APPENDIX – I
INTERVIEW SCHEDULE

Interview schedules for the collection of primary data for Ph.D programme on the title ‘NGOs and Development’ – A case study of five NGOs at Tamei sub-division, Tamenglong District, Manipur.

All the information provided will be strictly confidential and will be used for research purpose exclusively.

PROFILE OF THE NGOs AT TAMEI SUB-DIVISION, TAMENGLONG DISTRICT, MANIPUR.

1. Name of the organization:

2. Address:

3. Year of establishment:

4. When your NGO did come into existence? (Tick one)
   a. Prior to existence. ( )
   b. After registration. ( )

5. Have you registered under Foreign Contribution Regulation Act (FCRA)?
   a. (a) Yes ( )
   b. (b) No ( )
c. (c) Can't say

d. (d) if yes, specify the year: ( )

6. Is the organization registered (Tick one)

a. As an association ( )
b. As a trust ( )
c. As a society ( )
d. As a co-operative ( )
e. Any other

7. What is the vision statement of the organization?

________________________________________
________________________________________
________________________________________
________________________________________

8. What is the type of the organization? (You can tick more than one)

a. Cultural ( )
b. Charity ( )
c. Rehabilitation centre ( )
d. Youth club ( )
e. Mahila Mandal ( )
f. Action and Pressure Group ( )
g. Development NGO ( )
h. Any other (specify)

9. How many staff are working as full-time workers?

________________________________________
________________________________________
________________________________________
________________________________________

10. Mention the number of part-time staff?

________________________________________
________________________________________
11. Do you have unpaid volunteers in your organization?
   a. Yes
   b. No
   c. Can’t say
   d. If yes, (specify)

12. Are you linked to other NGOs?
   a. Yes
   b. No
   c. Can’t say

13. What are the major activities undertaken by your NGO in this district (You can tick more than one)
   a. Horticulture
   b. Social Forestry
   c. Health care
   d. Education
   e. Empowerment of women
   f. Water shed management
   g. Any other (specify)

14. How many people have used the benefits to lift themselves from poverty?

15. Does your organization encourage local community to participate in the decision making process and other activities?
   a. Yes
   b. No
   c. Can’t say
16. How often do you organization publish reports or bulletins in a year?
   a. 1-2
   b. 3-4
   c. 5-6
   d. 6 and above

17. Is most of the activities performed by this NGO done by
   a. Paid staff
   b. Volunteers
   c. Members of the local community

18. What is the funding source of your organization?
   a. Foreign funds
   b. Local Funds
   c. Government funds
   d. Self finance
   e. Mixed funds

19. Is information pertaining to your NGOs activities and decisions shared with:
   a. Beneficiaries
   b. Staff
   c. Outsiders
   d. All of them

20. Does your NGO have:
   a. Board Members
   b. Management Committee
   c. Consultant Members
   d. All the above
   c. Any other

21. What are the problems and constraints of your NGO while procuring funds:
22. In which activity do your NGO spend maximum amount of funds? (Tick more than one)
   a. In procuring the infra-structure facilities
   b. In implementing the projects at the grass-root levels
   c. In the building construction and vehicles
   d. In the Administrative works
   e. Any other (specify)

23. Does your NGO have a Treasurer?
   a. Yes
   b. No
   c. Can't say

24. How are you attaining self-sufficiency?

25. What criteria do you used for selecting the target group? (You can tick more than one)
   a. Age and Gender
   b. Class and tribe
   c. Level of illiteracy and poverty
   d. Religion
   e. All the above
   f. Any other (specify)

26. To whom is the NGO accountable? (Can tick more than one)
a. Community and Beneficiaries (  )
b. Government (  )
c. Foreign Funding Agencies (  )
d. All the above (  )
e. Any other (specify)

27. What measures you adopt to ensure accountability and transparency?

_____________________________________________________________________
_____________________________________________________________________
_____________________________________________________________________
_____________________________________________________________________
_____________________________________________________________________

28. Do you also evaluate and monitor your programmes?
   a. Yes (  )
   b. No (  )
   c. Can’t say (  )

29. Is the organization working towards the Millennium Development Goals (MDGs), to end extreme poverty by 2025.
   a. Yes (  )
   b. No (  )
   c. Can’t say (  )

30. Are you satisfied with the decision making process of your NGO?
APPENDIX– II
PROFILE OF STAFF

Interview schedule for the employees of NGOs at Tamei sub-division

1. Name

2. Age

3. Sex (M/F)

4. Religion

5. Marital Status
   a. Single
   b. Married
   c. Divorce
   d. Widowed

6. Qualification

7. Name of this NGO

8. For how many years have you been employed in this NGO?

9. Year of joining this NGO

10. Your Designation

11. What motivates you to join this NGO?

12. Does your NGO have job description for its employees?
13. What is your current salary status?
   a. Below Rs. 2000
   b. Rs. 2001 – 4000
   c. Rs. 4001 – 6000
   d. Rs. 6001 – 8000
   e. Rs. 8001 and above

14. Do you expect higher salary in the near future?
   a. Yes
   b. No
   c. Can’t Say

15. Does the NGO provide facility for you to join training programmes in order to enhance your skills?
   a. Yes
   b. No
   c. Can’t Say

16. Are you aware of the aims and objectives of the NGO you are working?
   a. Yes
   b. No
17. Are you satisfied with the activities implemented by this NGO in meeting its visions and goals?
   a. Yes
   b. No
   c. Can't Say

18. What remedial measures do you suggest to strengthen this NGO? (Can tick more than one)
   a. Mobilization of funds.
   b. Enhancing the leadership and management.
   c. Involving in training and research.
   d. Networking.
   e. All the above.
   f. Any other (specify) : ..................................................

19. How many times do you visit the project implementation village in a month?
   a. 1-2
   b. 3-4
   c. 5-6
   d. 7 and above

20. Does the NGO provide incentives for you, such as travel allowances, medical and provident fund benefits, etc.?
   a. Yes
21. What are the main difficulties you encountered as a staff?
   a. Colleagues
   b. Leaders
   c. Target groups
   d. Management
   e. Any other (specify)  .................................................................

22. Do you intend to move out of this NGO and join a bigger organization?
   a. Yes
   b. No
   c. Can’t Say

23. How often does your NGO conduct general body meetings to discuss important issues?
   a. Annually
   b. Half Yearly
   c. Frequently
   d. Once in two years
   e. More than two years

24. What are the strengths and weaknesses of your NGO
   ........................................................................................................
   ........................................................................................................
   ........................................................................................................
   ........................................................................................................
   ........................................................................................................
   ........................................................................................................

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APPENDIX – III

PROFILE OF THE BENEFICIARIES

An interview schedule for the target groups of NGOs located at Tamei sub-division of Tamenglong District, Manipur.

25. Name .................................................................

26. Age ..................................................................

27. Sex (M/F) ..............................................................

28. Religion ............................................................... .................................

29. Marital Status ....................................................... ( )
   a. Single ................................................................. ( )
   b. Married .............................................................. ( )
   c. Divorce ................................................................ ( )
   d. Widowed ............................................................ ( )

30. Type of Family ......................................................... ( )
   a. Nuclear ............................................................... ( )
   b. Join Family ......................................................... ( )

31. Your occupation .....................................................

32. What is your family income per month?
   a. Below Rs. 3000 ..................................................... ( )
   b. Rs. 3001 – Rs. 6000 ............................................. ( )
   c. Rs. 6001 – Rs. 9000 ............................................. ( )
   d. Rs. 9001 – Rs. 12000 ......................................... ( )
   c. Rs. 12001 and above ....................................... ( )

33. What kind of assets do you have? (you can tick more than one)
34. What are the assistances you receive from the NGO till date?

35. With the NGO intervention, has the per capita increased in your family?
   a. Yes  
   b. No 
   c. Can't Say

36. Do you have a Ration Card?
   a. Yes  
   b. No 

37. What is the current wage-rate in your village?
38. How did you become aware of this NGO?
   a. Friends
   b. Family/Relatives
   c. Media
   d. Staff of the NGO
   e. Any other (specify)

39. Are you happy with the services of the NGOs operating in your area?
   a. Yes
   b. No
   c. Can't Say

40. Are some of your basic needs been provided by the NGOs?
   a. Yes
   b. No
   c. Can't Say

41. Do you perceive the activities and intervention of NGOs as essential in lifting the socio-economic conditions of the poor in your area?
   a. Yes
   b. No
   c. Can't Say

42. Is the NGOs intervention more effective as compared to the government?
   a. Yes
b. No

c. Can't Say

43. What are your expectations from the NGOs?

44. Provide your valuable suggestions for the NGOs to enhance its activities and services in this district?
APPENDIX – IV
NGOs AND THEIR REGULATION

The Societies Registration Act, 1860

The voluntary organizations that normally operate as NGOs are registered either as Trusts, Foundations or societies. Each organization plays a significant role in the society. They are presumed not to make profit unlike the business corporations. Today, majority of these organizations have registered under the legislation called “The Societies Registration Act, 1860”. According to this Act, seven persons who subscribe to a 'Memorandum of Association' can register a society. And this Act is covered under Article 12 of the Constitution.

The objectives of the legislation are seen in the preamble which states that it is expedient that provision should be made for improving the legal condition of societies established for the promotion of literature, science & fine arts or for the diffusion of useful knowledge, the diffusion of political education or for charitable purpose. The objectives have been expanded by state Amendments to include protection of natural environment, compassion for creatures, sports, etc. In the functioning of any organizations, by-laws are essential but specific guidelines are necessary for framing such by-laws.

The legal personality attached to organizations is notable. Besides, governmental control on organizations is important especially in the context of registration, monitoring, evaluation, special powers to supercede dissolution and blacklisting of fraud organizations. Some critics argue that the government should cease to have any control on the non-profit organizations as the state is perceived to be a supporter and a facilitative agency rather than regulatory agency.

Additional Sections Added under the Societies Registration Act by Various States of India are as follows;

* The Andhra Pradesh (Telangana Area) Public Societies Registration Act, 1350-F
* The Andhra Pradesh Societies Registration (Validation) Act, 1959.
The Karnataka Societies Registration Act, 1960.
The Karnataka Societies Registration Rules, 1961.


The Meghalaya Societies Registration Act, 1983.

The Rajasthan Societies Registration Act, 1958.

The Tamil Nadu Societies Registration Act, 1975.
The Tamil Nadu Societies Registration Rules, 1978.


The Uttar Pradesh Societies Registration Rules, 1976.

The West Bengal Societies Registration Act, 1961.
The West Bengal Societies Registration Rules, 1963.

L.S.Sastri’s Society Registration Act (1997).

(Source: CAF’s Validated Database 2000:26).

PUBLIC TRUSTS ACT

Some of the states in our country have a Public Trusts Act. For instance, the Bombay Public Trusts Act, 1950 is applicable in the states of Maharashtra and Gujarat, the Madhya Pradesh Public Trusts Act, 1951 is applicable in the state of Madhya Pradesh and the Rajasthan Public Trusts Act, 1959 is enforced in Rajasthan.

INDIAN TRUSTS ACT 1882

This Act is basically applicable to Private Trusts in those states wherein Public Trusts Act does not exist. It is important to mention that several non-profit organizations seek registration under the Indian Trusts Act 1882. A Public Charitable Trust can have two trustees and
it is usually floated with both movable and immovable property which legally vests in the trustees. The founders of the trust can remain trustees during their life-time but they can appoint new trustees by resolutions passed at board meetings. A trustee is prohibited to buy the property of the trust for himself and he cannot sell any of his properties to the trust either since voluntary service is the foundation underlying all trusteeship. The board members of the society have to rotate but it is not necessary in the context of the trusts as there is no need for annual general meetings or periodic elections or annual reports for members. Besides, the statute books do not emphasized the minimum number of times board members must meet. Basically, the board of trustees meets only when it is required.


THE COOPERATIVE ACTS 1904

The first Cooperative Act was introduced in 1904 and was subsequently modified in several states. Each state and union territory has its own laws, and cooperatives are expected to abide by these. The government has more control over a cooperative as against a society/trust. According to the Act, an organization formed with the objective of promoting the economic interest of its members may be registered as a cooperative, provided it adheres to cooperative principles. The chief handicap with cooperatives is the excessive government intervention they invite on account of being collectives of mass interest and their profit making potential – in short, power and money. It is claimed that the government uses cooperatives for political purposes, as well as for party funds. The rural elites has also been able to control them to their own ends (Sources: CAF’s Validated Database 2000:24-25).

THE TRADE UNION ACT 1926

Under this Act of 1926, a trade union is defined as a temporary or a permanent institution, formed for regulating the relations between workers and employers, between workers, or between
employers. The Act also allows for a federation of two or more unions. A trade union is different from other types of organizations. The general fund of a trade union may be used for remuneration of its staff, legal expenses, and educational activities and for the welfare of members. A union may legally have separate funds for promoting the civil/political interest of its members. Its main advantage is its capacity for collective bargaining; fragmentation on party lines its chief liability (Sources: CAF’s Validated Database 2000:25).

SECTION 25 OF THE COMPANIES ACT OF 1956

The Company Act of 1956 is intended for profit-making entities, but it is possible to obtain non-profit status under section 25 of this Act. A company may obtain non-profit status if it fulfills the following conditions:

- The memorandum of Association of the company makes it expressly non-profit
- The company income is channelised solely for to promote charitable objectives.
- The members do not get any dividends or other profits.

Such entities—charitable companies—can hold property for charitable purposes. In such cases, this must be stated in the Memorandum of Association and the central government has to grant a license for this purpose (Sources: CAF’s Validated Database 2000:25).

INCOME-TAX EXEMPTION

If a Voluntary Organizations (VO) is registered under the Income-Tax Act as a charitable institution, it is eligible for tax exemption. Donations to these VOs are also tax exempt. There is various exemption classes provided for charitable agencies under the Income Tax Act, 1961-12A, 80A, 80G, 35AC, etc. While 80G provides for 50 percent exemption to donors, 35AC provides 100 percent tax relief to donors, up to the sanctioned limit (Sources: CAF’s Validated Database 2000:26-27).
During the Emergency Regime in the mid-1970s, voluntary organizations played a significant role in Jayaprakash Narayan's (JP) movement against Mrs. Indira Gandhi. With the intervention of voluntary organizations, JP movement received funds from external sources. The government became suspicious of the NGOs as mentioned in the previous chapter and thus appointed a few prominent people in establishing the Kudal Commission to investigate the ways in which JP movement functioned. Interestingly, the findings of the investigating team prompted the passage of the Foreign Contribution (Regulation) Act during the Emergency Period.

The government prepared a Bill and put it up for approval in 1973 to regulate or control the use of foreign aid which arrived in India in the form of donations or charity but it did not pass as an Act in the same year due to certain reasons undisclosed. However, in 1976, Foreign Contribution (Regulation) Act was introduced to basically monitor the inflow of funds from foreign countries by philanthropists, individuals, groups, society or organization. Basically, this Act was enacted with a view to ensure that Parliamentary, political or academic institutions, voluntary organizations and individuals who are working in significant areas of national life may function in a direction consistent with the values of a sovereign democratic republic. Any organizations that seek foreign funds have to register with the Foreigners Division, Ministry of Home Affairs, FCRA, and New Delhi. This Act is applicable to every state in India including organizations, societies, companies or corporations outside the country. NGOs can apply through the FC-8 Form for a permanent number. However, their application form will be scrutinized and verified by the Intelligence Bureau (IB).
And, there is no time limit for processing the application although the FCRA officials claim that within four or six months, it can be registered. There is also a chance for rejecting an application by the FCRA officials if discrepancies are found. It is a fact, that several NGOs received FCRA by bribing the concerned officials. This Act has 32 sections, 9 rules and 8 forms. From 1979 to 1984, some critics alleged that NGOs were utilizing their foreign funds for political purpose in mobilizing the rural poor to cast their vote to certain candidates or party and they argued that it was also used for religious conversions as well as for the separatist movements. They demanded the government to liberalize the FCRA and also Societies Registration Act and IT Act to match the global changing scenario and the significance of civil society’s organizations.

They strongly appealed to the government to make some changes in the Act by arguing that the FCRA in its present form does not serve its original objectives and has become a nuisance to the democratic activities of the civil society organizations. Finally, the central government made modifications of FCRA in 1984. Interestingly, in 1990, some people demanded a complete ban on Foreign Contributions Regulations Act. They felt that the inflow of foreign funds would jeopardize the security and sovereignty of the Nation. Hence, the government makes few amendments to the original FCRA since 27th December 1996, which is more stringent and rigorous. It is essential to mention that the Finance Ministry opposed the idea of banning FCRA because the foreign funds arrives in India without any major obligations although, NGOs are obliged to send reports of their activities to the funding agencies and the Home Ministry. Besides, out of the total foreign funds received, a minimum of 35% usually caters to employment generation.

In 2005, the United Progressive Alliance (UPA) led by the Congress Prime Minister Dr. Manmohan Singh initiated a debate in the Parliament on the issue of
FCRA. In July 2005, the Union Cabinet approved a draft Bill seeking replacement of the FCRA of 1976. The Government proposed to amend FCRA in order to ensure that it is effectively implemented rather than making it more stringent. The Ministry of Home Affairs has recorded 30,000 NGOs that were registered under FCRA in the country. And, they claimed that around Rs 5,000 crores (Rs 50 Billion) were remitted to these NGOs from abroad under the FCRA. As per the record of 2003, it is reported that the major recipient states include Delhi, Tamil Nadu, Karnataka and Andhra Pradesh. The Ministry of Home affairs has recorded that the biggest recipient of foreign funds is the Andhra Pradesh based NGO called Sri Sathya Sai Central Trust which received Rs 95 crore (Rs 950 million) during the year 2003-04.

The Government is prompted to propose a new law in place of the FCRA due to the allegations that thousands of NGOs are diverting funds for profit making enterprises. Besides, the Government is interested to facilitate the inflow of foreign contributions for humanitarian works without compromising concerns over national security. The major feature in the proposed new FCRA rules is the centralization of the administrative structure. There would be more than four regional offices instead of the existing Central office located in New Delhi. The new proposed rule requires the NGOs to receive foreign funds from the designated banks in the country although they are allowed to open multiple bank accounts to disburse the funds. NGOs with FCRA will be required to submit their report to the Ministry of Home Affairs on regular basis. And, the government has the legitimate power to cancel the FCRA of particular NGOs if they found any discrepancies in their activities. Under the new proposed rule, NGOs will renew the FCRA after every few years, wherein the government evaluates their performances and audit accounts. The government has given power to Council for Advancement of People's Action and Rural Technology (CAPART) for not only providing funds to the NGOs but to blacklist those fraud NGOs.
FUNDING AGENCIES (DONORS) OF THE NGOs

Funding is an absolutely vital element of any voluntary oriented service programmes. As long as funds flow-in from the donor agencies, the programmes usually survive. The moment, funding agencies cease to provide financial aid, the project would totally collapse. Hence, there is no hope for the survival of the projects if the NGOs do not focus on viability and sustainability of the developmental projects. It is essential to mention that several NGOs also lack total commitment and dedication while implementing the projects. And, they often fail to look at the sustainability of the projects as they expect to survive on external funds on a permanent basis.

Lovell (1992) holds that NGOs have extraordinary challenges and opportunities. He pointed out that resources to finance NGO work are available if their leaders understand how to ask. Unfortunately, all NGOs are not equally effective, and donors must learn through experience which ones merit their continued support. In his view, the challenges are so overwhelming that deciding on a distinctive niche is the key strategic decision for an NGO. He affirms that the combination of extensive landlessness and lack of off-farm jobs has become a key variable in all decision making by rural development NGOs, causing most of them to include income-generating activities as part of any program.

Changes in the funding agencies are taking place as it is becoming institutionalized. They often dispatch their staff to conduct monitoring and evaluating tasks in the field and grassroots levels. According to Roger & Mark (1995), funding mechanisms fall into four categories;
The first is where the donor operates exclusively through an intermediary agency in India that is responsible for identifying suitable projects, liaising with partners, and monitoring and evaluating their activities. German and Dutch agencies such as EZE, Misereor, and CEBEMO generally work through established intermediary organizations or umbrella groupings.

The second type is the consortia model favoured by the churches, where donor agencies pool their funds, usually in the form of block grants, which are then distributed by an intermediary agency. Caritas India performs this role for the Catholic agencies and CASA (Churches' Auxiliary for Social Action) for the World Council of Churches.

The third approach is that favoured by Oxfam, Save the Children Fund, and NOVIB, all of which have in-country offices, staffed mainly by Indian nationals, forming part of the parent organization and performing a role similar to that of an intermediary agency. Oxfam tends to favour small agencies, viewing its project support as catalytic and aimed at encouraging innovative approaches. In each region it establishes priority sectors or identifies specific social groups for special consideration. In Karnataka, for example, women and nomadic tribals receive particular attention, with social forestry as a key sector. There is also provision for non-project initiatives, such as training, networking, and inter-project visits, with the purpose of encouraging cross-fertilization of ideas between individual NGOs and promoting institutional development.

The fourth model does not involve an intermediary agency, and relations between donor and recipient operate on a one-to-one basis. Projects are submitted directly to the funding agency, which processes the applications in its head office. The main form of contact with project
partners is through periodic tours undertaken by desk officers of the agency concerned. Christian Aid, for example, channels most of its funds to Indian NGOs bilaterally.

Roger and Mark (ibid) further opine that the liberal foreign funding has undoubtedly encouraged a proliferation of small agencies and enabled others to expand quickly. There are cases where rapid growth has diluted the effectiveness of the implementing agency, which in turn raises the prospect of the funding being terminated. A related problem is that the availability of funding encourages unscrupulous organizations to apply for support without adequate vetting. Individuals offer their services as consultants to NGOs, giving advice on appropriate sources of funding, and assistance in drawing up proposals and writing reports. Few donors adopt a strategic approach in their programmes, and in many cases funding decisions tend to be ad hoc and reactive.

In India, there are three major donor agencies established by the government. They are:

- The Council for Advancement of People’s Action and Rural technology (CAPART) formed on 18th September, 1986, as an autonomous body under the Rural Development Ministry.
- The second funding agency is the Central Social welfare Board (CSWB) and,
- The Khadi & Village Industries Commission (KVIC). Apart from these donor agencies, there are several other Ministries & departments under the government of India which facilitate funds for NGOs operating in any part of India.

However, it is not easy to avail funds from the funding agencies. It is indeed a
tedious, difficult and problematic task, which requires considerable efforts as well as influences in the higher level. Bebbington and Thiele Graham (1993) asserts that, donors, faced with the crises and inefficiencies of their traditional governmental counterparts, now want to work with NGOs in programmes of poverty alleviation, good government and sustainable development. They argued that some social scientists, faced with the crises of their former models of social development, have latched on to the work of NGOs for theoretical inspiration and political hope. They observe that in the last few years NGOs have been denominated vehicles of development, democracy and empowerment at the grassroots.

Robin Lall (ibid) holds that a critical issue for all NGOs is ensuring that funding is available to accomplish their primary objectives. Some NGOs specialize in the raising of funds for disbursement to other NGOs, and may have minimal involvement in the provision of direct services. Some international NGOs, using both their own resources from individual donations and those provided by their own national governments under joint funding schemes, effectively act as providers of resources to ‘partner’ NGOs in developing countries.

It is interesting to note how various funding agencies or donor organizations differ in their scope and areas of funding. Some only fund action projects while others concentrate on funding research studies. The funds of some may be confined only to a special target group, viz., rural women, poor women, and unskilled women while others have a broader approach. Some may fund only the projects managed by NGOs while others give grants for individuals. Funding from various agencies is available for different types of activities, e.g., training schemes, income-generating activities, child care facilities, seminars and conferences, for sponsoring an individual to attend a specific academic course, conducting field surveys, research
projects and so on. Usually, the donor agencies have certain formats available for applying for grants and spell out how the project should be submitted. These should be consulted prior to submitting the proposals in order to avoid unnecessary wastage of time, effort and resources (Vyas & Singh Sunita 1993:184-185).

Rana Kranti (ibid: 275) asserts that now, when the air is thick with charges against the foreign funding of many Indian NGOs, it is no wonder that a large number of social activists are clamoring for drastic changes in the Foreign Contribution Regulation Act. In an article in the Times of India (29th November, 1996) entitled: ‘Committed and Crooked-NGOs Need a Code of Conduct’, Vimla Ramchandran criticizes the way NGOs utilizes the funds as she wrote

"Given the worrisome situation, there is a need to classify and differentiate between varied kinds of NGOs and provide appropriate registration and monitoring mechanism for each category. Many organizations have the authority to receive foreign funds directly. Permission to receive foreign funds is regulated by the Home Ministry through FCRA. This system monitors inflow of resources, but there is no mechanism to monitor whether these have been spent properly.”

As suggested by Ramchandran (ibid), the amount of foreign funds received by Indian NGOs in order to implement various programmes in the country is a serious matter which needs to be investigated thoroughly. Sometimes, NGOs are also blamed for using the funds in an improper manner and there arise skepticism about the utilization of funds by the critics who condemn obtaining of foreign funds. Besides, the practice of bribery, red-tapism, discrimination and nepotism are also rampant in the funding agencies. While the Ministry of Home Affairs, Government of India, is only listening to suggested amendments in FRCA, certain international donors have already instituted external audit procedures after a few bitter experiences where some organizations were found to have submitted bogus accounts and reports and some having got grants from multiple sources for the same set of activities.