

**GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:3538
ANSWERED ON:19.08.2003
CRITERIA FOR ALLOCATION OF FUNDS TO NGOs BY CAPART
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Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) the criteria for the allocation of funds to NGOs by CAPART;
- (b) whether the CAPART HQ can provide huge amount to first timer NGOs for rural development projects;
- (c) if not, the reasons for providing funds under ARWSP to DHAN Foundation, Tamil Nadu; and
- (d) the action taken/proposed to be taken against the officials of the CAPART responsible for the same?

Answer

MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI U.V. KRISHNAM RAJU)

- (a) The following criteria are used for providing assistance by CAPART to NGOs:
 - i) The voluntary organisation should have been registered under the Societies Registration Act, 1860, the Indian Trust Act, 1882 or the Charitable and Religious Trust Act, 1920 and state amended thereof;
 - ii) The voluntary organisations should have had a Bank or Post Office account for the last three years;
 - (iii) The voluntary organisation should be working at least for three years with participants in rural areas even if the voluntary organisation headquarters are located in an urban area.
 - iv) The voluntary organisation should not have been put on the CAPART list of organisations to which funding has been suspended/stopped; and
 - v) The proposals should be as per the guidelines of CAPART.
- (b) As per the guidelines of CAPART, first timer NGOs are generally sanctioned projects upto Rs.20 lakhs.
- (c) An Accelerated Rural Water Supply Programme (ARWSP) project was sanctioned in favour of DHAN Foundation, Tamil Nadu with CAPART's assistance of Rs.39,23,021/-. Initially, the proposal was submitted by PRADAN an old partner of CAPART from its Madurai Branch in October, 1997. Later on, PRADAN decided to register its branch office in South India as a separate organisation by the name of DHAN Foundation. In that sense, DHAN Foundation, being a branch of PRADAN was not considered as a new voluntary organisation. The project was approved by the National Standing Committee.
- (d) Does not arise.