTs'. After several years of struggling we discovered CAP. At first it was just phone calls to Noshir for advice on certain matters. We realised that running a Trust meant conforming to a host of rules and regulations of which we were ignorant as were our Chartered Accountants. We then became members of CAP, attended their very informative workshops and today are confident that we are on the right track. Every NGO, TRUST, should consider becoming members of CAP. It is a lifeline! - **Aziza Tyabji Hydari - Trustee - AURED Charitable Trust**

Impact India Foundation's (IIF) relationship with CAP has been long and enduring from the beginning. Noshir Dadrawala, at CAP, represents the "go-to" helpline that IIF is dependent upon for clarifications on regulations and statutory requirements of NGOs. Attending a CAP Legal Compliance workshop is both informative and entertaining. Noshir intersperses the dry facts of his talks with wry comments and asides that make every subject interesting. That is why IIF always encourages its representatives to participate and, unfailingly refers CAP to all seekers who wish to know more about how NGOs work. Thanks to Meher and the Team at CAP the range of CAP's activities has expanded creatively to include innovative seminars and more. **Zelma Lazarus, Founder Director & CEO, Impact India**

I have been associated with CAP for more than 25 years now. Both as a development professional and University teacher CAP has added tremendous value to keep me updated on the development sector. CAP's publications have added value to NMIMS library and the blog serves as a ready reckoner for those who are a part of this sector. CAP's training programmes are a big boon to those who wish to professionalize themselves in managing social sector organizations. May CAP and all who have benefitted by CAP continue to serve the sector with both passion and logic. **Dr. Meena Galliara, Director, Jasani Centre for Social Entrepreneurship & Sustainability Management, NMIMS**

CAP has a deep commitment to guide and support organisations towards sustainable development and legal

compliance. Over our association of 22 years we have learnt and gained a lot from the services offered. Meher has spent endless hours in understanding the organisation and giving us guidance in restructuring. Mr. Dadrawala has been V Care Foundation's most trusted ally and mentor for over two decades. Whether to review a contract, demystifying a Government regulation, or compliance question, he is our go-to Guru! It is extremely reassuring to have him, and his very capable staff, advise us on legal, governmental and institutional issues. **Vandana Gupta, V Care Foundation**

Homi and I hasten to join all your well wishers in complimenting you for a Unique Project which has benefited so many Trusts. Thank you for reaching out to Big and small Trusts, like ours. **Homai H. Mehta, Director, Sir J. J. College of Commerce**

CAP has been perceptive to understand our specific requirements and has consistently provided the necessary support and advice to enable us to adopt good management practices and compliance norms applicable to the development sector. We have been regularly receiving consultation from CAP in matters related to FCRA certification and renewal, statutory compliance, legal contracts and agreements. Through their advice, Ambuja Cement Foundation has been effectively formalizing major decisions that include reviewing our various compliances and even restructuring staffing categories. **Pearl Tiwari, Ambuja Cements Limited**

Happy 30th and many more. We have also been beneficiaries of your legacy. We thank you for your assistance in setting up a trust for our parents. "Happiness to the one who gives happiness to others." You epitomize this adage with your service. **Rohinton and Roshan Rivetna, Founding President, FEZANA & World Zarathushti Chamber of Commerce**

CAP has been helpful even before we set up QMed. Its publication and a meeting with Noshir helped us plan our legal structure. Ever since, bits of advice helped, but later as an associate, having attended workshops, conferences and small sessions, lots has happened. Importantly – the clarity of the foreign source (for FCRA), the assistance in

getting a foreign remittance related problem solved, learning about the intensity of fundraising, all of these have helped us climb up step by step. Currently we are hoping to strive and achieve full compliance in the coming years, being reassured of CAP's advice when needed! **Vasumathi Sriganesh, QMed Knowledge Foundation**

As a young Foundation backed by a corporate, which has always placed utmost importance on compliance and governance, our focus during our initial years of set up were naturally aligned into making the H T Parekh Foundation follow the highest levels for legal compliance and governance, both in action and spirit. Noshir's wealth of experience and advice on all legal and CSR interpretation matters has been invaluable; he is very practical and keeps his advice simple and implementable at all times. We are grateful for this and look forward to many more years of our partnership with CAP. **Ziaa Lalkaka, H T Parekh Foundation, an HDFC Initiative**

My sincere compliments to you & to your team members for the Yeomen services rendered to NGOs & Trusts during the last 30 years. We at Royal Society of Bombay & Royal Higher Education Society have been immensely beneficial in the form of advisory from CAP in matters related to Income Tax Act & Public Trust Act 1950. Due to those advisories, we have been able to fulfil all the requirements as per the law. **Prof. A.E. Lakdawala, Founder & Hon. Gen. Sec, Royal Society of Bombay & Royal Higher Education Society**

We at Wishing Well cannot thank CAP enough. Noshir and Meher have been there for us since our inception. They have guided and assisted us at every step. Their noble work is not only very unique but inspirational. The CAP team are always a phone call away and a quick solution is always found. A big congratulation to this wonderful organisation on their 30th anniversary. **Arti Vakil, Wishing Well**

I am thankful to Noshir for providing CAP's collective intelligence and strategic advice to Institute for Sustainable Communities in its start-up phase and as per our need from time-to-time. What I appreciate the most about CAP is its approach. From my first meeting with Noshir in 2015 till today, I have always found him approachable and available. I would like to continue ISC's relationship with CAP through its journey in India to serve the sector. **Suresh Kotla, Interim Country Director, India Institute for Sustainable Communities**

Blue Ribbon feels like an integral part of the CAP family. Over the years, we have gained clarity and direction from its inputs. It has been a joy to connect and share our ideas and insights as well. The magazine also makes us feel connected to the larger ecosystem of NGOs in Mumbai. Going forward, we hope CAP grows as an ecosystem of organizations that are legally robust and structurally solid as they go about changing the world! **Abhishek Thakore, Blue Ribbon Movement**

We became a member of your organisation just about 2 months back and the period is too short for Organisational evaluation. We have been seeking your advice and clarifications on various issues and your response was always very prompt and helpful. **G.V.Bhat, Bangalore Medical Services Trust**

CAP has opened our eyes and served as a mirror in reflecting the state of NGOs in the country and Ahura support is painfully and slowly seeing the reflection. Every training program or engagement leads to soul searching and implementation. Even though constraints exist we have found CAP ever ready to help without spoon feeding. If Ahura support has achieved some of its goals, CAP has directly or indirectly played a stellar role. Hope CAP grows and facilitates growth in the NGO sector with renewed vigour in the coming year and years ahead. **Vispi Jokhi, Ahura Support**

Our 14-year association with CAP has been informative on issues relevant to the smooth administration and financial compliances essential for trouble free working of the school and has been meaningful in every way. The eagerly awaited publication PHILANTHROPY provides useful updates on all topics pertaining to Trusts and keeps us well informed and well networked. Regular Seminars, Workshops, discussion panels provide a support platform to gain updated information on relevant issues. Creates confidence level knowing that we can share the knowledge and understanding of experts as we look into a future mired in webs of complicated Lokpal Bill, FCRA compliance regulations, changing Taxation norms and other Government hurdles. **Meher Banaji, Director, Happy Home & School for the Blind**

CAP over the years has professionalized us in diverse functions as Outreach, Governance, Becoming Developmental, Understanding GOI Acts, Rules and Regulation and Dealing on Legal Issues, beside others. We take this opportunity to recognize and appreciate the efforts by CAP, its outstanding performance and its commitment to the betterment of Philanthropic Organisations. **Col. S.E.Modak, C.E.O, Al-Hamd Hospitals**

3 DECADES OF SERVICE TO THE SOCIAL SECTOR

Year 2016

CAP hosted its first full day Compliance – Complete Conference that had 6 sessions, 22 panelists and also launched the Compliance Complete Certification.

Year 2015

CAP works to re-align their programme with the times. CAP revamps, programmes and offerings to be a one stop-shop offering compliance related services in 8 core areas.

Year 2011

CAP launched 'Cuisine for A Cause'. A book that featured non-profit founder leaders with their favourite food recipes and recipes for success.

Year 2011

Philanthropy Leadership Confluence co-hosted with Samhita brought together 50 grant makers and donors to think of a common framework.

Year 2009

CAP along with others lobbies against the Direct Tax Code Bill 2009.

Year 2002

CAP was represented at the WINGS Forum 2002 in Sydney, Australia. Noshir Dadrawala was invited to join the Board of the Asia Pacific Philanthropy Consortium.

Year 2004

The Maharashtra Law Commission recommended that the State Government should have the power to appoint its own officers in trusts having annual income of above Rs. 5 Lakhs. CAP along with the Tata Trusts and others took the lead in meeting the Law Minister and others and quashing this proposal.

Year 2007

CAP took the lead in promoting awareness about the Right to Information Act among NGOs and conducted workshops in Mumbai and Pune with Shailesh Gandhi who subsequently was appointed Chief Commissioner RTI by the Government of India.

Year 2008

Noshir Dadrawala is invited by The 'Planning Commission' as a member of an Expert Group on feasibility of a New Central Law to serve as an alternative All-India Statute for Voluntary Organizations in India.

Year 2009

Legendary cricketer Steve Waugh visits CAP to seek advice regarding his Foundation.



Year 2001

CAP organizes a National Conference on Strengthening Philanthropy in India in Delhi. Local partners Charities Aid Foundation and the National Foundation for India.



Year 2005

APPC commissions Sanjay Agrawal and Noshir Dadrawala to write the India Chapter of Philanthropy and Law in South Asia.



Year 1999

In recognition of its work the trustees of the Sir Ratan Tata Trust award CAP with a grant to buy its own office at Mulla House.



Year 1996

CAP completes 10 years of service to the voluntary sector and on that occasion publishes "Management of Philanthropic Organisations" with a foreword by noted jurist Nani A Palkhivala. 2,000 copies were sold out in 2 years just through CAP's own network.



Year 1994

CAP and Maratha Chamber of Commerce & Industry organize a seminar on "Corporate Philanthropy" (almost 20 years before the government of India made CSR mandatory under law under Section 135 of the Indian Companies Act 2013).

Year 1994

CAP convenes a meeting attended by leading CAs and lawyers for interaction with B.K. Diwan, Director General of Income Tax (Exemptions) and K. M. Desai Charity Commissioner of Maharashtra.

Year 1991

CAP publishes its first book titled Handbook on Administration of Trusts written by Noshir Dadrawala.

Year 1991

CAP establishes and incubates for a year the Bombay Community Public Trust.



Year 1998

CAP publishes Profile 300 – Profiles of 300 select NGOs across India, long before Internet based listings of NGOs.



CAP's 1st Seminar on Tax laws at IMC– Chief Guest Justice J. C. Shah, former Chief Justice of the Supreme Court of India. Panelists: O.V. Kuruvilla, former Chair, Central Board of Direct Taxes, Tax expert Soli E Dastoor and R. R. Chari, former Commissioner of Income tax (Exemptions)

Year 1986

CAP's 1st conference "Dialogue on Philanthropy" in Ahmedabad. Keynote speaker, H.M. Patel, former Minister of Finance and Babubhai Patel former Chief Minister of Gujarat.

Year 1987

Year 1988

The Joint Consultative Committee of the Ministry of Home Affairs sends a recommendation to the government of India to ban all foreign contributions. The Congress, BJP and two communist parties were also in favour. CAP on behalf of its member organisations sends a memorandum to the Home Minister.

Year 1988

The Central Board of Direct Taxes decided to bring in a draconian new Section 80F. R. R. Chari and Banshi Mehta, chairman of the taxation committee of the Indian Merchant's chamber lobbied vigorously against its implementation and succeeded.

Year 1989

Noshir Dadrawala selected as Fellow of the Centre for the Study of Philanthropy to study philanthropic trends.



Year 1991

CAP and the Council on Foundations (USA) organize an International Conference on Corporate Philanthropy. Chairman of the Council on Foundations, Dr. Humphrey Doermann flew down especially from the USA to address Indian industrialists.

CAP was the first organisation that understood the difficulties and frustrations faced by NGOs due to lack of knowledge, and extended a helping hand. No query was too trivial or too complex for Noshir!

The 'Childline' for NGOs, CAP comes to our rescue whenever a law changes or a new requirement is introduced, and keeps us informed through the newsletter. The workshops that bring sector representatives together have added a new and welcome dimension to the wonderful role played by CAP. **Annabel Mehta, President, Apnalaya**

In 1998, two years after we had started MDA, a mentor recommended we ask Noshir Dadrawala to explain to us founders what our statutory obligations were. It was a sobering meeting. Despite some success in our achieving advocacy, training and service delivery goals, we were still a kitchen committee of mothers keeping accounts on the backs of envelopes. From accounting and audit to holding meetings and maintaining minutes, filing reports and cracking HR issues, we have fallen back on CAP for guidance and support at every turn. **Kate Currawalla, Maharashtra Dyslexia Association**

Hearty congratulations and wish CAP renders valuable suggestions as they have been doing in the past. Our Organisation writes to CAP for advice and we promptly get the right answer be it on FCRA or Income Tax, governance or CSR. CAP is always ahead in bringing valuable and latest information to NGOs across India and is always accessible to us. **D.P.K.Babu, Ashray Akruti**

Development organisations are doing excellent work in their thematic areas, but we all need expert opinions and advice with regards to Governance, Human resource management, Accounting & finance, FCRA regulations and so on. MeJol has been a member of CAP for more than 3 years and have attended many workshops conducted by CAP. Special mention needs to be made of the advisory emails. Many times we have been in situations wherein we require quick suggestions from Noshir, before making some decisions and he has been fast to respond to any sort of queries raised through email. These timely opinions are very helpful. **Pramod Nigudkar, Chief Executive Officer, MeJol**

CAP has been an invaluable resource, mentor and advisor for the not-for profit sector over the years. It has advised many an organisation in the space, on various compliances that have helped them stay above board in their operations. Their expertise on the laws related to the

not for profit sector is unparalleled and the commitment of supporting organisations in the space is total. They have not hesitated to champion the cause of the NGO's be it taking up the cudgel on the Lokayukta or supporting the various organisation efforts for renewal of their FCRA certifications. **John Thattil, COO, Ummeed Child Development Center**

We have attended quite a few CAP sessions especially the conference at Sunville which was detailed, and the other most recent one on Board Governance. The sessions were really challenging, and the information shared at each session was very helpful. There was an open platform to voice our questions and each of the questions were answered to our satisfaction. In the changing scenario we need to keep ourselves abreast with a lot of things and that is where CAP comes to our help. We look forward to many such learning events with CAP and a long fruitful association. **Pervin Kotwal Director (Coordination & Admin), Ummeed Child Development Center**

CAP is doing great work. We have attended couple of sessions from Noshir Dadrawala on Service Tax, TDS, and Governance etc, which were very helpful. We also consulted him on a few issues for other clarifications. He is very good in providing information about the NGO sector. **Sujaya Rai, Program Director, Empower Youth**

Having minimum access to legal and financial expertise, our Trust found the prompt advice and suggestions from CAP on Charitable Trust laws invaluable. Without the regular newmagazines, Blog and other CAP publications, it would have been difficult to keep abreast with revisions and continual updates in charitable laws over the last 30 years. My colleague Trustees and Managers found CAP's compliance workshop that was conducted in Mumbai for our Trust last year extremely useful. **Luis F. Gomes, Trustee, Initiatives of Change (India)**

Our association with CAP goes back to 2001, when Mr. Noshir very kindly helped us redraft our old and outdated Memorandum of Association. Over the years, CAP has been our ever supportive guiding light on all matters of governance and compliances. CAP has continuously evolved to help and keep the NGO sector abreast with the changing government rules through its regular workshops. CAP's newsmagazine "Philanthropy" is also a very valuable source of regular updates, and world trends in the sector. We congratulate and thank CAP and its wonderful team for their invaluable service - straight from the heart! Our best wishes for a long innings to this unique organisation. **Guddi Advani, President, Seva Sadan Society**

CAP for both FMR and FRCH has been a solid and reliable pillar of support over the years – accessible, empathic and knowledgeable. A unique organisation. **Nerges Mistry, Director The Foundation for Medical Research, The Foundation for Research in Community Health**

CAP has been an integral part of Bal Jeevan Trust from its inception. When its founder members decided to make a difference by helping educate Children who rummage through garbage for a living, it was Noshir Dadrawala who held us by the hand and step by step not only helped us setup Bal Jeevan Trust but also assisted in dealing with the Charity Commissioner's office, 80G and various other legal hurdles in the early years. Recently his help with the new FCRA regulations has been enormous. Without the help given by CAP, children who have passed out of Bal Jeevan over the years, along with the present 110 children, would never have been motivated to aspire and prepare for a life beyond survival on the street. **Gulistan Engineer, Bal Jeevan Trust**

Congratulations to CAP for 30 years of invaluable service to the sector! Mission for Vision has been a CAP member for several years and we have benefited much from its timely alerts on critical subjects, advice and workshops, all of which has helped strengthen organisational governance and systems. What we value most is the patient; practical and timely revert from CAP on our numerous queries – whether they are related to issues pertaining to governance, government regulations - or even recruitment! CAP has been a highly dependable and reassuring partner all these years on our journey towards a world free from avoidable blindness. **Elizabeth Kurian, Chief Executive Officer Mission for Vision**

CAP came to GREAT Foundation's assistance at a time when it found itself in a sticky situation with a Trustee and didn't know what to do. Noshir's legal advice was precise and prompt; it helped overcome the problem painlessly. Legal compliances for NGOs keep on growing and there is no single site which provides an updated list. CAP's blogs, books and workshops are very informative. I have found CAP's advice most useful while filing Change Reports. Noshir's exact list of documents to submit along with the Reports has saved me multiple trips, lawyer's fees and time. **Viney Kirpal Executive President, GREAT Foundation**

Hearty Congratulations to CAP on completion of 30 successful years of legal advisory, capacity building, NGO & Corporate support and many more valuable initiatives. There is a changing scenario in the country and as an NGO we need to be alert and compliant on several

fronts. Being a member of CAP has helped us to get valuable guidance/advice – during our FCRA renewal process, applicability of service tax on some of our services, how to keep volunteers motivated and the importance of having training sessions for them, how to initiate performance assessment system for staff etc. The workshops we have attended have been very informative. Information on the 'Lokpal Bill' that came from CAP at a time when things were in a state of confusion was so helpful. I cannot close without mentioning how much we look forward to the CAP news magazine. Our NGO has taken in the advice and guidance of CAP, which has helped keep us updated and compliant particularly in Trust related legal matters and financial aspects. **Roxana Kalyanvala, Executive Director, Bharatiya Samaj Seva Kendra**

CAP has played a role in keeping us abreast of developments regarding the government's rules and regulations and the compliances that are mandatory. CAP has presented to us an avenue to get to know other sister organizations sharing similar aims and objectives. It has also provided an effective platform to project ourselves to a broader sector of the civil society and even potential benefactors. Above all, CAP keeps us ever aware of the fact that it is there with all its acumen to help us out of difficult situations as and when the need arises. That certainty keeps our morale intact and many thanks for that. **Dr. Arun Chavan, Founder Secretary, Verala Development Society**

CAP has been providing us incredible support in various areas including Legal Compliance and Human Resource Management. We have found the CAP team members to be very approachable and their workshops to be enriching and informative. Their advice and training has enabled us to address and solve various organisational issues with clarity and confidence. **Vrishali Pispati, CEO, Mumbai Mobile Creches**

This has come at a time when CHIP was trying to document a Volunteer Policy. We have templates for a number of things but the workshop - like all CAP workshops - makes us think every step through with much greater clarity! We will implement it across all our chapters. CHIP discovered CAP a couple of years ago when we were floundering with an FCRA problem, which actually resolved itself later. We became NGO Affiliate members at the insistence of our then CEO, Novela Corda. There are so many queries that Noshir and the rest of you resolved so simply. We feel secure that we always have CAP as our 'go-to'! Thank you for this year's wonderful workshops! **Anjali Mirchandani, Secretary, Governing Body, CHIP (Ballygunj Society for Children in Pain)**

Our organisation was founded with the philosophy... of reaching out to the most under-served

Our greatest strength... lies in our holistic integrated community development approach, where the community participates in its development

Our challenges... We work in M-East ward, Mumbai, an area which has Asia's largest and oldest dumping ground. It is a mountain of health



We consider the CAP Compliance Complete Certification ...
important to review our methods and practices, given the changing eco-system and newly introduced rules and regulations.

hazards, with a set of migrant population that is highly disenfranchised and in an environment where micro intervention focuses, not sustainable holistic community development, seems to be the flavour of the season.

How we interpret compliance...
Compliance for us is like basic hygiene practices. It's a habit.

What are your organization's most promising programs... Health, Livelihood, Education and Citizenship - all are our promising programs.

Key indicators by which you measure your impact... Number of families and individuals who feel empowered to address issues related to health, education, disability, livelihood and basic entitlements

How has your organization changed over the last 2-5-10 years

...We have further developed Results Based Management system. The program has reduced the service provision components to negligible levels. The beneficiary base has expanded to include all age groups especially the 7 to 14 years age group which whom interventions were not as intensive. The geography has expanded from 12 clusters to 31

clusters serving a beneficiary base of 280,000 (from 65,000 earlier)

Two changes which you would like to observe in the philanthropy space... A better understanding of and a greater commitment to social processes of change. A departure from the framework of a "Giver" to greater accountability and self-monitoring vis-a-vis one's responsibility towards social welfare

To know more about how your organisation can join CAP's Compliance Complete Certification, see the outside back cover of this magazine.



V Care Foundation was founded with the viewpoint... of helping cancer patients and their caregivers fight cancer and stay emotionally secure. As a team we wanted to be so strong that we could conquer cancer.

Our greatest forte... is the fact that the organisation is run by volunteers who give their time and are passionate to serve the cause.

Our strength also becomes our challenge... We need volunteers to expand our work. We are also



We joined CAP's Compliance Complete Certification...
To learn best practices, to build capacity and to be as flawless an organisation as possible.

continuously exploring ways to identify needs of cancer patients' and methods of fulfilling those.

Compliance for us translates as... being legally compliant as an organization. Having the best accounting practices along with sound and effective board governance

What are your organization's most promising programs... Cancer Survivors Day started by V Care in 2015 was a movement to focus on survivorship. It is now being celebrated by many organisations across the country. Providing financial support to the poor and middle income group. A program called UMMEED which is a unique Cancer Helpdesk that provides information to patients and their caregivers on different types of available government schemes,

hospitals, NGOs and trust for financial assistance and a list of budget hotels/accommodation.

How can you best reach your target audience... through our placement in hospitals, social media, and word of mouth of the beneficiaries, our well wishers and donors.

How has your organization changed over the last 2-5-10 years... From an organisation providing only emotional support to patients initially we have now expanded to include many support programs for the patients and their families. We have a robust home visit system in place for our palliative patients

To know more about how your organisation can join CAP's Compliance Complete Certification, see the outside back cover of this magazine.



objectives are to help create free support, awareness and education to cancer patients, and to help improve their quality of life.

and provide financial support to them. We train other support groups in the country, to implementing programs where prosthetic needs (wigs, artificial breast, etc) of the patients are met.

Two changes which you would like to observe in the philanthropy space... Serve the purpose by networking amongst the social sector to reach out to maximum no of patients with our resources. As an organization strive for compliance at all levels.

The guiding philosophy of our organisation ... Personal character, attitude and values have a direct impact on the society. Hence, MRA-IofC focuses on personal needs to address national and global problems. Everybody wants to see the other person change, but effective social change can happen when you start with yourself.

Our greatest asset... is a border less body of people from every background, throughout the country



CAP's Compliance Complete Certification will help us ...
to be fully aware of the current legal status for trusts like us and ensure our compliance, to ensure we are following best practices whilst dealing with all authorities.

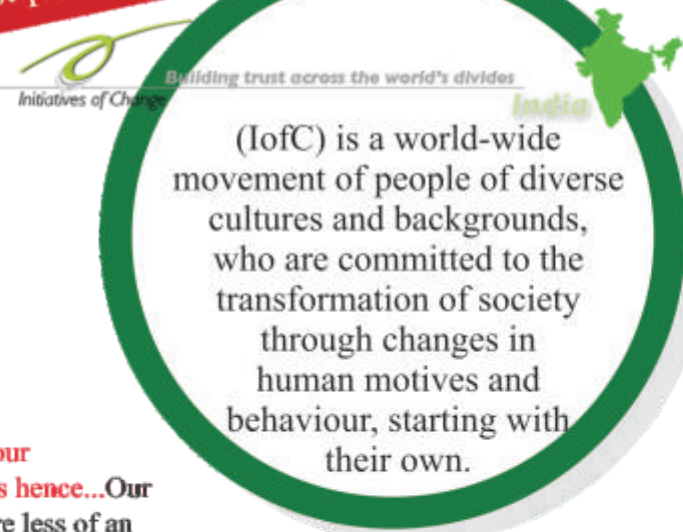
(and internationally) who have taken steps of change in their own lives. Many of them are actively engaged in influencing leaders for positive change in key areas.

Compliance for our organisation translates as being... firmly rooted in the values and principles of the movement; meticulously law-abiding; taking compassionate care of all aspects of volunteers and employees; faithfully following the educational and character-building objectives of the trust.

Key indicators by which our impact is measured... The nature of our work makes it difficult to 'measure' our impact. But we do get encouraging reports from the thousands who attend our regular programmes. The increasing number of programmes we conduct and the invitations to participate in outreach work from various parts of the country is a measure of our success.

Where do you see your organisation 15 years hence... Our strength is that we are less of an organisation and more of an idea that spreads on two legs, through people who find a new purpose and direction for life. We hope to increase our volunteer base for outreach and facilitator pool for our training programmes. Our dream is that in time to come people would be living in a country and a world without hate and no fear of destruction from terrorism, global warming or poverty and disease, because of their own initiatives.

To know more about how your organisation can join CAP's Compliance Complete Certification, see the outside back cover of this magazine.



Two changes which you would like to observe in the philanthropy space...

- The citizenry, including corporates, to become a lot more caring to eliminate poverty and suffering give unconditionally from a space of compassion with freedom from materialism.
- Government to become discerning of genuine philanthropy and more trusting, and making it easy for caring and giving with reasonable rules and regulations.

Our vision... Empowerment of the marginalized through capacity building and sustainable rural & urban development programmes.

Our greatest strength... The good will through the relationship we have with our communities as a result of the work Deep Griha Society has carried out over the last 40 years.

Our challenges ... Incorporating information technology into the work we do and building capacity of staff



We decided to join the Compliance Complete Programme ...
to ensure we are legally compliant and following good governance standards as recognised by the government, other organizations and companies.

members working at Deep Griha Society.

Our team interprets compliance as... Having a more efficiently run organization which would result in more effective programmes for the marginalised communities we serve.

How can you best reach your target audience... To incorporate technology wherever possible in our work so that monitoring and feedback on efficacy of services is easier to get which will create space for continuous improvement.

Two changes which you would like to observe in the philanthropy space...

- The efficacy and image of NGOs and not-for-profits in the social sector
- An increase in the incorporation of information technology as a means to measure impact



aims to uplift the marginalised through holistic development of the community by addressing areas such as education, medical & healthcare, skill development and shelter & nutrition.

Where do you see your organisation 15 years hence... A premier not-for-profit, providing relevant support services to marginalised communities across Pune district.

An instance within your social work which created a sense of pride for you... walking through the community and having people talk highly about Deep Griha Society, when they do not know you work for the organization.

To know more about how your organisation can join CAP's Compliance Complete Certification, see the outside back cover of this magazine.

How We Evolved

Keeping in mind the theme for this newsmagazine, we asked few CAP members to share their experiences on how they evolved in their careers & professional life. It was interesting to note that the social sector seems to have evolved enough to attract those from a corporate background to shift over.



Jyoti Patil Shah,
Volunteer
V Care Foundation

After completing my Post Graduation in Counselling I was offered a job as a counsellor at Canossa Convent High School, Mahim. This was an actual eye-opener for me as it gave me a hands on lesson about how in reality people handle their difficulties and how they justify with what happens to them. A friend's connection got me to V Care. A choice had to be made between an International School and V Care, a challenge with a change is always welcomed. It has been a journey of learning and to really count blessings! School was more grounded more structured; V Care keeps you on your toes 24x7. At a personal level evolution has taken shape through immense exposure and still learning something new.



Regina Khurana,
Assistant Manager – HR
Ummeed Child
Development Center

My first job was as an HR Associate in a corporate. I loved it – I was fresh out of college and had so many practical things to learn! I then took a break to start a personal venture, which helped expand my horizons professionally and personally. When I decided to join the workforce again, it was in the not-for-profit space (more accident than choice – but I'd like to think of it as serendipity). I sense a passion and commitment here for that was missing before. Personally, I notice that both my family and I have become kinder, more inclusive, and more compassionate.



Dr. Poniserry Jayarajan
Chief Medical Officer
The Jimmy S Bilimoria
Foundation

My first job was in a multi-specialty hospital in Thrissur District, Kerala. Everything I had hoped for and more. - GREAT. I had planned to be there for a year, but I stayed for more than two years. My entry into the social sector was by accident through my friend, who invited me to join an NGO. Since it was the change I was looking for, I moved from Medical Officer in the Casualty of a Multi-specialty hospital to NGO- Alpha Palliative Care services as a Resident Medical Officer.

After 14 years in the private sector, I moved to the social sector in 2008. The main difference between the two is the approach by the medical personnel. There is a paternalistic relationship where the medical community including doctors, nurses instruct the patient & family to follow what they say. Most of the time they would not entertain questions nor tolerate any non-compliance in the treatment. In the social sector (Palliative care) the relationship is more humane and doctor and patients, form a partnership to develop an individualised treatment plan suitable to the patient and family.

I have evolved into a better person and professional with tremendous patience and tolerance, a better communicator, learned to accept failure and how to deal with it.



Rajendra Aher
Project Officer
Deep Griha Society

My first job was at Bhartiya Samaj Seva Kendra Pune, a state level Adoption program. My role included pre and post adoption visits to the families who desired to adopt a child through our program. While doing this, I experienced the feelings of the parents, who don't have a child as well as the importance of good upbringing of a child in such families. This job not only gave me satisfaction but also motivation for my life. I also understood the importance of confidentiality.

I carried forward this experience to my next job at Deep Griha Society at Pune. Since 1991 I have worked on different projects and from April 2016 was promoted as a Project Officer. The roles have grown and so have I. In my first job our focus was only on adoption and through Deep Griha it has evolved - here the focus is wider in areas such as Community development, Child care, Women empowerment, Youth development, Medical, DISHA (HIV/AIDS) etc.



Anjali Teredesai
HR Consultant
Deep Griha Society

I worked in Bhagini Nivedita Sahakari Bank for 31 years. Our bank catered to all but was managed only by ladies. I joined there as a clerk and during a period of time was promoted up to Branch Manager. This job developed my personality a lot. I have worked as a staff director for 8 years. I gained wide experience by working with different profiles of people, so I could share various problems of the people as well as staff. This job gave me gratification.

I heard a lot about Deep Griha Society, so after my retirement from the corporate sector, I thought I can do something for the community by working with a non-profit. In my previous job I worked with only a specific class of society and today my personality has developed further and I work with community workers with the same ease.



Aparna Joshi-Khandwala
HR Consultant
Yellow Spark

My first job in 1998 was a very comfortable experience. I was privileged to be associated with the MD's office of a large pharma company to manage housekeeping and basic administration. But the role lacked challenges and hence I decided to look for a better opportunity. I transitioned into an HR role very naturally due to my interest and skills. There was no looking back after I joined EmmayHR in 2002. I worked here for over 7 years during which we transitioned from being a small local recruitment firm to be world's largest HR services company, now Randstad India. I grew from managing administrative HR activities to eventually strategic HR management and worked closely with the founders and management teams. I came across a volunteering opportunity during my first career break during my maternity sabbatical in 2009. That's when I realized how blinded I was in the corporate sector ignorant of issues in our immediate society country at large. I joined iVolunteer to structure human resources and lead JobsForGood, a leading recruitment service provider to the social sector. It continues to be an immensely satisfying journey in the sector since 2009. I founded a management consultancy, Yellow Spark in 2014 which helps organisations to become aspiring workplaces.

Evolution Of Philanthropy – Progressive Or Regressive

The not-for-profit sector has evolved exponentially over the last three decades. New challenges have accompanied the changing attitudes, priorities and models within the sector as a whole. New initiatives with a modern approach have proved to be a setback for some older and more traditional initiatives. In this issue we shall debate whether steps taken forward have proven to be steps taken backward in some cases



Vipul Jain
President
Catalysts for Social Action

During the last few years we have seen the impact of the CSR Bill in terms of more funds, greater emphasis on processes, governance etc. These changes are very much required and necessary for the healthy growth of the social sector.

However, corporates want projects that neatly fit into buckets of "health", "education", "livelihood" etc. and which impact "large" numbers of people. Alas, if only all problems and solutions could be so neatly sliced and packaged! And what about changing one life at a time? Further, corporates are not going to fund anything that might be perceived as anti-government or "activist" ...so causes around citizen empowerment, accountability and transparency in government, will be left out from the gravy train. Ironically, these causes may be the ones with greatest impact and the highest ROI.

Coming from the corporate sector myself, I know that we believe that resources, technology and a project plan can solve any problem! Will such an approach make a real difference ...or should I say, a sustainable difference? Humility, openness, empathy, compassionwithout these qualities, many social enterprises will become another self-serving and soul less machinery, just like the government, and just as ineffective!

Catalysts for Social Action (CSA) works for A Brighter Future for Orphaned Children. They run programs to increase adoptions and enhance care and outcomes for children in orphanages across the country.



Dipti Goyal Bhadra
Associate Director, Talent Management
Dasra

I celebrate the increased professionalism in the development sector, which is helping mainstream social issues – through a common language and increased visibility - and also enabling the participation of greater financial and human capital than ever before!

However, while the direction is absolutely right, it becomes critical to safeguard from 'form overtaking substance' and 'head engulfing heart'. Striking the right balance requires that we stay vigilant, and simultaneously build our capacities (both individual and collective) to impart critical insights gained, from having been in the sector, to new entrants (donors and others).

Two examples of potential pitfalls could be: (a) too narrow a definition of a donor's focus areas, without realizing the inter-relatedness of social issues eg: sanitation and education; (b) prioritizing 'scale' and 'ROI' without cultivating an 'impact-first' mentality.

A good example of a positive innovation could be the 'Dasra Giving Circle' (DGC), which enables longer term, unrestricted (vs programmatic) funding for NGOs, while providing a unique, collaborative giving experience to donors.

In conclusion, here's a memorable quote from Robin Sharma, on the topic of evolution / change! - 'Change is hard at first, messy in the middle and gorgeous at the end.'

Dasra, meaning 'enlightened giving' in Sanskrit, is a pioneering strategic philanthropic organization that aims to transform India where a billion thrive with dignity and equity.



Ziaa Lalkaka
Head - CSR
The H T Parekh Foundation

In a country with over 1.2 billion people and several thousand NGOs, social causes are numerous and there is enough space for ideas & projects across charitable & developmental areas. At some point, donors need to sit back and think through the pros and cons of supporting purely charitable versus developmental organisations, India's social sector evolution needs to be balanced and mature.

Within chosen core sectors, a donor should maintain a healthy mix of both; at the H T Parekh Foundation, we strive to maintain this balance.

The CSR law is still new to India....it will take another 5-7 years to truly evolve, show impact and become a game changer, provided corporates continue to invest in the social sector at the current pace. With a massive pool of CSR funds available today, emphasis on professionalism in the operations of the non-profit sector is definitely required, albeit with a healthy balance between time and cost spent on 'professionalizing a non-profit'.

It is also important to understand that at the end of the day it is a grant and not a commercial investment. Whilst regulation is needed, too much regulation can stifle both the donor and donee, taking away from the time that could have been invested in efficient programme execution & monitoring.

While CSR compliance for eligible corporates is mandatory today, there is still a large amount of untapped individual wealth and family offices operating in India. We have a long way to progress to emulate philanthropy in the West, where wealthy individuals have 'voluntarily' donated a significant sum of their personal wealth to a private trust set up to undertake global developmental work.

At the end of the day, I personally believe what is important is the act of GIVING itself, whether it is driven by a thinking mind or a generous heart!

The H T Parekh Foundation is the CSR arm of HDFC Limited, focusing on initiatives in the Education, Sanitation, Water & Livelihoods sectors across India.



Kabir Malhotra
Trustee
KARO Trust

Our goal is to save lives. This is achieved by setting no prior limit upto which funds are disbursed per patient (which is seen to be the usual practice of other NGO's). Every disbursement is followed up with rigorous post care support to ensure a changed human being. Character Education is another stated goal of Karo, yet to be realised.

In my opinion, the motivation of entering the field of philanthropy must stem from a genuine intrinsic desire to change the quality of existence of human beings. The most important measure of success of an effort is the existential change brought about in a human being. This demands clear goals, an organizational capacity to fulfil those goals- with an emphasised focus on delivering 'quality'- change in the condition of a human being. For a long term impact, it must be sustainable.

Certain new laws & policies have become obstacles to realize the above:- The New CSR Act stipulates that not more than 5% of a company's CSR budget can be spent on administrative expenses- This negatively impacts the sustainability of CSR programs(as it negatively impacts organisational capacity).

Though in all practical terms- CSR is not mandatory, there is an implied obligation for companies to participate in CSR. Philanthropic activities must be backed by true sentiments, and not imposed by an outside authority. These companies are forced to form partnerships with other NGOs, even though their goals/values do not fully match with the NGO's. Having formed these partnerships, the focus is then on quantity (which usually compromises quality), in the pursuit of gaining maximum goodwill(as quantity is an oft but wrongly used metric for success). The focus has to shift from quantity to changed human experiences.

Too many controls, audits, and new laws can dampen the true spirit of philanthropy and deter many potential philanthropists from acting out their inner noble intentions."

KARO is a public charitable trust set up to provide holistic healthcare support (beyond financial aid) to people in need across Mumbai.



Luis Miranda

How I Got Here

He is a **dot** connector, he can make his **point** with the correct examples balanced with humour. If put in a **spot**, he will make it a comfortable one. He leaves his **mark** on your mind, certainly has left it on mine. Sharing his thoughts on the various dots... **Luis Miranda**. By: Meher Gandevia-Billimoria

I call myself a dot connector because... I like connecting people. My biggest value add is opening new opportunities for NGOs and donors.

My involvement with the social sector began... thanks to my wife, Fiona. Our whole family is involved in many of the causes we work with.

Challenges along the way include... balancing the heart with the head - how can we bring in business practices to make the NGO efficient, while at the same time retaining the soul of the NGO.

The role I enjoy most is... meeting amazing people and experiencing the great work they do. It charges me and makes me optimistic about the opportunities in India. We have failed the poor by running stupid programmes that actually create more harm by keeping them in poverty.

One learning with social organisations/roles has been... that people do not want to be beggars. They want respect and the opportunity to have a decent life. They are perfectly capable of taking proper decisions on their own and paternalism should be stopped.

Funding for any social sector organisation is... an art. Some organisations are very good at fund raising by spinning a great story. Others do fascinating work, but are useless at converting their story into funds.

Social Impact according to me is... over-hyped. It is necessary, but is a much-abused word. Building a great road connecting two villages to a market definitely creates social impact. Handing out free clothes is not necessarily social impact.

My thoughts on scaling up... is not mainstream. I am not convinced that everyone needs to scale up; this decision should depend on the DNA of the founder and team. What is more important is the quality and the sustainability of the impact.

The social sector has evolved today... Eradicating poverty is a big business and tough questions should be asked about who benefits more - the donor, the NGO or the beneficiary.

Evolution of any organisation... is not easy. People need to be carried along.

If I could change one thing about the social sector... it would be to pay people more. Why should those who help the poor be paid poorly?

My advice to non-profit founders... is to stay the course. You are icons for us.

Organisations starting out in the social sector should... not forget that transforming the lives of their beneficiaries is the main reason for their existence and that real success is when you become redundant in the community that you serve.

The one person who has inspired me... is my dad, who passed away recently. He taught me to genuinely care for people and to stand up for what is right. He also passed onto me his bald head and high cholesterol.

My greatest strength is... that I trust people and my greatest weakness is... that I trust people.

In my free time... I like to be away from crowds. I like to be on my own, even when I am in a crowd.

The best way I deal with a difficult situation is... to tackle it at the earliest in a fair manner.

An incident that changed my thinking... was when one of my mentors, Shekar, gave me the best advice I have received, "Focus on the important things in life." It brought in so much clarity to my decision making.

A book I would recommend everyone should read is... "Poor Economics", which makes you relook at poverty and how the poor see themselves. And a movie I would recommend is "Poverty Inc" which describes how doing good can actually do more harm.

My greatest support / inspiration comes from... my Fiona. She is my soul mate and biggest cheerleader and critic. One day I hope to make her happy by cleaning up my study.

A day in the life of Luis Miranda is... always different. It could involve discussions on a variety of topics - education, rural transformation, TB treatment, markets and incentives, infrastructure, hospitality and fund raising. And there will be a lot of laughter and optimism.



Christmas to me signifies... joy and simplicity. To be God, you don't need to be born in a palace nor do you need to have a lot of money.

A gift I wish Santa would bring... is someone who can clean up my desk and file my papers for the whole year. It would make my wife so happy!

My favourite Christmas carol that relates best to the social sector is... 'O Holy Night' because it has a lovely tune and lyrics and is a song of hope. My wife Fiona sings it beautifully.

My three wise men from the story of the nativity would be... Anu Aga, Amit Chandra and Azim Premji; people who have inspired me with their unique gifts to the sector. There are so many more inspiring people, but you let me list 3 only.

A Christmas tradition I try not to miss... is being with Fiona and the kids on that day. Being with family is so important.



ASK THE EXPERTS

CAP offers compliance complete advisory in 8 core areas of non-profit management. We also offer corporate support advisory for foundations & CSR initiatives. Here we answer some frequently asked questions from our readers.

LEGAL

Q According to Finance Act 2016, would all the Indian Companies be out of FCRA purview? - What would be the effective date for the above amendment?

A - All Indian companies (like HDFC Ltd., Axis Bank etc.), which have more than 50% FDIs and FIIs will not be treated as foreign source with retrospective effect from the year 2010.

FINANCE

Q We are applying for 80-G. When putting together the activity report, is there a formal standard/template to follow?

There is no given format under law. Hence, in terms of activities you may use the following indicators, areas of activities under education, or health or sanitation, geographic outreach, who are the beneficiaries, their numbers, how they benefit etc., including financial figures and indicators to support your claim.

BOARD GOVERNANCE

Q Would like to know if an NGO has to submit any details to the CC after having the annual AGM? Is it mandatory?

If there has been an election at your AGM and Board Members have changed it would require filing change report within 90 days.

HUMAN RESOURCES

Q We are looking at taking on an OCI (holding OCI card and a Pan card) for some project based work at our NGO. The candidate would like to come on board as a full-time employee. Can we go ahead and hire?

An OCI has restrictions in taking up government job but no restriction working in the Private Sector. In other words, you may either employ this person or appoint as a

volunteer and pay salary to this person as employee or honorarium as volunteer. You may hire this person on a fixed comprehensive remuneration and pay according to what you deem appropriate

STRATEGY

Q We are considering re-working our programme areas & mission statement. What should we keep in mind?

Ensure that the programmes are still relevant keeping in mind the 'objects' stated in your constitution.

FUNDRAISING

Q There is a category called Earmarked project Funds. What exactly is it? Can surplus funds from given grants be requested for this category of funds? What benefits does this have? Would this be taxed if it is beyond the 85% amount spent on projects?

Earmarked simply means set aside or apart for a specific purpose or activity specified by the donor (for example: money to be used by the NGO only for girls or children with disability) or set aside by the board for a specific purpose (such as repairs, purchase of assets etc.) Surplus from grants may either be returned to the donor or with donor's permission used for other purposes.

COMMUNICATION/REPORTING

Q We are developing our fundraising communication for donors. What are some features that appeal to donors?

It should always be – CONSISTENT – CONCISE – CLEAR
Donor communications is an ongoing process. Communicating with your donors takes time and work towards building it. People like to feel involved with non-profits for the feel-good factor. They want to be part of the good work you doing. Appeal to Your Readers' Emotions
Non-profit communications should be emotional... after

all, you are doing life-saving, world-changing work! Show the concrete difference your organization is making in the world. Connect people with your mission and your results. Use concrete facts and figures to make your case. Add pictures, infographics to make it attractive.

VOLUNTEER MANAGEMENT

Q We are looking for a volunteer coordinator. What skills and qualifications should we look for in that person. What would their role involve?

Ideally must have strong communication, management and interpersonal skills, since they must work with many different kinds of people. It could either be a paid position, could be a mid-level under the HR department, a senior volunteer who serves in an honorary capacity. Their role would include, recruitment of volunteers,

managing them, coordinating activities, keeping them informed and above all keep them motivated.

CORPORATE SUPPORT

Q As per section 31(A) of Rule 16(A) of Bombay Public Trust Act 1950, it is mandatory to submit the annual budget at least one month before the beginning of each accounting year. What if there is any delay in submission by the NGO, what is implication? Is there any penalty & how serious is it?

This is a statutory requirement and should be complied. Not filing budget could led to a notice of inquiry. Hence, it would be best to file it every year and on time. The CC may impose a token fine for non-compliance and compounding this irregularity. Late filing may also be allowed along with a simple affidavit giving reasons for delay and asking that the delay be condoned.



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krupaforsevasadan@hotmail.com

Seva Sadan Society, Pandita Ramabai Road, Gamdevi, Mumbai 400007

Phone: 022-23808005 / 23889109

NGOs Hiring foreigners Must Exercise Due Diligence

A number of NGOs in India have started to appoint 'foreigners' (citizen of a country other than India) as employees, consultants or volunteers. There is no harm in doing that. However, NGOs appointing such persons should keep the following in mind:

- 1** A foreigner cannot work in India without having necessary employment Visa (E-Visa) permitting him/her to work in India.
- 2** The person concerned must obtain E-Visa even if he/she desires to come to India for honorary work (without salary) with an NGO registered in India for working on voluntary basis.
- 3** If the foreigner is to come to India as an employee of an NGO, his/her total annual remuneration must not be less than US \$ 25,000.
- 4** Such a Visa is granted by the Indian Mission or Post abroad 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.
- 5** The foreigner may be granted a multi-entry E-Visa for 1 year initially.
- 6** All registration formalities as per rules, after his/her arrival in India, should be strictly complied with and the registration must be done with the FRRO/FRO within 14 days from the date of his/ her arrival in India.
- 7** The visa may be extended by the FRRO/FRO beyond the initial visa validity period up to a total period of 5 years from the date of issue of the initial E-Visa, on a year to year basis, subject to good conduct, production of necessary documents in support of continued employment and no adverse security inputs about the foreigner.
- 8** Change of employer (NGO) by the foreigner during the currency of the E-Visa is not permissible.
- 9** All NGOs and foreigners desirous to work with an NGO in India, even if on voluntary basis without any remuneration, should ensure compliance of the regulations.
- 10** OCI (Overseas Citizen of India) card holders do not need to get a separate employment visa and are not required to register with FRRO for seeking employment. They may take up employment in all areas except mountaineering, missionary and research work and other work requiring Protected Area Permit (PAP) and Restricted Area Permit (RAP).
- 11** If the foreigner is remunerated TDS would apply.

Centre for Advancement of Philanthropy



The keynote address later dovetailed into an engaging panel discussion with Mr. Anil Kumar of Axis Bank Foundation and Mr. Akhil Shahani of the Shahani Group.

CAP offers today with its team of consultants complete legal compliance advisory and also the Complete Compliance Certification to nonprofits in 8 Core Areas – Legal, Board Governance, Human Resource, Finance, Communications, Fundraising and Volunteer Management.



The evening ended with Noshir cutting the cake for CAP completing 30 years, which also marked his association with the centre from its inception. We also felicitated CAP Chairperson Rati Forbes for her commitment and support to CAP.