

**ANALYSIS ON FOREIGN CONTRIBUTIONS FOR SUSTAINABLE MANAGEMENT OF
NON-GOVERNMENTAL ORGANISATIONS IN INDIA**

A.SARAVANAN*
DR.S.KALIYAMOORTHY**
DR.P.S.NAGARAJAN***

*Ph.D. Research Scholar, Alagappa Institute of Management, Alagappa University, Karaikudi, Tamil Nadu, India

**Professor and Director, Alagappa Institute of Management, Alagappa University, Karaikudi, Tamil Nadu, India

***Assistant Professor, Alagappa Institute of Management, Alagappa University, Karaikudi, Tamil Nadu, India

ABSTRACT

The purpose of this study is to analyze the foreign contribution for enhancing sustainable management of NGOs in India and various programs for the year 2004 – 2012. In this study, formidable challenges in NGO sustainability are considered as a major factor. So, the purposes considered for the study are: Income Generation Projects / Schemes, Rural Development projects, Micro-finance projects (including setting up banking co-operatives and self-help groups). It is imperative that NGO is a primary sector to manage the sustainable development of the rural society, hence FCGR (foreign contribution growth rate) is considered as key factor to depict the growth rate of NGO contribution purported for the above mentioned study. The trend of the growth rate is determined for analysis. The sustainable management of NGO is identified for analysis in this paper. The result shows the sustainable management of projects: Income Generation Projects / Schemes, Rural Development projects, Micro-finance projects through foreign contribution to NGO annually.

KEYWORDS: NGO, FCRA, FCGR, Sustainability Analysis, Income Generation, Rural Development, Micro Finance Projects.

INTRODUCTION

The concept of sustainability is indispensable to society as it is a vital factor for the development of rural India. Sustainability of society must be under stewardship of perpetual study for the growth of the society. Sustainable management concept derived from the concept of sustainability and management. According to Brundtland commission, Sustainable development is defined as “Sustainability development is development that meets the needs of the present without compromising the ability of future generations to meet their own need”.

Sustainability is development of existing resources for the welfare of the forthcoming generations without depleting the current resources for any purpose. The management of

sustainability and its practices includes the concept of development and growth. This study finds the application of managing NGOs through foreign contribution received by NGOs in India for stated purposes. There are more than 60 purposes for which the fund is allocated and utilized for the purpose of voluntary activities by NGOs in India. This study focus on the sustainability of NGOs for the development of our country. According to Ministry of Home Affairs, FCRA contribution and utilization of funds are listed under various purposes. This paper includes the secondary data based on the annual reports of MHA. NGOs are thriving to achieve the sustainable management in the development of India by employing various purposes. This study analyzes the sustainable development and growth of the country through receipt and utilization of foreign contribution by voluntary associations.

OBJECTIVE

1. To analyze the FCGR (foreign contribution growth rate) towards Income generation projects by NGO activities.
2. To analyze the growth rate of foreign contribution and sustainability towards rural development by NGO activities.
3. To analyze the growth rate of foreign contribution welfare of micro finance projects on sustainable growth by NGO activities.

FOREIGN CONTRIBUTION TO NGOS

It is prudent to maintain the sustainable management of NGOs that enhances the quality of life and community development under various stated purposes. In India, NGOs are receiving maximum contribution in India for various purposes. R. Vaidyanathan, (2014) in his study revealed the foreign funding and the Maharajas among NGOs in India. In his study the foreign contributions, registered associations and reporting associations are analyzed from the year 2002 to 2012. It is also highlighted by the researcher with respect to Dollar NGOs or Euro NGOs because the NGOs who receive maximum foreign contribution in India are called as Maharajas among NGOs by the researcher. The prominent cities are listed as the foreign contribution ranking given by FCRA wing. Mckenzie-Mohr, Doug. (1999) studied about the sustainability of an individual and behaviour. In his study, he revealed that sustainability development; there should be high benefits and low barriers for the achievement of sustainability.

RESEARCH METHODOLOGY:

This study is based on the secondary data. This study gives the NGO association and fund utilization of foreign contribution for the stated purposes. The purpose of this study is to analyze the foreign contribution of sustainable management towards NGOs in various purposes from the year 2004 – 2012. The purposes considered for the study are Income Generation Projects/Schemes, Rural Development and Welfare of micro-finance projects(including setting up banking co-operatives and self-help groups. Tools used for the analysis are Mean, Median, Standard deviations, Ratio analysis and Trend analysis.

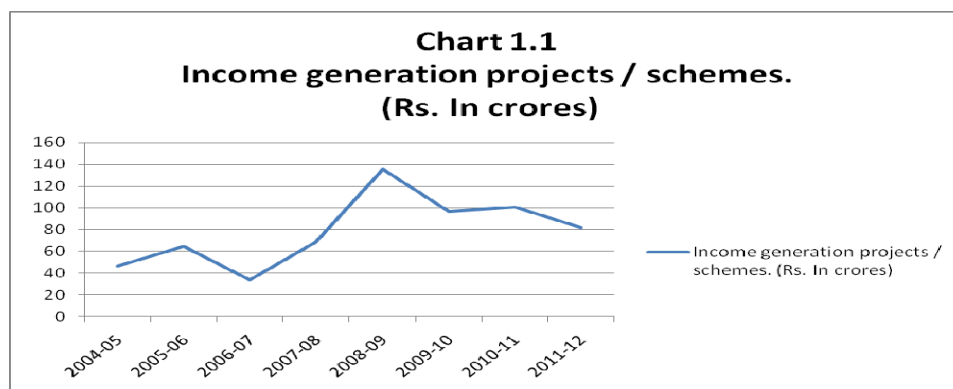
INCOME GENERATION PROJECTS / SCHEMES

Table 1.1

Receipt and utilization of foreign contribution towards income generation projects / schemes

Year	Income generation projects/ Schemes. (Rs. in Crores)
2004-05	46.53
2005-06	65.00
2006-07	34.03
2007-08	69.10
2008-09	135.63
2009-10	96.94
2010-11	100.80
2011-12	81.86

Source: Ministry of Home Affairs –Foreigners Division, FCRA wing



Foreign contribution is made annually for the purpose of Income generation projects of NGOs in India. As such self reliance is one of the vital factor in the economic development of NGOs in India. Therefore, a significant amount of foreign contribution was allocated and

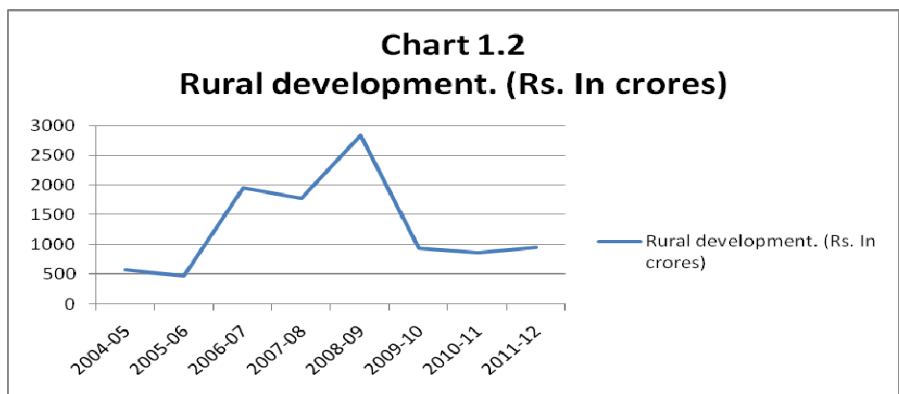
utilized annually towards income generation projects/ schemes to NGOs in India. The Table1.1 shown above contains the data of Receipt and utilization of foreign contribution towards income generation projects / schemes from the year 2004-2012. The growth rate is determined to study the foreign contribution of funds received for the stated purpose towards income generation purpose by NGOs in India. The Chart1.1 shown above gives an understanding of growth percentage annually from the year 2005 to 2012. The Standard deviation value shown is 32.47 which indicates that the deviation value from the mean value of 78.74. As the trend shows that foreign contribution value decreased from 2011 to 2012. The least contribution is Rs.34.03 crores in the year 2006-07. The highest contribution was made in Rs.135.63 in the year 2008-09. The median was calculated as 75.48, which shows the growth percentage factor essential for sustainable growth of NGO in income generation projects.

RURAL DEVELOPMENT

Table 1.2 Receipt and utilization of foreign contribution towards rural development.

Year	Rural development. (Rs. in crores)
2004-05	582.48
2005-06	475.18
2006-07	1956.63
2007-08	1781.38
2008-09	2834.66
2009-10	944.13
2010-11	863.12
2011-12	945.77

Source: Ministry of Home Affairs –Foreigners Division, FCRA wing



Foreign contribution is made annually for the purpose of rural development through NGOs in India. As per Mahatma Gandhi, rural development is vital for the growth of India. It contributes to sustainable development in Indian economy. Therefore, a significant amount of foreign contribution was allocated and utilized annually towards rural development projects for the welfare of rural society in India. The Table 1.2 shown above contains the data of Receipt and utilization of foreign contribution towards rural development projects / schemes from the year 2004-2012. The growth rate is determined to study the foreign contribution of funds received for the stated purpose towards rural development purpose by NGOs in India. The Chart 1.2 shown above gives an understanding of growth percentage annually from the year 2005 to 2012. The Standard deviation value shown is 815.58 which indicates that the deviation value from the mean value of 1297.92. As the trend shows that foreign contribution value increased from 2010 to 2012. The least contribution is Rs.475.18 crores in the year 2005-06. The highest contribution was made in Rs.2834.66 in the year 2008-09. The median was calculated as 944.95, which shows the growth percentage factor essential for sustainable growth of NGO in rural development projects.

MICRO-FINANCE PROJECTS

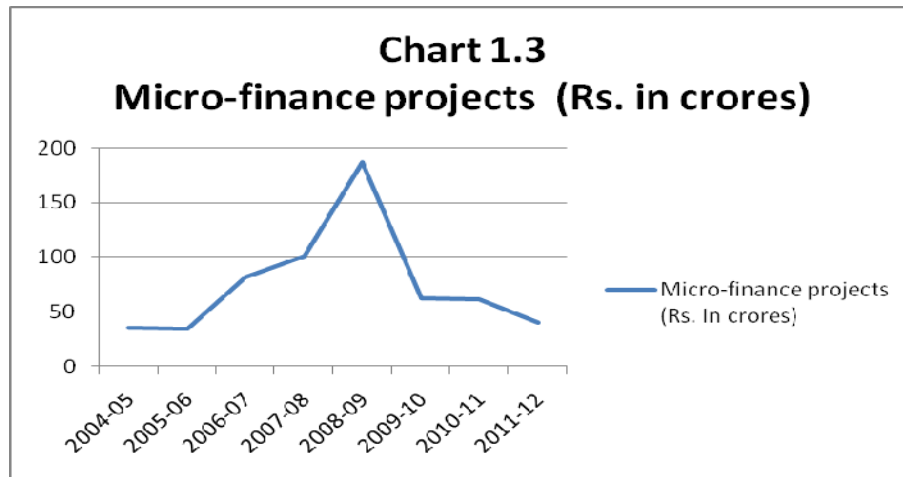
TABLE 1.3

Receipt and utilization of foreign contribution towards welfare of micro-finance projects, including setting up banking co-operatives and self-help groups.

Year	Micro-finance projects (Rs. In crores)
2004-05	35.84
2005-06	34.72
2006-07	81.82
2007-08	101.48
2008-09	186.66
2009-10	62.50
2010-11	61.42
2011-12	40.03

Source: Ministry of Home Affairs –Foreigners Division, FCRA wing

Foreign contribution is made annually for the purpose of Micro Finance projects of NGOs in India. As such NGOs are actively participating in rural poverty alleviation programmes



through funds utilized for Micro Finance projects. The NGO extends the helping hand through the Micro Finance projects to the creditors. Micro Finance a major growth sector essential for the individual and society as a whole which enhance economic development of NGOs in India by income generation. Therefore, a significant amount of foreign contribution was allocated and utilized annually towards Micro Finance projects / schemes to NGOs in India. The Table 1.3 shown above contains the data of Receipt and utilization of foreign contribution towards income generation projects / schemes from the year 2004-2012. The growth rate is determined to study the foreign contribution of funds received for the stated purpose towards Micro Finance purpose by NGOs in India. The Chart 1.3 shown above gives an understanding of growth percentage annually from the year 2005 to 2012. The Standard deviation value shown is 50.61 which indicates that the deviation value from the mean value of 75.56. As the trend shows that foreign contribution value increased from 2008 to 2009 and 2010 to 2011. The least contribution is Rs.34.72 crores in the year 2005-06. The highest contribution was made in Rs.186.66 in the year 2008-09. The median was calculated as 61.96, which shows the growth percentage factor essential for sustainable growth of NGO in Micro Finance projects.

FINDINGS

The findings of the study relies on receipt of funds and utilization for the given purpose listed on the annual data of voluntary association by Government of India for the year from 2004 - 2012.

1. For the purpose of Income generation projects, the foreign fund allocation to NGO should be more than Rs.75.48 crores which is essential for sustainable growth rate in India.
2. For the purpose of rural development projects, the foreign fund allocation to NGO should be more than Rs.944.95 crores which is essential for sustainable growth rate in India.
3. For the purpose of Micro Finance projects, the foreign fund allocation to NGO should be more than Rs. 61.96 crores which is essential for sustainable growth rate in India.

SUGGESTIONS

The NGOs activities implemented and forth going implementation should be of sustainable in nature and that will lead to the increase in foreign contribution of the selected purpose of sustainability.

1. Income generation projects should be given special attention by implementing projects to earn the foreign funding to NGOs in India as fund allocation shows falling trend
2. Rural development projects need emergency funding and focus required is extremely high.
3. Micro finance projects are exclusively identified for the welfare and wellbeing of the society. These projects require increased fund allocation.
4. Sustainable management of various purposes can be implemented to expand the sustainable development activities of NGO. Sustainable management practice should be followed.

CONCLUSION

In India, NGO should implement the activities that could benefit the people, community and society as a whole. This research can be applied to study the analysis of foreign contribution to other Government projects of various purposes. Researchers can analyze the expected foreign contribution for the following year for various purposes based on this study.

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