

**GOVERNMENT OF INDIA
MINISTRY OF SOCIAL JUSTICE AND EMPOWERMENT
LOK SABHA**

**UNSTARRED QUESTION NO. 3112
TO BE ANSWERED ON 21.03.2017**

MISAPPROPRIATION OF PUBLIC FUNDS BY VOLUNTARY ORGANISATIONS

3112. SHRI P.V. MIDHUN REDDY:

Will the Minister of SOCIAL JUSTICE AND EMPOWERMENT be pleased to state:

- (a) the details of Voluntary Organisations (VOs) whose licenses had been cancelled by the Government during each of the last two years and the grounds for cancellation, State-wise including Andhra Pradesh, Odisha and West Bengal;
- (b) whether the Government has any proposal to introduce any guidelines/ regulations to prevent misappropriation of public funds by VOs and if so, the details thereof;
- (c) whether the Government proposes to create other sources of funds for VOs as some of the VOs whose licenses were cancelled were working for project implementing agency; and
- (d) if so, the details thereof?

ANSWER

MINISTER OF STATE FOR SOCIAL JUSTICE AND EMPOWERMENT

(SHRI VIJAY SAMPLA)

(a): This Ministry does not grant any licences to NGOs but provides financial grants to NGOs under various schemes on fulfilling the eligibility criteria of schemes for the welfare of Scheduled Castes, Other Backward Classes, Senior Citizens, Victims of Drug Abuse, and the Persons with Disabilities. However, the State-wise (including Andhra Pradesh and Odisha) details of NGOs blacklisted due to violation of scheme guidelines/ irregularities during the last two years are at Annexure. No NGO has been blacklisted in the State of West Bengal.

(b): The Ministry monitors and ensures checks on misappropriation of funds by NGOs in the following ways:-

(i) Fresh/subsequent release of grants to implementing agencies during a year are made only on receipt of Utilization Certificates in respect of previous year's grants, which have become due.

(ii) The Schemes/programmes implemented through NGOs are also monitored by respective State Governments/UT Administrations.

(iii) The Ministry also sponsors evaluation studies from time to time through independent evaluation agencies, inter alia, to check proper utilization of funds by the implementing agencies.

(iv) The Ministry has developed centralized on-line application software with the assistance of National Informatics Centre (NIC) on the website of the Ministry www.ngograntsje.gov.in. All applications from NGOs for seeking Grant-in-aid (GIA) under the schemes of the Ministry are received through on-line website with effect from 1.4.2014 and onwards.

(v) Inspections of NGOs is also carried out by the State Governments and by the Ministry.

(c) & (d): This Ministry does not have any such proposal.

Referred to in reply to part (a) of Lok Sabha Unstarred Question No.3112 by SHRI P.V. MIDHUN REDDY to be answered on 21.03.2017 regarding “**Misappropriation of Public Funds by Voluntary Organisations**”

The State-wise details of the NGOs blacklisted during the last two years.

SI.No.	Name of State	Details of NGO	Year of blacklisting	Reason for blacklisting
1	Andhra Pradesh	Sree Sarda Mahila Vignana Samithi, Beside MRO Office, Officers Club Road, Bapatla, Guntur District, Andhra Pradesh 522101	2015-16	“No one was available at the Centre to liaise with inspecting team for providing details of the NGO. No permanent staff appointed by NGO. The premises of Centre were not found fit for stay of old age people. The sanitation was poor. There were no stocks of food and eatables. Kitchen has no utensils. No records were shown to Inspecting Team”.
2	Karnataka	R. T. Nagar Educational Trust, Soorappana halli, Kudur Hobli, Magadi Taluk, Ramnagar District, Karnataka	2015-16	At the time of inspection, no inmates were found present in Old Age Home. The old age home was not hygienic and clean.
3	Karnataka	Sri Sirdi Sai Baba Sikhshana Sounstana, Vill-Bemalkhedda, Tq. Humnabad, Dist-Bidar, Karnataka	2015-16	Building space was not adequate to accommodate the inmates. Organisation does not have the capacity for additional resource mobilisation. Organisation is not maintaining the project wise records. Pay bill register and entries register donation/contributions, not found. 20(8 female and 12 male) inmates found present at centre. However, 12 male were not old as the scheme of IPOP is meant is meant for senior citizens only. Only 10 beds found present at centre. Nutrition support found inadequate.
4	Karnataka	Hyderabad Karnataka Dalit Women's Education Society	2016-17	Building space was no adequate to accommodate the inmates. Documents not provided to the inspecting team as those were not available at centres. The persons attending the inspection team did not know the information. 14 inmates found present at centre. only 07 beds found at centre. Nutrition support found inadequate”.
5	Madhya Pradesh	Shri Gopal Shikshan and Samaj Seva Samiti, Shri Mati Sharda Devi ka Makan, Ganesh Pura, Morena, Madhya Pradesh.	2014-15	Fake Registration Certificate, Byelaws and Memorandum.
6	Madhya Pradesh	Kamla Swasthya Evam Shiksha Prasarak Samiti, Behind TIT Complex, Opposite Jila Sehkari Karshi Evam Gramin Vikas Bank, Morena, Madhya Pradesh.	2014-15	Fake Registration Certificate, Byelaws and Memorandum.

7	Madhya Pradesh	Pawan Gramin Samaj Sewa Samiti, JSS building, 2 nd Floor Jiwai Jang, Morena, Madhya Pradesh.	2014-15	Fake Registration Certificate, Byelaws and Memorandum.
8	Odisha	Orissa Multipurpose Development Centre, 9/22, MIG-II, BDA Colony, Chandrasekharpur, Bhubaneswar (Odisha)	2015-16	Certain serious shortcomings/irregularities were in the functioning of the NGO and also the conditions incorporated in the Sanctioned Order was violated by the NGO.
9	Uttar Pradesh	Arya Sugandha Sansthan, Vill-Mussepur, P.O-Mandawali, Bijnor, UP	2015-16	“Against 25 beneficiaries only 5 were present. No facility for productive activity of the beneficiaries. The Cash Book, Ledger and Register of Assets, the Register of consumable items, year-wise record of minutes of General Body Meeting and records regarding details of inmates in OAH were properly not maintained by the Organization. The organization did not maintain separate accounts project-wise. The OAH of the organization did not have adequate space to accommodate cots and belongings of 25 beneficiaries”.
10	Delhi	Dr. Zakir Hussain Charitable Trust, New Delhi- working under the Scheme of Assistance to Disabled Persons for Purchase/Fitting of Aids and Appliances. (ADIP).	2016-17	Due to non-submission of relevant documents in respect of grant-in-aid released during 2010-11

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