

AS INTRODUCED IN THE RAJYA SABHA  
ON THE 10TH MARCH, 2017

**Bill No. LXV of 2016**

THE VOLUNTARY ORGANISATION (REGULATION) BILL, 2016

A

BILL

*to provide for recognition and regulation of voluntary organisations and for matters connected therewith or incidental thereto.*

BE it enacted by Parliament in the Sixty-seventh Year of the Republic of India as follows:—

1. (1) This Act may be called the Voluntary Organisations (Regulation) Act, 2016.

(2) It extends to the whole of India.

5 (3) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

Short title,  
extent and  
commencement.

Definitions.

2. In this Act, unless the context otherwise requires,—

(a) "appropriate Government" means the State Government in relation to a State and the Central Government in other cases;

(b) "fund" means the Voluntary Organisations Assistance Fund established under section 10; 5

(c) "National Board" means the National Board of Voluntary Organisations established under section 3;

(d) "prescribed" means prescribed by rules made under this Act; and

(e) "Voluntary Organisation" means any organisation or institution or society, whether incorporated or registered or not, which is engaged in any of the following activities, namely:— 10

(i) promoting literacy and adult education;

(ii) involved in relief operations during natural calamities like floods, earthquakes, storms, squalls and likewise;

(iii) involved in relief operations and providing assistance to victims in cases of accidents; 15

(iv) involved in relief operations and providing assistance to victims during strikes and other forms of disturbances;

(v) organizing free medical camps, distributing free medicines, promoting in any way health awareness among general public or running free and charitable dispensaries; 20

(vi) providing assistance to orphaned children and running children homes for orphans;

(vii) running schools for orphaned and destitute children and providing them with all necessary facilities; 25

(viii) running homes for destitute women and providing all facilities and training in self-employment;

(ix) running homes for aged and old persons, wherein all necessary facilities and support are provided;

(x) creating awareness among general public regarding pollution hazards and teaching methods of pollution control; 30

(xi) creating awareness among general public regarding dangerous diseases like AIDS and other contagious diseases;

(xii) creating awareness among general public about family planning;

(xiii) creating awareness among general public about ill effects of social evils like dowry, domestic discords and negligence of dependant persons; 35

(xiv) creating awareness among general public about the need for religious, caste and linguistic harmony and educating public about measures to be adopted to achieve harmony;

(xv) spreading and taking all necessary steps to enable people to lead a peaceful and healthy life and for improving general standard of life; 40

without any profit or commercial intention or motive.

- 3. (1) The Central Government shall establish a National Board of voluntary Organisations at New Delhi.** Establishment of a National Board of Voluntary Organisations.
- (2) The Board shall consist of—**
- (i) a Chairperson who shall have experience in social services for a period of not less than ten years, to be appointed by the Central Government;** 5
- (ii) four other members who shall have experience in social services for a period of not less than five years, to be nominated by Central Government in such manner as may be prescribed;**
- (3) The Chairperson and other members of the Board shall hold office for a term of 10 five years.**
- (4) The salaries and allowances payable to, and the other terms and conditions of service of the Chairperson and members of the Board, shall be such as may be prescribed.**
- 4. (1) The Central Government shall establish a Regional Board of Voluntary Organisations in the capital of every State/Union territory.** Regional Board of Voluntary Organisations.
- (2) The Regional Board shall consist of—**
- (i) a chairperson who shall have experience in social services for a period of not less than ten years, to be appointed by the Central Government;**
- (ii) two other members who shall have experience in social services for a period of not less than five years, to be nominated by the Central Government on the basis of recommendation of the State Government concerned;** 20
- (3) The Chairperson and other members of the Regional Board shall hold office for a term of five years.**
- (4) The salaries and allowances payable to, and the other terms and conditions of service of the Chairperson and members of the Regional Board, shall be such as may be prescribed.** 25
- 5. (1) The Central Government shall make available to the National Board and the Regional Boards such number of officers and employees as may be necessary for the efficient performance of their functions.** Employees of National Board and Regional Board.
- (2) The salaries and allowances payable to, and other terms and conditions of service of the officers and employees of the National Board and the Regional Boards shall be such as may be prescribed.** 30
- 6.** Every voluntary organisation shall, within a period of three months from the date of commencement of this Act, shall apply to the Regional Board for registration with such particulars as may be prescribed. Application for registration.
- 7.** Every Regional Board shall, within one months from the date of receipt of an application from a voluntary organisation, declare whether the application for registration has been accepted or rejected and in case the application has been rejected, the reasons therefor. Registration.
- 8.** Any voluntary organisation, whose application for registration has been rejected may appeal to the National Board. Appeal.
- 9.** The National Board shall, after hearing the views of the Regional Board and the voluntary organisation concerned, take a decision, which shall be binding on both the parties: Decision of National Board.
- Provided that the national Board may before taking a decision, consult experts in the relevant fields. 45

Constitution of a Voluntary Organisations Welfare Fund.	<b>10. (1) The Central Government shall constitute a Voluntary Organisations Welfare Fund.</b>	
	<b>(2) The Central Government and all the State Governments shall contribute to the Fund in such ratio as may be prescribed.</b>	
Administration of Fund.	<b>11. (1) The Central Government shall administer the Fund in such manner as may be prescribed.</b>	5
	<b>(2) The Central Government shall make a grant to each Voluntary organisation every year or at such intervals as it may deem necessary.</b>	
	<b>(3) While making a grant under sub-section (2), the Central Government shall consult the National Board and the member of Parliament representing the constituency in which the head office of the organisation is situated:</b>	10
	Provided that the National Board may consult the Regional Board concerned in whose jurisdiction the head office of the voluntary organisation is situated before recommending to the Central Government for release of grant.	
Annual Report of voluntary organisation.	<b>12.</b> Every voluntary organisation, which is in receipt of grant from the Central Government, shall send an annual report to the Regional Board about its activities during the year and a statement of receipts and expenditure of the organisation.	15
Regional Boards to send annual reports to National Board.	<b>13.</b> Every Regional Board shall send the annual reports received from the voluntary organisations under its jurisdiction to the National Board alongwith its comments on the performance of the voluntary organisations.	20
Withholding of grants to voluntary organisation.	<b>14.</b> The Central Government may, after due consultation with the National Board, reduce the amount of grant or withhold the total amount of grant payable to a voluntary organisation for such period as it may determine.	
Regional Board to recommend action against voluntary organisation.	<b>15.</b> If, after an enquiry, it is found that any voluntary organisation does not utilise the money for the purpose for which it was granted or involves itself in any activities other than for which it was formed, the Regional Board may recommend to the National Board for taking such action against the voluntary organisation as it may deem fit.	25
National Board to take action.	<b>16.</b> The National Board on receipt of a report from a Regional Board, shall take such action against the voluntary organisation, as it may deem fit.	
Power to make rules.	<b>17. (1)</b> The Central Government may, by notification in the Official Gazette, make rules for carrying out the purposes of this Act.	30
	<b>(2)</b> Every rule made under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both the Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.	35

## STATEMENT OF OBJECTS AND REASONS

Voluntary organisations play a significant role in the development of a nation. They supplement the activities of the Government in times of crisis. In times of natural calamities, voluntary organisations come to the rescue of affected persons even before the Government agencies. They are doing a yeomen service to the society. These voluntary organisations are engaging themselves in wide range of activities *i.e.* in providing education, health care, running homes for orphaned children, old age homes, providing free food and medicines to the needy people, etc. However, many of the voluntary organisations are lacking adequate funds to undertake their activities. They mainly depend upon funds received through contributions and donations which are not enough to meet their expenditure. Moreover, there is no mechanism at present, for registration and regulation of the affairs of voluntary organisations. They do not have any statutory recognition.

At present, Government provides grants to many voluntary organisations. But there is no check on utilisation of money granted to them and their activities. As such, these organisations utilise the money for the purposes other than for which it was granted. On the other hand genuine voluntary organisations are deprived of any assistance from the Government.

There is an urgent need to provide for registration and regulation of voluntary organisations for their better involvement in welfare activities.

The Bill seeks to achieve the above objectives.

PRADEEP TAMTA

## FINANCIAL MEMORANDUM

Clause 3 of the Bill provides for the establishment of a National Board of Voluntary Organisations. Clause 4 provides for the setting up of Regional Boards in the capital of every State and Union territory. Clause 5 makes provision for appointment of officers and staff of the Boards. Clause 10 provides for the constitution of a Voluntary Organisations Welfare Fund to which both Central and State Governments will contribute. Clause 11 provides for making grants to voluntary organisations every year. The Bill, therefore, if enacted, will involve expenditure from the Consolidated Fund of India. It is likely to involve an annual recurring expenditure of about rupees one thousand crore from the Consolidated Fund of India.

A non-recurring expenditure of about rupees five crore is also likely to be involved.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 17 of the Bill empowers the Central Government to make rules for carrying out the purposes of the Bill. As the rules will relate to matters of details only, the delegation of legislative power is of a normal character.

RAJYA SABHA

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*(Shri Pradeep Tamta, M.P.)*