ISSN 0972 - 7248

INTERface

towards promoting accountability

Vol. II Issue - 7

July - Sept. 2002

fmsf

Between Us ...

Perseverance in the Face of Challenges

Sitting in the balcony, the person was amazed. Just the evening before he had swept the place with a broom, taking extra care to destroy the cobwebs. Now here they were again! One the size of a plate and some others anchored to the corners. He meticulously swept them every day only to find them carefully reconstructed and woven again. What incredible perseverance these spiders had!

He sat down and started watching a tiny spider weaving the most fantastic masterpiece. The web was constructed from the Centre outwards, with careful systematic planning. As the web rapidly took shape, he was fascinated by the determination of the creature. It had only one thing in mind-the completion of the web and wove unceasingly in order to reach that Goal.

He called his friend to come and see the magnificent work and pointed out the distances covered with barely visible lines. But then, in the flash of a second due to an accidental move of his hand, the anchor line was destroyed reducing the whole work to almost nothing.

Of all the intricate engineering, only one strand remained. The spider dangled from that solitary strand in momentary inactivity, seemingly stunned by the sudden destruction of the web. But then suddenly the little creature flung into action again. With renewed energy and diligence, it began spinning and weaving afresh.

The above incident speaks of perseverance and tenacity. Would we stick around if the results of our hard labour be destroyed or would we give up in despair? We would do well to learn from the tiny specimen to have that same perserverance to build again and again, in the face of challenges.

In solidarity

Sanjay Patra

INSIDE

Point of View

TDS AMENDMENTS IN FINANCE ACT, 2002

The Finance Act, 2002, has made crucial amendments in the provision relating to deduction of tax at source with regard to the interest and dividend income of NGOs. Under the amended provisions w.e.f. from 01.06.2002 TDS is required to be deducted if interest in excess of Rs. 5,000 is being paid or credited during the financial year.

Prior to the changes made by Finance Act, 2002, under section 197A an assessee was entitled to submit a declaration in writing, in duplicate, stating that the tax on its total income would be nil. On the basis of this declaration in Form 15H the person responsible for paying any income was not required to deduct tax at source. One copy of Form 15H was required to be submitted to the income tax department on or before the 7th day of the succeeding month by the person responsible for paying income.

The Finance Act, 2002, has inserted a new sub-section in Section 197A. The newly Inserted Sub-section 1B is as under

(1B) The provisions of this section shall not apply where the amount of any income of the nature referred to in sub-section (1) or sub-section (1A), as the case may be, or the aggregate of the amounts of such incomes credited or paid or likely to be credited or paid during the previous year in which such income is to be included exceeds the maximum amount which is not chargeable to income-tax

The above amendment became effective from 01.06.2002. As per the new provision Form 15H could only be accepted if the income of the payee does not exceed the maximum amount chargeable to tax. Earlier Form 15H was related to the tax liability of the payee and not the total income. Therefore under the amended provisions even if the final tax liability is nil, TDS would be deducted once the total income exceeds Rs. 50,000/.

The amended provision will create hardship to many assessees including NGOs. The options available are either to claim refund of tax deducted at source while filing of the return or apply to the assessing officer to issue a certificate in Form 15AA. NGOs normally have to keep funds in various securities and term deposits as investments or transit funds. This amendment is certainly going to create a great deal of hardship in effective and prudent mobilisation of NGO funds.

Obtaining Certificate for receiving interest without TDS

An application in Form 13 is required to be made to the assessing officer for issue of a certificate for tax deduction at a lower or nil rate. A copy of the Form 13 is also attached herewith. The assessing officer is satisfied then he will issue an certificate in Form 15AA.

There is no time limit specified for making such application in Form 13, therefore such application can be made any time before the deduction of tax at source. Similarly the Income Tax Act does not specify any time limit within which the assessing officer has to dispose off such application. It is expected that the assessing officer should, in deserving cases, issue the certificate within a reasonable period and before the deduction of tax at source.

Validity of the Certificate

The certificate issued in Form 15AA shall remain valid for the assessment year as specified in the certificate, unless it is cancelled by the assessing officer. The certificate shall remain valid only for the person to whom it is issued, which implies that if the investments and deposits are lying at different places than different certificates have to be obtained for each such source of interest income.

Mr. Manoj Fogla
Chartered Accountant

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[1]FORM NO. 13

[See rule 28(1)]

Application by a person for a certificate under section 197 of the Income-tax Act, 1961, for no deduction of tax or deduction of tax at a lower rate

To
The Assessing Officer,
....
....
....

[I, ..., of ....do hereby, request that a certificate may be issued to the person responsible for paying to me the income by way of salary/interest on securities/interest other than "interest on securities"/insurance commission/[*commission (not being insurance commission) or brokerage*/] dividends/rent/income in respect of units/any sum by way of compensation or the enhanced compensation or the consideration or the enhanced consideration on account of compulsory acquisition of any capital asset (strike out whichever is not applicable) authorising him not to deduct income-tax/to deduct income-tax at the rate of........... per cent at the time of payment to me of such income/sum. The particulars of my income are as under:]

(i) Status (state whether individual, HUF, firm, BOI, etc.)

(ii) Residential status (whether resident/resident but not ordinarily resident/non-resident)

(iii) Permanent Account Number, if any

(iv) Assessment year to which the payments relate

(v) Estimated total income of the previous year relevant to the assessment year referred to in (iv) above

(vi) Total tax payable on the income at (v)

(vii) Average rate of tax

col. (vi)
------------X100
col. (V)

(viii) How the liability determined in col (vi) is proposed to be discharged ? (Specify the amount to be paid by way of advance tax and TDS)

(ix) Total income assessed in the last three assessment years and the total tax paid for each such year:

	Total Income	Total tax
(i)		
(ii)		
(iii)		

(x) Date and amount of advance tax and TDS, if any, already paid so far.

(xi) Details of income claimed to be exempt and not included in the total income (please append a note giving reason for claiming such exemption).

(xii) Please furnish the particulars in the schedules below in respect of the payments for which the certificate is sought:

SCHEDULE I

Description of securities	*Number of securities*	*Date of securities*	*Amount of securities*
(1)	(2)	(3)	(4)

SCHEDULE II

Sl.No.	*Name and address of the person to whom the sums are given on interest*	*Amount of such sums*	*The date on which such sums were given on interest*	*Period for which such sums were given on interest*	*Rate of interest*
(1)	(2)	(3)	(4)	(5)	(6)

SCHEDULE III

Sl. No.	*Name and address of person responsible for paying insurance commission*	*Amount of insurance commission*
(1)	*(2)*	*(3)*

SCHEDULE IV

Sl No	Name and address of the company	No. of shares	Class of shares and face value of each share	Total face value of shares	Distinctive Nos. of shares
(1)	(2)	(3)	(4)	(5)	(6)

SCHEDULE V

Sl.No	Name and address of the employer	Period of employment	Amount of salary received	Income from house property	Income from sources other than salary and income from house property	Total income
(1)	(2)	(3)	(4)	(5)	(6)	(7)

SCHEDULE VI

Sl. No.	Name and address of person responsible for paying rent	Amount of rent
(1)	(2)	(3)

SCHEDULE VII

Sl. No.	Name and address of the mutual fund	Number of units value of each unit	Class of units and face units	Total face value of units	Distinctive Nos. of units
(1)	(2)	(3)	(4)	(5)	(6)]

SCHEDULE VIII

Sl.No.	Name and address of the person responsible for paying compensation or the enhanced compensation or the consideration or the enhanced consideration on account of compulsory acquisition of the capital asset	Amount of compensation or the enhanced compensation or the consideration or the enhanced consideration
(1)	(2)	(3)

SCHEDULE IX

Sl.No.	Name and address of the person responsible for paying commission (not being insurance commission referred to in section 194D) or brokerage	Amount of commission (not being insurance commission referred to in section 194D) or brokerage
(1)	(2)	(3)

* I, ..., the trustee/co-trustee of .... do hereby declare that the securities/sums/shares, particulars of which are given in the Schedules above, are properly held under trust wholly for charitable or religious purposes and that the income therefrom qualifies for exemption under sections 11 and 13 of the Income-tax Act, 1961. I declare that the securities/sums/shares, particulars of which are given in the Schedules above, stand in my name and are beneficially owned by me, and the income therefrom is not includible in the total income of any other person under sections 60 to 64 of the Income-tax Act, 1961.

I further declare that what is stated in this application is correct.

....
(Signature)

Date............ ....
Place ....
....
(Address)

* Strike out whichever is not applicable.

ACTION POINTS

1. Under section 197(1) of the Income-tax Act read with rule 28 an assessee deriving income from ‘Salary’ [section 192], ‘Interest on securities’ [Section 193], ‘Dividends’ [section 194], ‘Interest other than interest on securities’ [Section 194A], ‘Insurance commission’ [section 194D], commission or brokerage [section 194H], Rent ‘[section 194-I], ‘Income in respect of units’ [section 194K], ‘payment of compensation on acquisition of capital asset’ [section 194L] and 'Other sums payable to non-resident, etc.,' [section 195], may make application in Form No. 13 for obtaining a certificate for deduction of tax at lower rates.

2. The Assessing Officer on receipt of an application under item (1) above, is, if satisfied, required to issue certificate, in Form No. 15AA under rule 28AA, for no deduction of tax or deduction of tax at lower rates from income [in case of dividends certificate will be in Form No. 15 (see rule 29)] in the prescribed manner. This certificate shall be valid for the specified assessment year only for the person named therein and will be issued direct to the person responsible for paying the ‘income’ under advice to the applicant.

3. The application has to exercise sufficient care in furnishing the proper application in the proper form by supplying the prescribed particulars. He has to ensure strict compliance with the stipulated requirement to enjoy the said concession of no deduction or deduction at lower rates of tax to obviate unnecessary claims for subsequent refunds and connected correspondence.

Special Focus

ACCOUNTABILITY DAY

With globalisation, our windows have been opened for the winds of change to blow from across the world. Let us open the doors now for the citizen to claim his Right to Accountability.

RECENTLY, we celebrated the Doctors' Day. The country reverentially remembered the services of doctors like Dr.B.C. Roy, the illustrious son of West Bengal, Dr. Chenna Reddy of Andhra Pradesh, Dr. Farooq Abdullah of Jammu and Kashmir, Dr. U. Mohan Rao of Tamil Nadu and scores of others. The country also celebrates Science Day, Technology Day, Teachers's Day, Children's Day, Fathers' Day, Mother's Day, Valentine's Day, and many others to suit every whim, occasion, vocation, profession and activity. We might have celebrated these days and forgotten them for the moment. But we cannot forget the dog days we are suffering. And alas! The country has not thought of the Accountability Day to honour the watchdogs and hence the underdogs, the underprivileged, and the honest.

Accountability and transparency are the hallmarks of good governance and modern societies. In recent times, accountability has become the creed of civil societies and has overarched the public domain to embrace private with ethical connotations. So much so that in Canada, the phones at homes are picked up before the fourth buzz and the caller at the other end is not left to wonder at the million possibilities. What a wonderful personal behaviour!

Concern, timeliness, politeness, ethicality, honesty, transparency, etc., are rolled into one as accountability in public, private and business lives. So much so accountability and transparency,which subsume each other in practice, have acquired Social Value Index.

An Unknown concept

In India, accountability is a strange word and an unknown concept unfurling million mutinies. The breadth, width and depth of the concept have to be consciously evolved by the informed public and the educated class.

In the last century and a half, Public Audit has negotiated accountability through colonial days, diarchy principle, popular governments, parliamentary democracy, local government and non-governmental organisations. We have had exposures, articulated by Audit, in the cases of Jeep Scandal, Veeranam Project, Bofors Gun, Coffin Scam, Fodder Purchase, etc. Towering figures like Jawaharlal Nehru had paid from their pockets when Audit objected to the expenditure on Avadi Congress (1955) from the coffers of the Government. Eminent leaders like R. Venkataraman, former President and Murli Manohar Joshi, Human Resource Development Minister, have served on the Public Accounts Committee. Powerful Ministers have resigned and popular ministries have been dismissed on the basis of Audit findings.

Shining example

We also need to recall the yeoman service rendered by the first Vigilance Commissioner, K. Santhanam, a patriot and nation builder of sterling qualities. He set standards for those who hold public offices. But leaders and bureaucrats alike have found crossing the threshold to the utopia of freedom from corruption, a Himalayan hurdle. The present Vigilance Commissioner, another shining example of bureaucracy, has sunk into our consciousness the need for accountability in bureaucracy with his voluble observations and valuable actions. The editorials and articles in the print media from the days of Bofors to the days of Gujarat carnage are trail blazing leading to Tehelka firing the salvo in the electronic media. But the idea as well as history of Public Accountability has to be revisited time and again to refurbish public memory and rededicate the nation to the cause.

So accountability is not a soloist function. It is an orchestra for social symphony and the players are

Judiciary, Ombudsman (Lokpal), Regulatory Institutions, Professional Guilds, Vigilance Commission and the Press. Yet, we have miles to go and promises to keep. Importantly, the desire for Public Accountability has to be rekindled as often as possible. In the absence of this, it will remain a fractured fact and the concern of a few. Robert Frost succinctly captures this in the poem on The Hardship of Accountancy and records:

Never ask of money spent,
Whether the spender thinks it went,
Nobody was ever meant,
To remember or invent,
What he did with every cent.

Public Accountability is not the concern of only the English Press or the preserve of institutions created to cater to it. It has to emerge as citizen's right, especially in a democracy. Right to Accountability like Right to Information is a common man's concern. To make the common man aware and alive to this right, Accountability Day is a means. Otherwise, scams in stock exchanges and cooperative sector will continue to tango.

Incidentally, days are more important than years because people are awakened periodically to the ideas and issues, aspirations and achievements when Days are observed, whereas celebrations like Year of the Women or Year of the Disabled tend to go to sleep like Rip Van Winkle or limp painfully after the event.

Promotional ventures

Transparency and Public Accoutability are promotional ventures with several international funding institutions and governments. To promote people's awareness for Public Accountability, institutions like World Bank, Asian Development Bank, European Union, etc., can help in organising national and regional seminars.

Several topics like accountability in parliamentary democracy, accountability in bureaucracy, accountability of professional organisations, accountability of regulatory bodies, accountability of the Judiciary for timely disposal of cases and early delivery of judgments, accountability of non-governmental organisations, etc., can be thought of before we venture into ethicalities and private behaviour.

Since the concept of accountability has been profiled as citizen's right, it would be in the fitness of things, if the Accountability Day is launched by the Prime Minister. The Leader of the Opposition could also be present to underscore the bipartisan approach to the attempt. Representatives from parliamentary committees, Judiciary, Lokpal, regulatory institutions, professional bodies and the Press could be invited to the inauguration of Accountability Day. State capitals could also simultaneously celebrate the Day with the Chief Minister, Chief Justice of the High Court, legislative committees representatives and the Press voicing the common man's concern for Public Accountability.

The Accountability Day could be on November 16, since the earliest attempt was made on this day in 1860 when Indian Audit and Accounts Department was established. Prof. W.J.M. Mackenzee sums it up in these words: "Without audit, no accountability, without accountability no control, and if there is no control, where is the seat of power?"

Easy way

Popularisation of the concept of Public Accountability at the grass roots level, especially the segment of youth, is possible through holding essay competitions. Literacy Day, Environmental Day etc., have been popularised through essay competitions. This could be an easy way to reach the grass roots level, especially the next generation, so that the idea takes root.

With globalisation, our windows have been opened for the winds of change to blow from across the world. Accountability is inhered in globalisation. Let us open the doors now for the citizen to claim his Right to Accountability.

written by ***S. SATHYAMOORTHY***

Addl. Deputy Comptroller & Auditor General of India

(Published in The Hindu dated 23rd July, 2002)

Fine(ance) Print

Interest received on EED funds - EED's requirements

Interest as per the dictionary meaning implies the advantage or profit earned especially in case of financial transactions. Interest however also means showing curiosity for something. It can also be said that since every person in this world has to deal with money and any extra money which can be earned on these monies can be of interest to every body.

Development organisations, receive money from the funding agencies for the various programme activities to be undertaken by them. Since these funds are received in advance for a particular period of time and the whole amount cannot be utilised in one instance, these funds have to be retained in the bank account. The bank account in which these funds are maintained is the designated bank account as per the Foreign Contribution (Regulation) Act 1976. The accounts in general are of saving or current in nature.The saving bank account earns interest on the funds at the prescribed rate every six months. However on the current account no interest is earned on such funds in the bank account.

For organisations whose programme activities are **supported by EED** (formerly known as **EZE**) there are certain reporting requirements regarding the interest earned on funds remitted by EED.

The interest earned on EED funds comprise of:

- interest credited to the designated foreign contribution savings bank account of the partner organisation on EED funds available therein
- interest credited to the designated foreign contribution savings bank account of the partner organisations covered under small project funds and networks.
- interest earned on unspent EED funds kept in short term fixed deposits or elsewhere in approved modes with EED's prior permission.

In exceptional case, where special funds are kept in fixed deposits or invested elsewhere with the prior approval of EED, the interest earned on such investments is also to be treated as interest earned on EED grant but should be treated as funds separate from the project funds (e.g. in case of revolving/ credit fund)

In cases where a current account is maintained, the same may be informed to EED/FMSF, as no interest will be earned thereon.

Reporting to EED

All interest earned on EED remittances approved grant, form part of the EED remittance and therefore it should be reported in the respective half yearly audited financial report, during which it has been earned /credited.

In case, the partner organisation is receiving funds only from EED, then the entire interest earned, belongs to EED and is to be reported in the respective financial report.

In case, where the partner organisation is receiving funds only from more than one donor agency then a proportionate amount from the total bank interest earned, is to be reasonably attributed to the EED grant (to be acceptable to the auditors)and is to be reported in the respective financial report.

Reporting Procedure on the Income side (Page 1 of EED Form 3)

The interest earned on such EED funds are to be included under the main head, 'EED Interest' (it includes the partner organisations bank interest, its implementing organisations bank interest, interest earned on short term fixed deposits etc.)

Reporting Procedure under FCRA

The interest earned by the partner organisation on the designated foreign contribution savings bank account and the short term fixed deposits etc. needs to be reported under 1A(ii) of the new FC-3 form to the Ministry of Home Affairs, Government of India. However, any interest earned by organisations covered under small project funds and networks are not to be included in the FC-3 form of the partner organisation. They are to be reported in their respective FC-3 returns.

Utilisation

Any interest earned on EED grant has to be utilised by the partner organisation for the approved project activities as specified in the EED letter of approval.

Effect on funding

The EED grant would be reduced to the extent of interest earned by the partner organisation on the EED remittance since any interest earned forms part of the EED grant.

However, with the prior approval of EED, the interest earned on the EED funds can be utilised for financing the additional project measures exceeding the agreed budget.

Note

- For the request for transfer of funds the partner organisation has to include the bank interest earned along with the EED remittance in the EED Form 1 (request for transfer of funds) under Serial No. 3.9
- The interest earned on funds from other funding agencies, form part of the own means of contribution raised by the partner organisation. However the partner organisation may reflect the amount such earned separately in the audited financial report on the Income page.
- The reporting requirement may vary in case of special funds (e.g. Revolving funds, Small Project Funds and Networks etc., as the case maybe).

- Pooja Grover
Project Monitoring Officer
FMSF

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Action & Reflection

(I) Report on Financial Management Workshop for INSAF held at Kalimpong, West Bengal

As a part of the capacity building process for the newly elected functionaries of the East Zone RRMO (Regional Resources Monitoring Organizations) and state units in the area of financial management, INSAF had organised a workshop on Financial Management at Disha Centre, Kalimpong, West Bengal on 19th and 20th of August 2002.

FMSF was invited to facilitate this Financial Management Workshop to acquaint the newly elected functionaries of INSAF – East Zone with the financial and administrative procedures and norms and strengthening of the capacity of the RRMO's and state units of INSAF in the area of financial management. About 29 participants attended this workshop from various states.

The objective of this workshop was to improve and strengthen the co-ordination process involved in the existing structure, thereby the Financial Management System can be made more effective and facilitative.

The topics covered by the FMSF team during the workshop were Financial Management System of NGO's, Relationship/Coordination – Programme and Finance, Budgeting, Existing structure and procedures, Reporting procedures of INSAF (Formats etc.), Legal & Tax matters, FCRA Regulations and Requirements, Accounting / Reporting of Own Funds

Mr.Sanjay Patra, Executive Director of FMSF, Ms.Pooja Grover,Project Monitoring Officer of FMSF and Mr.V.K.Joshi of RCDRC facilitated the worshop.

(II) Report on Workshop on Fund Management and related Governance for Development Organisations held from 17th to 19th September, 2002 at St. Marks Hotel, Bangalore

FMSF is an organisation involved in capacity building of development organisations in the Indian Sub-continent in the area of financial management and related aspects. In its efforts to address the importance of financial management system as a significant component of the organisation system as a whole, FMSF had conducted its first workshop in New Delhi in June 2002 for the development organisations in Northern India. FMSF conducted the next workshop for the organisations based in South India from 17th to 19th September 2002 at St. Marks Hotel, Bangalore.

The workshop was attended by 48 participants representing various organisations from 8 states like Andhra Pradesh, Tamil Nadu, Orissa, Delhi, Goa, Karnataka, Madhya Pradesh, Maharashtra. Mr. J. B. Singh, Managing Trustee of FMSF , a noted Gandhian and a development worker was also present during the workshop.

The workshop module included topics on Fund Management, Budgeting & Cash Flow, various Governance related matters including Internal Control Procedures, Planning Monitoring and Evaluation

Systems, Programme Vs. Finance, Concept of Own Means, Income Tax and FC(R)A and also Organizational Effectiveness and Sustainability

The resource persons for the workshop were Mr. K.N. Gupta, Mr. Manoj Fogla, Mr. Sanjay Patra and Ms. S.P. Selvi

Mr. K.N. Gupta dealt with the topics on Internal Control Procedures, Budgeting and Cash Flow, Own Means Contribution and FC(R)A.

Mr. Manoj Fogla facilitated the sessions on Fund accounting, NGO Governance, and legal issues of Income Tax.

Mr Sanjay Patra facilitated the sessions on Fund Management, Need for Preparation and Presentation of Financial Statements, Organisational Effectiveness and Sustainability.

Ms. S.P. Selvi dealt with the session on Programme Vs. Finance and Planning, Monitoring and Evaluation (PME) Systems.

All the sessions involved intense interactive discussions among the participants and the facilitators. With the help of various case studies and group work, the above topics were effectively addressed.

The workshop was concluded by distribution of Certificate of Participation to all the participants by Mr. K. N. Gupta and Mr. Manoj Fogla.

(III) Report on Workshop on Fund Management and Related Governance for Development Organisations held on 26th & 27th September' 2002 in Nepal for UMN Departments and NGOSP/NOUnit Partner Organisations.

The need for capacitating the network partner organisations in the area of financial management and related governance was felt by UMN and the concern was also shared with EED & FMSF. As a response to this, a workshop on Fund Management and Related Governance was organised by UMN for the partners in the Partnership Programme of UMN that was facilitated by FMSF. About 33 people participated in the workshop. The participants were a mixed group of both Hindi and English speaking.

The workshop was started with the devotion. The topics that were covered in the workshop included Introduction to Fund Management and Governance, Budgeting & its Importance, Fund Accounting, Preparation and Presentation of Financial Statements, Own Means Contribution, Internal Control Procedures,Co-ordination between Programme and Finance as sub-systems in the overall organisational system & NGO Governance.

The topics taken up were discussed at length with the help of case studies on very practical problems related to the day-to-day working. The topic on Fund Accounting was quite new to the Nepal partners. The concept was well appreciated and understood after an in-depth and detailed discussion with the help of a case study. Also the topic on own means contribution generated a lot of discussion on the computation of own means taking into consideration the ground realities at the field level that was very well brought about with a simple case study.

The resource persons for the workshop were Mr. Sanjay Patra, Ms. S.P. Selvi & Ms. Lorraine Mathias from FMSF and Mr. Manoj Fogla as the External Consultant.

On the whole the workshop was quite successful and well appreciated and the feedback received from the participants was very positive.

(IV) Facilitation of Workshops for other Agencies By FMSF

Besides organising / facilitating the workshops for about 40 organisations at Bangalore, for INSAF forum organisations at Kalimpong & for UMN member organisations at Kathmandu, Nepal, FMSF was also invited to facilitate the Workshop on Financial Management and Related Governance organised by two agencies based in New Delhi, namely, Project Concern International (PCI), a funding organisation of USA and Oxfam India Trust, a funding organisation of U.K.

These two workshops were organised during the month of August, 2002.

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Need Assessment made by FMSF

- A Status Report

Financial Management Service Foundation had carried out a need assessment early this year in the areas of financial management aspects relating to the development organisations. A list of some of the topics identified at our end in this regard was shared with the organisations and had requested them to kindly inform us of the other areas / topic that they from their experience feel it necessary to be addressed or emphasised among the development organisations.

We now wish to share with you all the outcome of the above assessment.

We have received overwhelming response to the questionnaire that we had shared with the organisations. Many other topics were communicated to us and it gave us an indepth understanding of the needs to be addressed by us.

Some of the widely specified / “needed” topics were :

- Accounting and Reporting of Own Means Contribution
- Planning, Monitoring and Evaluation Systems (PME)
- Organisational Sustainability
- NGO Governance
- Co-ordination between Programme & Finance Perspective

The above is in addition to the topics that we had already laid down in the questionnaire and is only a sample.

The main reason for this communication is to share with you all as to what steps are being initiated at our end to address the above specified needs. This requires a lot of planning and working out of appropriate strategies to make the learnings more effective.

In the first place, we have already started incorporating some of the above topics in our present workshop plan. For example, we have taken up the topic Accounting & Reporting of Own Means, PME systems and Organisational Sustainability in our recent workshop organised during June 2002 at New Delhi and in September 2002 at Bangalore.

We are also presently facilitating the workshops that some of the development organisations are organising wherein we are invited to address the specific need area in the financial management aspects that they have identified in the above questionnaire.

We are also sharing some of the vital information in our regular quarterly newsletter “INTERface” such as the amendments in the recent Finance Bill 2002, Tax implication for the salaried employees etc.

By these initiatives we hope to effectively address the specific topics identified by you.

Further, we intend to organise workshops for those organisations who have specifically responded and have expressed the need for learning on the above topics in their response. This will, most probably, be taking place during the year 2003.

We solicit your kind understanding and co-operation in our joint efforts where the existing capacities are strengthened and skills are improved to perform our work in a better manner for the social cause for which we are all striving.

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Opinions expressed in this newsletter are not necessarily that of FMSF - Editor