Civil Society under Siege

Why in news?

The anti-communal and progressive civic space is under the most serious attack by various restrictions in India.

What are the issues faced by Civil Society Organisations (CSOs)?

A free civic space is the space where CSOs can operate without undue interference from the state or other actors.

- India is a diverse and vibrant civil society but the constitutional freedom is under siege which provides citizens to participate in public affairs, express their views, and hold the government accountable.
- As per study, the organisations that were actively fighting against communalism were mostly under attack by various legal and financial instruments.

Communalism is the ideology that divides people along religious lines and promotes hatred and violence between different communities.

Category based on intensity of attack	Restrictions
High	Loss of funds, imprisonment and other charges
Moderate	Centre for Policy Research a prominent think tank is also targeted by the state.
Low	They are attacked by Foreign Contribution (Regulation) Act, 2010, Central Bureau of Investigation (CBI) and Income Tax department.

What are the instruments used by the State against CSO?

- **Prevention of Money Laundering Act**- It expanded the scope of proceeds of crime that enabled the Department of Revenue and Enforcement Directorate to target NGOs and opposition politicians with charges of money laundering.
- **Foreign Contribution (Regulation) Act (FCRA)-** It was made stringent and the right of NGOs to access foreign funds was taken away from them.
- **Power to CBI**- FCRA enabled the CBI to investigate and prosecute NGOs and their personnel.
- **Income Tax Act**- It was amended in 2020 to make renewals of certificates and disclosure of donor data mandatory every 5 years.

- It also brought the domestic funding of anti-communal NGOs under siege.
- **Prior reference category list**- It is a list of 80 foreign donors who are monitored by the government for supporting human rights causes.

Prevention of Money Laundering Act (PMLA)
• **Aim-** To prevent money laundering and confiscation of property derived from or involved in money-laundering • **Confiscation of property** - Deals with the confiscation of both movable and immovable property • **Intermediaries** - The Act provides that every banking company, financial institution and intermediaries should maintain a record of transaction. • **Appellate Tribunal** - It was established by ***Central Government*** to hear appeals against the dealers of adjudicating authority under this Act. • **Special Courts** - The Central Government shall constitute Special Courts in consultation of the Chief Justice of India to try money laundering cases. • **Location of an entity** - The third party of any entity in the country shall not be located in any country classified as 'high risk' by the Financial Action Task Force (FATF). • **Power of authority**- ***Enforcement Directorate*** is the main agency probing allegations under PMLA.
Foreign Contribution Regulation Act (FCRA)
• It regulates foreign donations and ensures that such contributions do not adversely affect internal security. • **Applicability-** To all associations, groups and NGOs which intend to receive foreign donations. • **Registered associations**- It can receive foreign contribution for social, educational, religious, economic and cultural purposes. • **Mandatory provision** • Filing of annual returns on the lines of Income Tax. • All NGOs must receive foreign funds in a designated bank account at SBI's New Delhi branch. • Aadhaar is mandatory for all the office-bearers, directors and other key functionaries of an NGO. • The Act capped the administrative expenses at 20% of the total foreign funds received - earlier, the upper limit was 50%. • It barred sub-granting by NGOs to smaller NGOs who work at the grass roots level.

References

1. The Hindu- Civil society under siege in India
2. The Hindu- The future of CSOs

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