

UPSC Syllabus Topic GS Paper 2 Indian Polity – The role of NGOs, SHGs, various groups and associations, donors, charities, institutional and other stakeholders.

Navigating Regulatory Challenges: Ensuring Impact-focused NGOs Align with India's Growth

NGOs (Non-Governmental Organizations)

NGOs are organizations committed to activities that alleviate suffering, protect the interests of the poor, preserve the environment, and provide essential social services or contribute to community development. The World Bank recognizes them for their role in addressing societal issues.

Regulatory Provisions for NGOs in India:

1. Constitutional Provisions:

- Article 19(1)(c) guarantees the right to form associations.
- Article 43 promotes rural cooperatives.
- The Concurrent List in Entry 28 addresses charities and charitable institutions.

2. Legal Registration:

- NGOs in India must register under specific acts like the Societies Registration Act (1860), the Indian Trusts Act (1882), and Section 8 of the Companies Act, 2013, to obtain legal status.

3. Financial Regulations:

- Foreign Contribution (Regulation) Act (FCRA), 2010: Regulates foreign funding, mandating NGOs to use foreign contributions for stated purposes and requiring registration renewal every five years.
- Foreign Exchange Management Act (FEMA), 1999: Monitors NGOs receiving foreign contributions, enhancing scrutiny and regulation.

Challenges in Regulating NGOs:

1. Lack of Unified Registry:

- India lacks a comprehensive registry for NGOs, leading to gaps in data on their sizes, funding patterns, and activities.

2. Diverse Legal Structures:

- NGOs have varied legal forms, making it challenging to implement a uniform regulatory framework.

3. Varied Funding Sources:

- Diverse funding sources, both domestic and foreign, complicate financial regulation.

Changes Needed for NGOs in India:

1. Regulatory Overhaul:

- Update legal entity definitions to reflect the diverse nature of NGOs.

2. Policy Measures for Micro-sized NGOs:

- Tailor policies to the specific needs of micro-sized NGOs, including tax structures for philanthropy and rules for foreign donations.

3. Focus on Organizational Building:

- Implement policies to help NGOs grow in capacity to utilize available capital.

4. Transparency and Trust Building:

- Mandate reporting and disclosures similar to those for publicly listed companies to build trust with donors and ensure transparent operations.

UPSC Syllabus Topic: GS Paper 2 Governance – Government policies and interventions.

Unconstitutional Aspects of the Fact Check Unit: Examining the Challenges

1. Functions of the Tamil Nadu Fact Check Unit (FCU)

- Verify the accuracy of information related to announcements, policies, schemes, guidelines, and initiatives of the Government of Tamil Nadu.

2. Ability to Act on Complaints and Suo Motu Cognizance:

- Act on complaints received and take suo motu cognizance of social media posts/articles.

3. Forwarding of Complaints to Authorities:

- Research and verify identified complaints through authentic government sources, forwarding actionable complaints to relevant authorities for legal action.

4. Dissemination of Content for Awareness:

- Disseminate creative content through social media platforms to create awareness about verified information.

Issues with the FCU:

1. Unreasonable Restriction on Freedom of Speech:

- Concerns about the potential infringement on the right to freedom of speech and expression, as public interest is not explicitly recognized as grounds for restriction under Article 19(2).

2. Bypassing Legislative Requirement:

- Criticism for implementing restrictions through a Government Order instead of legislation, which is required under Article 19(2).

3. Ambiguities in the Order:

- Lack of clarity in defining "information related to the Government of Tamil Nadu," leading to ambiguity and potential misuse against critics.

4. Lack of Legal Remedies:

- Absence of provisions for a legal hearing for the authors of posts, raising concerns about due process.

5. Undermining Separation of Powers:

- Critique that the government is involved in determining the authenticity of information, raising questions about the separation of powers.

6. Limited Ability to Achieve Objectives:

- Questioning the FCU's focus on mis/disinformation, fake news, and hate speech, as these may not directly relate to information about the Government of Tamil Nadu.

Recommendations:

1. Stakeholder Consultations:

- Hold consultations with all stakeholders, including the public and social media intermediaries, to ensure a comprehensive approach.

2. Support for Independent Fact-Checkers:

- Implement measures to support an independent network of fact-checkers and promote media literacy.

3. International Best Practices:

- Consider adopting international best practices, such as the European Commission's Code of Practice on Disinformation, involving a broad consultative process and opinion poll.