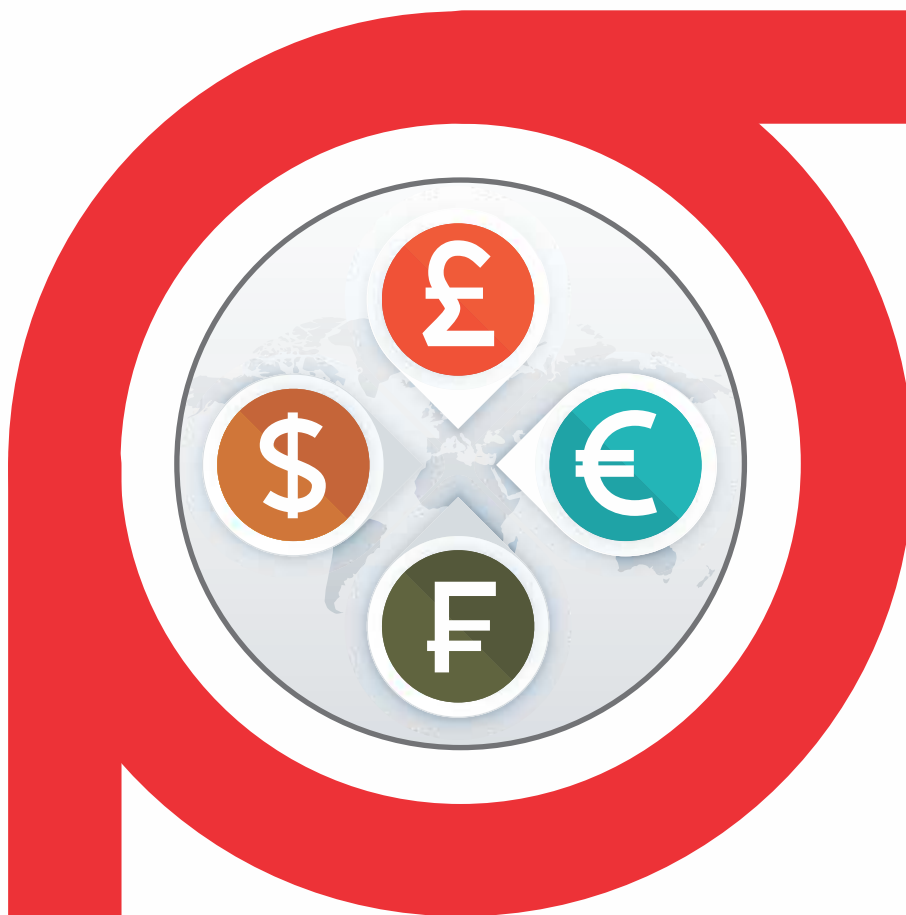


FCRA

COMPARISON BETWEEN THE 1976 AND 2010 ACT



Prepared by
IDEAL Centre for Social Justice

Prepared for
CSO SUPPORT CELL

COMPARISON BETWEEN THE 1976 AND 2010 ACT

NEW	FCRA 2010	FCRA 1976
<p>SECTION 2. (1) In this Act, unless the context otherwise requires,- (a) "association" means an association of individuals, whether incorporated or not, .having an office in India and includes a society, whether registered under the Societies Registration Act, 1860, or not, and any other organisation, by whatever name. called; (b) "authorised person in foreign exchange" means an authorised person referred to in clause (c) of section 2 of the Foreign Exchange Management Act, 1999;. (c) "bank" means a banking company as referred to in clause (c) of section 5 of the Banking Regulation Act, 1949;. (d) "candidate for election" means a person who has been duly nominated as a candidate for election to any Legislature; (e) "certificate" means certificate of registration granted under sub-section (3) of section 12; (j) "company" shall have the meaning assigned to it under clause (/7) of section 2 of the Income-tax Act, 1961. (g) "foreign company" means any company or association or body of individuals incorporated outside India and includes- (i) a foreign company within the meaning of section 591 of the Companies Act, 1956;. (ii) a company which is a subsidiary of a foreign company; (iii) the registered office or principal</p>	<p>New Definitions b) Authorised person in foreign exchange e) certificate f) company g) foreign company k) Panchayats included in the definition of Legislature l) notification m) person p) prescribed authority r) relative New Definitions as provided under rules b) Chartered Accountant</p>	<p>SECTION 2- (1) In this Act, unless the context otherwise requires,- (a) "association" means an association of individuals, whether incorporated or not, having an office in India and includes a society, whether registered under the Societies Registration Act, 1860 (21 of 1860), or not, and any other organisation, by whatever name called; (b) "candidate for election" means a person who has been duly nominated as a candidate for election to any Legislature; (c) "foreign contribution" means the donation, delivery or transfer made by any foreign source- (i) of any article, not being an article given to a person as a gift for his personal use, if the market value, in India, of such article, on the date of such gift, does not exceed one thousand rupees, (ii) of any currency, whether Indian or foreign; (iii) of any foreign security as defined in clause (i) of section 2 of the Foreign Exchange Regulation Act, 1973 (46 of 1973). 1 [Explanation: A donation, delivery or transfer of any article, currency or foreign security referred to in this clause by any person who has received it from any foreign source, either directly or through one or more persons, shall also be deemed to be foreign contribution within the</p>

<p>place of business of a foreign company referred to in sub-clause (i) or company referred to in sub-clause (ii); (iv) a multi-national corporation.</p> <p>Explanation.- For the purposes of this sub-clause, a corporation incorporated in a foreign country or territory shall be deemed to be a multi-national corporation if such corporation,-</p> <p>(a) has a subsidiary or a branch or a place of business in two or more countries or territories; or</p> <p>(b) carries on business, or otherwise operates, in two or more countries or territories; (h) "foreign contribution" means the donation, delivery or transfer made by any foreign source,- (i) of any article, not being an article given to a person as a gift for his personal use, if the market value, in India, of such article, on the date of such gift, is not more than such sum as may be specified from time to time, by the Central Government by the rules made by it in this behalf; (ii) of any currency, whether Indian or foreign; (iii) of any security as defined in clause (h) of section 2 of the Securities Contracts (Regulation) Act, 1956 and includes any foreign security as defined in clause (0) of section 2 of the Foreign Exchange Management Act, 1999 Explanation 1.- A donation, delivery or transfer of any article, currency or foreign security referred to in this clause by any person who has received it from any foreign source, either directly or through one or more persons,</p>		<p>meaning of this clause;] (d) "foreign hospitality" means any offer, not being a purely casual one, made by a foreign source for providing a person with the costs of travel to any foreign country or territory or with free board, lodging, transport or medical treatment; (e) "foreign source" includes- (i) the government of any foreign country or territory and any agency of such government, (ii) any international agency, not being the United Nations or any of its specialised agencies, the World Bank, International Monetary Fund or such other agency as the Central Government may, by notification in the Official Gazette, specify in this behalf, (iii) a foreign company within the meaning of section 591 of the Companies Act, 1956 (1 of 1956), and also includes- (a) a company which is a subsidiary of a foreign company, and (b) a multi-national corporation within the meaning of this Act. (iv) a corporation, not being a foreign company, incorporated in a foreign country or territory, (v) a multi-national corporation within the meaning of this Act, (vi) a company within the meaning of the Companies Act, 1956 (1 of 1956), if more than one-half of the nominal value of its share capital is held, either singly or in the aggregate, by one or more of the following, namely,- (a) government of a foreign country or territory, (b) citizens of a foreign country or territory, (c) corporations incorporated in a</p>
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<p>shall also be deemed to be foreign contribution within the meaning of this clause.</p> <p>Explanation 2.- The interest accrued on the foreign contribution deposited in any bank referred to in sub-section (1) of section 17 or any other income derived from the foreign contribution or interest thereon shall also be deemed to be foreign contribution within the meaning of this clause.</p> <p>Explanation 3.-Any amount received, by any person from any foreign source in India, by way of fee (including fees charged by an educational institution in India from foreign student) or towards cost in lieu of goods or services rendered by such person in the ordinary course of his business, trade or commerce whether within India or outside India or any contribution received from an agent of a foreign source towards such fee or cost shall be excluded from the definition of foreign contribution within the meaning of this clause; (i) "foreign hospitality" means any offer, not being a purely casual one, made in cash or kind by a foreign source for providing a person with the costs of travel to any foreign country or territory or with free boarding, lodging, transport or medical treatment; (j) "foreign source" includes,- (i) the Government of any foreign country or territory and any agency of such Government; (ii) any international agency, not being the United Nations or any of its specialised agencies, the World</p>		<p>foreign country or territory, (d) trusts, societies or other associations of individuals (whether incorporated or not), formed or registered in a foreign country or territory, (vii) a trade union in any foreign country or territory, whether or not registered in such foreign country or territory, (viii) a foreign trust by whatever name called, or a foreign foundation which is either in the nature of trust or is mainly financed by a foreign country or territory, (ix) a society, club or other association of individuals formed or registers outside India, (x) a citizen of a foreign country, but does not include any foreign institution which has been permitted by the Central Government, by notification in the Official Gazette, to carry on its activities in India; (f) "Legislature" means- (i) either House of Parliament, (ii) the Legislative Assembly of a State, or in the case of a State having a Legislative Council, either House of the Legislature of that State, (iii) Legislative Assembly of a Union territory constituted under the Government of Union Territories Act, 1963 (20 of 1963), (iv) the Metropolitan Council of Delhi constituted under section 3 of the Delhi Administration Act, 1966(19 of 1966), (v) Municipal Corporations in metropolitan areas as defined in the Code of Criminal Procedure, 1973 (2 of.1974), (vi) District Councils and Regional Councils in the States of Assam and Meghalaya and in the Union Territory of</p>
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<p>Bank, International Monetary Fund or such other agency as the Central Government may, by notification, specify in this behalf; (iii) a foreign company; (iv) a corporation, not being a foreign company, incorporated in a foreign country or territory; (v) a multi-national corporation referred to in sub-clause (iv) of clause (g); (vi) a company within the meaning of the Companies Act, 1956, and more than one-half of the nominal value of its share capital is held, either singly or in the aggregate, by one or more of the following, namely:- (A) the Government of a foreign country or territory; (B) the citizens of a foreign country or territory; (C) corporations incorporated in a foreign country or territory; (D) trusts, societies or other associations of individuals (whether incorporated or not), formed or registered in a foreign country or territory; (E) foreign company; (vii) a trade union in any foreign country or territory, whether or not registered in such foreign country or territory; (viii) a foreign trust or a foreign foundation, by whatever name called, or such trust or foundation mainly financed by a foreign country or territory; (ix) a society, club or other association of individuals formed or registered outside India; (x) a citizen of a foreign country; (k) "Legislature" means - (A) either House of Parliament; (B) the Legislative Assembly of a State, or in the case of a State having a Legislative Council,</p>		<p>Mizoram as provided in the VIth Schedule to the Constitution, or (vii) any other elective body as may be notified by the Central Government, as the case may be; 2 [(g) "political party" means- (i) an association or body of individual citizens of India- (1) which is, or is deemed to be, registered with Election Commission of India as a political party under the Election Symbols (Reservation and Allotment) Order, 1968, as in force for the time being; or (2) which has set up candidates for election to any Legislature, but is not so registered or deemed to be registered under the Election Symbols (Reservation and Allotment) Order, 1968; (ii) a political party mentioned in Column 1 of Table I to the notification of the Election Commission of India No. 56/J&K/84, dated the 27th September, 1984, as in force for the time being;] (h) "prescribed" means prescribed by rules made under this Act; (i) "registered newspaper" means a newspaper registered under the Press and Registration of Books Act, 1867(25 of 1867); (j) "subsidiary" and "associate" have the meanings, respectively, assigned to them in the Companies Act, 1956(1 of 1956); (k) "trade union" means a trade union registered under the Trade Unions Act, 1926 (16 of 1926); Explanation: For the purposes of this Act, a corporation incorporated in a foreign country or territory shall be deemed to be a multi-national corporation if such</p>
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<p>either House of the Legislature of that State; (C) Legislative Assembly of a Union territory constituted under the Government of Union Territories Act, 1963;. (D) Legislative Assembly for the National Capital Territory of Delhi referred to in the Government of National Capital Territory of Delhi Act, 1991; (E) Municipality as defined in clause (e) of article 243P of the Constitution; (F) District Councils and Regional Councils in the States of Assam, Meghalaya, Tripura and Mizoram as provided in the Sixth Schedule to the Constitution; (G) Panchayat as defined in clause (d) of article 243 of the Constitution; or (H) any other elective body as may be notified by the Central Government; (f) "notification" means notification published in the Official Gazette and the expression "notify" shall be construed accordingly; (m) "person" includes- (i) an individual; (ii) a Hindu undivided family; (iii) an association; (iv) a company registered under section 25 of the Companies Act, 1956;. (n) "political party" means- (i) an association or body of individual citizens of India- (A) to be registered with the Election Commission of India as a political party under section 29A of the Representation of the People Act, 1951;. (B) which has set up candidates for election to any Legislature, but is not so registered or deemed to be registered under the Election</p>		<p>corporation- (a) has a subsidiary or a branch or a place of business in two or more countries or territories; or (b) carries on business, or otherwise operates, in two or more countries or territories. (2) Words and expressions used herein and not defined but defined in the Foreign Exchange Regulation Act, 1973 (46 of 1973), have the meanings respectively assigned to them in that Act. (3) Words and expressions used herein and not defined in this Act or in the Foreign Exchange Regulation Act, 1973 (46 of 1973), but defined in the Representation of the People Act, 1950 (43 of 1950), or the Representation of the People Act, 1951 (43 of 1951), have the meanings respectively assigned to them in such Act.</p>
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<p>Symbols (Reservation and Allotment) Order, 1968; (ii) a political party mentioned in column 2 of Table I and Table 2 to the notification of the Election Commission of India No.56/J&K/02, dated the 8th August, 2002, as in force for the time being; (O) "prescribed" means prescribed by rules made under this Act; (P) "prescribed authority" means an authority specified as such by rules made by the Central Government under this Act; (q) "registered newspaper" means a newspaper registered under the Press and Registration of Books Act, 1867; . (r) "relative" has the meaning assigned to it in clause (41) of section 2 of the Companies Act, 1956;. (s) "scheduled bank" shall have the meaning assigned to it under clause (e) of section 2 of the Reserve Bank of India Act, 1934;</p>		
<p>3. (1) No foreign contribution shall be accepted by any- (a) candidate for election; (b) correspondent, columnist, cartoonist, editor, owner, printer or publisher of a registered newspaper; (c) Judge, Government servant or employee of any corporation or any other body controlled or owned by the Government; (d) member of any Legislature; (e) political party or office-bearer thereof; if> organisation of a political nature as may be specified under sub-section (l) of section 5 by the Central Government; (g) association or company engaged in the production or broadcast of</p>	<p>All those covered under S. 3 are prohibited from accepting any Foreign Contribution. . S. 3 (1) c Judge, Govt. servant or employee of any corporation or any other body controlled or owned by the Govt S. 3 (1) g Any association or company involved in production or broadcast of audio / visual news or current affairs programmes through any electronic mode, or any other electronic form as defined in clause S. (2) (1) (r) of the Information Technology Act 2000 or any other mode of mass communication. Definition of electronic form under IT Act 2000. r) "electronic form" with</p>	<p>4. Candidate for election, etc., not to accept foreign contribution (1) No foreign contribution shall be accepted by any- (a) candidate for election, (b) correspondent, columnist, cartoonist, editor, owner, printer or publisher of a registered newspaper, (c) 3 [Judge, government servant] or employee of any corporation, (d) member of any Legislature, (e) political party or office-bearer thereof. Explanation: In clause (c) and in section 9, "corporation" means a corporation owned or controlled by government and includes a government company as defined in section 617 of the</p>

<p>audio news or audio visual news or current affairs programmes through any electronic mode, or any other electronic form as defined in clause (r) of sub-section (l) of section 2 of the Information Technology Act, 2000 or any other mode of mass communication; (h) correspondent or columnist, cartoonist, editor, owner of the association or company referred to in clause (g). Explanation.-In clause (c) and section 6, the expression "corporation" means a corporation owned or controlled by the Government and includes a Government company as defined in section 617 of the Companies Act, 1956. (2) (a) No person, resident in India, and no citizen of India resident outside India, shall accept any foreign contribution, or acquire or agree to acquire any currency from a foreign source, on behalf of any political party, or any person referred to in sub-section (l), or both. (b) No person, resident in India, shall deliver any currency, whether Indian or foreign, which has been accepted from any foreign source, to any person if he knows or has reasonable cause to believe that such other person intends, or is likely, to deliver such currency to any political party or any person referred to in sub-section (1), or both. (c) No citizen of India resident outside India shall deliver any currency, whether Indian or foreign, which has been accepted from any foreign source, to- (i) any political party or any person referred to in sub-</p>	<p>reference to information means any information generated, sent, received or stored in media, magnetic, optical, computer memory, micro film, computer generated micro fiche or similar device; S. 3 (1) h Correspondent or columnist, cartoonist, editor, owner of the association or company referred to in previous clause. S. 3 (3) (i) No person receiving any currency, whether Indian or foreign, from a foreign source on behalf of any person or class of persons, referred to in section 9, shall deliver such currency — (a) to any person other than a person for which it was received.</p>	<p>Companies Act, 1956 (1 of 1956). (2) (a) No person, resident in India, and no citizen of India resident outside India, shall accept any foreign contribution, or acquire or agree to acquire any currency from a foreign source, on behalf of any political party, or any person referred to in sub-section (1), or both. (b) No person, resident in India, shall deliver any currency, whether Indian or foreign, which has been accepted from any foreign source, to any person if he knows or has reasonable</p>
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<p>section (l), or both; or (ii) any other person, if he knows or has reasonable cause to believe that such other person intends, or is likely, to deliver such currency to a political party or to any person referred to in sub-section (1), or both. (3) No person receiving any currency, whether Indian or foreign, from a foreign source on behalf of any person or class of persons, referred to in section 9, shall deliver such currency- (a) to any person other than a person for which it was received, or (b) to any other person, if he knows or has reasonable cause to believe that such other person intends, or is likely, to deliver such currency to a person other than the person for which such currency was received.</p>		
<p>4. Nothing contained in section 3 shall apply to the acceptance, by any person specified in section 3 in that section, of any foreign contribution where such contribution is accepted by him, shall not apply. subject to the provisions of section 10,- (a) by way of salary, wages or other remuneration due to him or to any group of persons working under him, from any foreign source or by way of payment in the ordinary course of business transacted in India by such foreign source; or (b) by way of payment, in the course of international trade or commerce, or in the ordinary course of business transacted by him outside India; or (c) as an agent of a foreign source in relation to any transaction</p>	<p>S.4 (e) This section mainly covers all the exceptions in regard to persons who have been prohibited from receiving the FC (i.e. political parties, media, Judges, etc.). This exception earlier in case of receipt from relative was limited to Rs 8000/-, however now no limit has been specified, thus persons under S. 3 can receive funds from relatives without limit !! Relative has been defined as under Companies Act. (see above) Rule 6 now requires that any person receiving foreign contribution in excess of Rs 1 lakh in a financial year from his relative shall need to inform the Govt. through Form FC1 within 30 days of receipt of such contribution. S.4 (g) The Act now allows</p>	<p>8. Persons to whom section 4 shall not apply Nothing contained in section 4 shall apply to the acceptance, by any person specified in that section, of any foreign contribution, where such contribution is accepted by him, subject to the provisions of section 10,- (a) by way of salary, wages or other remuneration due to him or to any group of persons working under him, from any foreign source or by way of payment in the ordinary course of business transacted in India by such foreign source; or (b) by way of payment, in the course of international trade or commerce, or in the ordinary course of business transacted by him outside India; or (c) as an agent of a foreign source in</p>

<p>made by such foreign source with the Central Government or State Government; or (cl) by way of a gift or presentation made to him as a member of any Indian delegation, provided that such gift or present was accepted in accordance with the rules made by the Central Government with regard to the acceptance or retention of such gift or presentation; or (e) from his relative; or (f) by way of remittance received, in the ordinary course of business through any official channel, post office, or any authorised person in foreign exchange under the Foreign Exchange Management Act, 1999;. (g) by way of any scholarship, stipend or any payment of like nature: Provided that in case any foreign contribution received by any person specified under section 3, for any of the purposes other than those specified under this section, such contribution shall be deemed to have been accepted in contravention of the provisions of section 3.</p>	<p>receipt of funds for scholarship, stipend or funds of like nature, without any limits / govt. monitoring.</p>	<p>relation to any transaction made by such foreign source with government; or (d) by way of a gift or presentation made to him as a member of any Indian delegation, provided that such gift or present was accepted in accordance with the regulations made by the Central Government with regard to the acceptance or retention of such gift or presentation; or (e) from his relative when such foreign contribution has been received with the previous permission of the Central Government:</p> <p>7. Recipients of scholarships, etc., to give intimation to the Central Government (1) Every citizen of India receiving any scholarship, stipend or any payment of a like nature from any foreign source shall give, within such time and in such manner as may be prescribed, an intimation to the Central Government as to the amount of the scholarship, stipend or other payment received by him and the foreign source from which, and the purpose for which, such scholarship, stipend or other payment has been, or is being, received by him. (2) Where any recurring payments are being received by any citizen of India from any foreign source by way of scholarship, stipend or other payment, it shall be sufficient if the intimation referred to in sub-section (1) includes a precise information as to the intervals at which, and the purpose for which, such recurring payments will be received by such citizen of India.</p>
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		<p>(3) It shall not be necessary to give such intimation as is referred to in sub-section (1) or sub-section (2) in relation to scholarships, stipends or payments of a like nature, if the annual value of such scholarships, stipends or other payments does not exceed such limits as the Central Government may, by rules made under this Act, specify in this behalf.</p>
<p>5. (1) The Central Government may, having regard to the activities of the organisation or the ideology propagated by the organisation or the programme of the organisation or the association of the organisations with the activities of any political party, by an order published in the Official Gazette, specify such organisation as an organisation of a political nature not being a political party, referred to in clause (f) of sub-section (1) of section 3: Provided that the Central Government may, by rules made by it, frame the guidelines specifying the ground or grounds on which an organisation shall be specified as an organisation of a political nature. (2) Before making an order under sub-section (1), the Central Government shall give the organisation in respect of whom the order is proposed to be made, a notice in writing informing it of the ground or grounds, on which it is proposed to be specified as an organisation of political nature under that sub-section. (3) The</p>	<p>S. 5 This Provision identifies the procedure for declaring an organization of 'Political nature, but not a political party'. This procedure includes: - Govt. to specify grounds on which an organization can be declared as such under this category. - Govt. to give due notice, - Affected organization to give representation - All orders to be made in a timebound manner.</p>	<p>5. Organisation of a political nature not to accept foreign contribution except with the prior permission of the Central Government (1) No organisation of a political nature, not being a political party, shall, accept any foreign contribution except with the prior permission of the Central Government. Explanation: For the purposes of this section, "organisation of a political nature, not being a political party" means such organisation as the Central Government may, having regard to the activities of the organisation or the ideology propagated by the organisation or the programme of the organisation or the association of the organisation with the activities of any political party, by an order published in the Official Gazette, specify in this behalf. (2) (a) Except with the prior permission of the Central Government, no person, resident in India and no citizen of India, resident outside India, shall accept any foreign contribution, or acquire or agree to acquire any foreign</p>

<p>organisation to whom a notice has been served under sub-section (2), may, within a period of thirty days from the date of the notice, make a representation to the Central Government giving reasons for not specifying such organisation as an organisation under sub-section (1): Provided that the Central Government may entertain the representation after the expiry of the said period of thirty days, if it is satisfied that the organisation was prevented by sufficient cause from making the representation within thirty days. (4) The Central Government may, if it considers it appropriate, forward the representation referred to in sub-section (3) to any authority to report on such representation. (5) The Central Government may, after considering the representation and the report of the authority referred to in sub-section (4), specify such organisation as an organisation of a political nature not being a political party and make an order under sub-section (1) accordingly. (6) Every order under sub-section (1) shall be made within a period of one hundred and twenty days from the date of issue of notice under sub-section (2): Provided that in case no order is made within the said period of one hundred and twenty days, the Central Government shall, after recording the reasons therefor, make an order under sub-section (1) within a period of sixty days from the expiry of the</p>		<p>currency, on behalf of an organisation referred to in sub-section (1). (b) Except with the prior permission of the Central Government, no person, resident in India, shall deliver any foreign currency to any person if he knows or has reasonable cause to believe that such other person intends, or is likely, to deliver such currency to an organisation referred to in sub-section (1). (c) Except with the prior approval of the Central Government, no citizen of India, resident outside India, shall deliver any currency, whether Indian or foreign, which has been accepted from any foreign source, to- (i) any organisation referred to in sub-section (1), or (ii) any person, if he knows or has reasonable cause to believe that such person intends, or is likely, to deliver such currency to an organisation referred to in subsection (1).</p>
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<p>said .period of one hundred and twenty days.</p>		
<p>6. No member of a Legislature or office-bearer of a political party or Judge or Government servant or employee of any corporation or any other body owned or controlled by the Government shall, while visiting any country or territory outside India, accept, except with the prior permission of the Central Government, any foreign hospitality: Provided that it shall not be necessary to obtain any such permission for an emergent medical aid needed on account of sudden illness contracted during a visit outside India, but, where such foreign hospitality has been received, the person receiving such hospitality shall give, within one month from the date of receipt of such hospitality an intimation to the Central Government as to the receipt of such hospitality, and the source from which, and the manner in which, such hospitality was received by him.</p>	<p>S. 6 No foreign hospitality to be accepted by any legislator, office bearer of a political party, judge, Govt. servant, employee of a corporation or any other body owned or controlled by the Govt. shall not accept any foreign hospitality without prior approval of the Central Govt. If done in emergency illness then intimate within 30 days.</p>	<p>9. Restrictions on acceptance of foreign hospitality No member of a Legislature, office-bearer of a political party, 1 [Judge,]government servant or employee of any corporation shall, while visiting -any country or territory outside India, accept, except with the prior permission of the Central Government, any foreign hospitality: PROVIDED that it shall not be necessary to obtain any such permission for an emergent medical aid needed on account of sudden illness contracted during a visit outside India, but, where such foreign hospitality has been received, the person receiving such hospitality shall give, within one month from the date of receipt of such hospitality, an intimation to the Central Government as to the receipt of such hospitality and the source from which, and the manner in which, such hospitality was received by him.</p>
<p>7. No person who- (a) is registered and granted a certificate or has obtained prior permission under this Act; and (b) receives any foreign contribution, shall transfer such foreign contribution to any other person unless such other person is also registered and had been granted the certificate or obtained the prior permission under this Act: Provided that such person may transfer, with the prior approval of the Central</p>	<p>S.7 No authorized person who has received FCRA funds can transfer to another nonregistered / nonauthorized organization, except as permitted under the rules.</p>	

<p>Government, a part of such foreign contribution to any other person who has not been granted a certificate or obtained permission under this Act in accordance with the rules made by the Central Government.</p>		
<p>8. (1) Every person, who is registered and granted a certificate or given prior permission under this Act and receives any foreign contribution,- (a) shall utilise such contribution for the purposes for which the contribution has been received: Provided that any foreign contribution or any income arising out of it shall not be used for speculative business: Provided further that the Central Government shall, by rules, specify the activities or business which shall be construed as speculative business for the purpose of this section; (b) shall not defray as far as possible such sum, not exceeding fifty per cent. of such contribution, received in a financial year, to meet administrative expenses: Provided that administrative expenses exceeding fifty per cent. of such contribution may be defrayed with prior approval of the Central Government. (2) The Central Government may prescribe the elements which shall be included in the administrative expenses and the manner in which the administrative expenses referred to in sub-section (1) shall be calculated.</p>	<p>S.8 (1) a Person receiving funds not to utilize the same for 'speculative purposes'. S.8 (1) b No foreign contribution funds to be used in a manner that these result in meeting more than 50% in administrative expenses.</p>	

<p>9. The Central Government may- (a) prohibit any person or organisation not specified in section 3, from accepting any foreign contribution; (b) require any person or class of persons, not specified in section 6, to obtain prior permission of the Central Government before accepting any foreign hospitality; (c) require any person or class of persons not specified in section 11, to furnish intimation within such time and in such manner as may be prescribed as to the amount of any foreign contribution received by such person or class of persons as the case may be, and the source from which and the manner in which such contribution was received and the purpose for which and the manner in which such foreign contribution was utilised; (d) without prejudice to the provisions of sub-section (l) of section 11, require any person or class of persons specified in that sub-section to obtain prior permission of the Central Government before accepting any foreign contribution; (e) require any person or class of persons, not specified in section 6, to furnish intimation, within such time and in such manner as may be prescribed, as to the receipt of any foreign hospitality, the source from which and the manner in which such hospitality was received: Provided that no such prohibition or requirement shall be made unless the Central Government is satisfied that the acceptance offoreign</p>	<p>S. 9 Power of Central Govt. to prohibit receipt of foreign contribution, etc., in certain cases.</p>	<p>10. Power of Central Government to prohibit receipt of foreign contribution, etc., in certain cases The Central Government may- (a) prohibit any association, not specified in section 4, or any person, from accepting any foreign contribution; (b) 5 [without prejudice to the provisions of sub-section (1) of section 6, require any association specified in that sub-section], to obtain prior permission of the Central Government before accepting any foreign contribution; (c) require any person or class of persons or any association not being an association specified in section 6, to furnish intimation within such time and in such manner as may be prescribed as to the amount of any foreign contribution received by such person or class of persons or association, as the case may be, and the source from which and the manner in which such contribution was received and the purpose for which and the manner in which such foreign contribution was utilised; (d) require any person or class of persons, not specified in section 9, to obtain prior permission of the Central Government before accepting any foreign hospitality; (e) require any person or class of persons, not specified in section 9, to furnish intimation, within such time and in such manner as may be prescribed, as to the receipt of any foreign hospitality, the source from which and the manner in which such hospitality was received :</p>
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<p>contribution by such person or class of persons, as the case may be, or the acceptance of foreign hospitality by such person, is likely to affect prejudicially- (i) the sovereignty and integrity of India; or (ii) public interest; or (iii) freedom or fairness of election to any Legislature; or (iv) friendly relations with any foreign State; or (v) harmony between religious, racial, social, linguistic or regional groups, castes or communities.</p>		<p>PROVIDED that no such prohibition or requirement shall be made unless the Central Government is satisfied that the acceptance of foreign contribution by such association or person or class of persons, as the case may be, the acceptance of foreign hospitality by such person, is likely to affect prejudicially- (i) the sovereignty and integrity of India; or (ii) the public interest; or (iii) freedom or fairness of election to any Legislature; or (iv) friendly relations with any foreign State; or (v) harmony between religious, racial, linguistic or regional groups, castes or communities.</p>
<p>10. Where the Central Government is satisfied, after making such inquiry as it may deem fit, that any person has in his custody or control any article or currency or security, whether Indian or foreign, which has been accepted by such person in contravention of any of the provisions of this Act, it may, by order in writing, prohibit such person from paying, delivering, transferring or otherwise dealing with, in any manner whatsoever, such article or currency or security save in accordance with the written orders of the Central Government and a copy of such order shall be served upon the person so prohibited in the prescribed manner, and thereupon the provisions of sub-sections (2), (3), (4) and (5) of section 7 of the Unlawful Activities (Prevention) Act, 1967 shall, so</p>	<p>Power to prohibit payment of currency, article, security received in contravention of the Act. Rule 8 specifies the procedure on how the govt. will ensure issue of prohibitory order, wherever violation occurs.</p>	<p>12. Power to prohibit payment of currency received in contravention of the Act Where the Central Government is satisfied, after making such enquiry as it may deem fit, that any person has in his custody or control any article or currency, whether Indian or foreign, which has been accepted by such person in contravention of any of the provisions of this Act, it may, by order in writing, prohibit such person from paying, delivering, transferring or otherwise dealing with, in any manner whatsoever, such article or currency save in accordance with the written orders of the Central Government and a copy of such order shall be served upon the person so prohibited in the prescribed manner, and thereupon the provisions of sub-sections (2), (3), (4) and (5)</p>

<p>far as may be, apply to, or in relation to, such article or currency or security and references in the said sub-sections to moneys, securities or credits shall be construed as references to such article or currency or security.</p>		<p>of section 7 of the Unlawful Activities (Prevention) Act, 1967 (37 of 1967), shall, so far as may be, apply to, or in relation to, such article or currency and references in the said sub-sections to moneys, securities or credits shall be construed as references to such article or currency.</p>
<p>11. (l) Save as otherwise provided in this Act, no person having a definite cultural, economic, educational, religious or social programme shall accept foreign contribution unless such person obtains a certificate of registration from the Central Government: Provided that any association registered with the Central Government under section 6 or granted prior permission under that section of the Foreign Contribution (Regulation) Act, 1976, as it stood immediately before the commencement of this Act, shall be deemed to have been registered or granted prior permission, as the case may be, under this Act and such registration shall be valid for a period of five years from the date on which this section comes into force. (2) Every person referred to in sub-section (l) may, if it is not registered with the Central Government under that sub-section, accept any foreign contribution only after obtaining the prior permission of the Central Government and such prior permission shall be valid for the specific purpose for which it is obtained and from</p>	<p>. S.11 (1) & (2) – NPOs to receive funds based on registration/ Prior permission. – Prior permission to be valid for specific purpose and specific source for which permitted.</p>	<p>6. Certain associations and persons receiving foreign contribution to give intimation to the Central Government 4 [(1) No association other than an organisation referred to in sub-section (1) of section 5 having a definite cultural, economic, educational, religious or social programme shall accept foreign contribution unless such association,- (a) registers itself with the Central Government in accordance with the rules made under this Act; and(1A) Every association referred to in sub-section (1) may, if it is not registered with the Central Government under that sub-section, accept any foreign contribution only after obtaining the prior permission of the Central Government and shall also give, within such time and in such manner as may be prescribed an intimation to the Central Government as to the amount of foreign contribution received by it, the source from which and the manner in which such foreign contribution was received and the purpose for which and the manner in which such foreign contribution was utilised by it. (2) Every candidate for election, who had received</p>

<p>the specific source: Provided that if the person referred to in sub-sections (1) and (2) has been found guilty of violation of any of the provisions of this Act or the Foreign Contribution (Regulation) Act, 1976, the unutilised or unreceived amount of foreign contribution shall not be utilised or received, as the case may be, without the prior approval of the Central Government. (3)</p> <p>Notwithstanding anything contained in this Act, the Central Government may, by notification in the Official Gazette, specify-« (i) the person or class of persons who shall obtain its prior permission before accepting the foreign contribution; or (ii) the area or areas in which the foreign contribution shall be accepted and utilised with the prior permission of the Central Government; or (iii) the purpose or purposes for which the foreign contribution shall be utilised with the prior permission of the Central Government; or (iv) the source or sources from which the foreign contribution shall be accepted with the prior permission of the Central Government.</p>		<p>any foreign contribution, at any time within one hundred and eighty days immediately preceding the date on which he is duly nominated as such candidate, shall give, within such time and in such manner as may be prescribed, an intimation to the Central Government as to the amount of foreign contribution received by him, the source from which and the manner in which such foreign contribution was received and the purposes for which, and the manner in which, such foreign contribution was utilised by him.</p>
<p>11 (3) Notwithstanding anything contained in this Act, the Central Government may, by notification in the Official Gazette, specify-« (i) the person or class of persons who shall obtain its prior permission before accepting the foreign contribution; or (ii) the area or</p>	<p>S. 11 (3) Gives power to the central govt. to require prior permission by notifying: - any person / class of persons, or - the areas in which FC can be utilized, or - purpose for which FC can be utilized, - or the sources from whom FC can be accepted.</p>	<p>10. Power of Central Government to prohibit receipt of foreign contribution, etc., in certain cases The Central Government may- (d) require any person or class of persons, not specified in section 9, to obtain prior permission of the Central</p>

<p>areas in which the foreign contribution shall be accepted and utilised with the prior permission of the Central Government; or (iii) the purpose or purposes for which the foreign contribution shall be utilised with the prior permission of the Central Government; or (iv) the source or sources from which the foreign contribution shall be accepted with the prior permission of the Central Government.</p>		<p>Government before accepting any foreign hospitality;</p>
<p>12. (1) An application by a person, referred to in section 11 for grant of certificate or giving prior permission, shall be made to the Central Government in such form and manner and along with such fee, as may be prescribed.</p> <p>(3) If on receipt of an application for grant of certificate or giving prior permission and after making such inquiry as the Central Government deems fit, it is of the opinion that the conditions specified in sub-section (4) are satisfied, it may, ordinarily within ninety days from the date of receipt of application under sub-section (1), register such person and grant him a certificate or give him prior permission, as the case may be, subject to such terms and conditions as may be prescribed: Provided that in case the Central Government does not grant, within the said period of ninety days, a certificate or give prior</p>	<p>S. 12 (1) Rule 9 (1b) & (2b) S. 12 (3) Applications to be made online in Form FC3 for registration alongwith a fee of Rs 2000/- /FC4 for prior permission alongwith a fee of Rs 1000/-. Hardcopy of application has to reach Dept within 30 days of online submission. If not done application so filed would cease. Issue of registration certificate / prior permission to be ordinarily done within 90-days of submission, otherwise reasons to be provided by the dept.</p>	<p>11. Application to be made in prescribed form for obtaining prior permission to accept foreign contribution or hospitality (1) Every individual, association, organisation or other person, who is required by or under this Act to obtain the prior permission of the Central Government to accept any foreign contribution, or foreign hospitality, shall before the acceptance of any such contribution or hospitality, make an application for such permission to the Central Government in such form and in such manner as may be prescribed. (2) If an application referred to in sub-section (1) is not disposed of within ninety days from the date of receipt of such application, the permission prayed for in such application shall, on the expiry of the said period of ninety days, be deemed to have been granted by the Central Government: PROVIDED that, where in relation to an application, the</p>

<p>permission, it shall communicate the reasons therefor to the applicant: Provided further that a person shall not be eligible for grant of certificate or giving prior permission, if his certificate has been suspended and such suspension of certificate continues on the date of making application.</p> <p>RULE 9(1)(b) The hard copy of the on-line application referred in clause (a) shall reach the Central Government within thirty days of the submission of the on-line application, failing which the request of the person shall be deemed to have ceased.</p> <p>Rule 9(2)(b) The hard copy of the on-line application shall reach the Central Government within thirty days of filing of the on-line application, failing which the request of the person shall be deemed to have ceased.</p>		<p>Central Government has informed the applicant the special difficulties by reason of which his application cannot be disposed of within the said period of ninety days, such application shall not, until the expiry of a further period of thirty days, be deemed to have been granted by the Central Government.</p>
<p>s.12(4) The following shall be the conditions for the purposes of sub-section (3), namely:— (a) the person making an application for registration or grant of prior permission under sub-section (1),— (i) is not fictitious or benami; (ii) has not been prosecuted or convicted for indulging in activities aimed at conversion through inducement or force, either directly or indirectly, from one religious faith to another; (iii) has not been prosecuted or convicted for creating communal tension or disharmony in any specified district or any other part of the</p>		

<p>country; (iv) has not been found guilty or diversion or misutilisation of its funds; (v) is not engaged or likely to engage in propagation of sedition or advocate violent methods to achieve its ends; (vi) is not likely to use the foreign contribution for personal gains or divert it for undesirable purposes; (vii) has not contravened any of the provisions of this Act; (viii) has not been prohibited from accepting foreign contribution; (b) the person making an application for registration under sub-section (1) has undertaken reasonable activity in its chosen field for the benefit of the society for which the foreign contribution is proposed to be utilised; (c) the person making an application for giving prior permission under sub-section (1) has prepared a reasonable project for the benefit of the society for which the foreign contribution is proposed to be utilised; (d) in case the person being an individual, such individual has neither been convicted under any law for the time being in force nor any prosecution for any offence pending against him; (e) in case the person being other than an individual, any of its directors or office bearers has neither been convicted under any law for the time being in force nor any prosecution for any offence is pending against him; (f) the acceptance of foreign contribution by the person referred to in sub-section (1) is not likely to affect</p>		
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<p>prejudicially— (i) the sovereignty and integrity of India; or (ii) the security, strategic, scientific or economic interest of the State; or (iii) the public interest; or (iv) freedom or fairness of election to any Legislature; or (v) friendly relation with any foreign State; or (vi) harmony between religious, racial, social, linguistic, regional groups, castes or communities; (g) the acceptance of foreign contribution referred to in sub-section (1),— (i) shall not lead to incitement of an offence; (ii) shall not endanger the life or physical safety of any person</p>		
<p>S 13. Suspension of certificate. (1) Where the Central Government, for reasons to be recorded in writing, is satisfied that pending consideration of the question of cancelling the certificate on any of the grounds mentioned in sub-section (1) of section 14, it is necessary so to do, it may, by order in writing, suspend the certificate for such period not exceeding one hundred and eighty days as may be specified in the order. (2) Every person whose certificate has been suspended shall — (a) not receive any foreign contribution during the period of suspension of certificate: Provided that the Central Government, on an application made by such person, if it considers appropriate, allow receipt of any foreign contribution by such person on such terms and conditions as it may specify; (b) utilise, in the</p>	<p>S. 13 Rule13 Gives power to suspend the certificate for upto a maximum period of 180 days, during which no funds can be rec'd. In case of suspension of registration, 25% of unutilized amount may be utilized after obtaining prior approval.</p>	

<p>prescribed manner, the foreign contribution in his custody with the prior approval of the Central Government.</p> <p>Rule 13 In the event of receipt of foreign contribution in excess of one crore rupees in a financial year. - In case a person who has been granted a certificate of registration or prior permission receives foreign contribution in excess of one crore rupees, or equivalent thereto, in a financial year, he/it shall place the summary data on receipts and utilisation of the foreign contribution pertaining to the year of receipt as well as for one year thereafter in the public domain. Besides, the Central Government shall also display or upload the summary data of such persons on its website for information of the general public.</p>		
<p>S 14. Cancellation of certificate. (1) The Central Government may, if it is satisfied after making such inquiry as it may deem fit, by an order, cancel the certificate if — (a) the holder of the certificate has made a statement in, or in relation to, the application for the grant of registration or renewal thereof, which is incorrect or false; or (b) the holder of the certificate has violated any of the terms and conditions of the certificate or renewal thereof; or (c) in the opinion of the Central Government, it is necessary in the public interest to cancel the certificate; or (d) the holder of certificate has violated any of</p>	<p>Authority to cancel the certificate, after giving due opportunity to be heard. Once a certificate is cancelled, no further certificate / permission will be granted for a minimum of 3 years.</p>	

<p>the provisions of this Act or rules or order made thereunder; or (e) if the holder of the certificate has not been engaged in any reasonable activity in its chosen field for the benefit of the society for two consecutive years or has become defunct. (2) No order of cancellation of certificate under this section shall be made unless the person concerned has been given a reasonable opportunity of being heard. (3) Any person whose certificate has been cancelled under this section shall not be eligible for registration or grant of prior permission for a period of three years from the date of cancellation of such certificate.</p>		
<p>S 15. Management of foreign contribution of person whose certificate has been cancelled. (1) The foreign contribution and assets created out of the foreign contribution in the custody of every person whose certificate has been cancelled under section 14 shall vest in such authority as may be prescribed. (2) The authority referred to in sub-section (1) may, if it considers necessary and in public interest, manage the activities of the person referred to in that sub-section for such period and in such manner, as the Central Government may direct and such authority may utilise the foreign contribution or dispose of the assets created out of it in case adequate funds are not available for running such activity. (3) The authority referred to in sub-section (1)</p>	<p>S. 15 & Rule 14 In case of cancellation, assets procured out of FC, whose certificate has been cancelled will vest as follows (i) remaining FC funds with the bank till the Govt. issues further directions. (ii) If a person whose certificate has been cancelled transfers FC to any other person rule 12 (a) will apply to the person who has rec'd such funds. (iii) Movable or immovable assets of the person who is in possession of movable / immovable assets acquired from FC, and if that person's registration is cancelled or ceases to exist or becomes defunct, then interim custody of such assets vests with the District Magistrate.</p>	

shall return the foreign contribution and the assets vested upon it under that subsection to the person referred to in the said subsection if such person is subsequently registered under this Act.

RULE 14 . Extent of amount that can be utilised in case of suspension of the certificate of registration. - The unspent amount that can be utilised in case of suspension of a certificate of registration may be as under: - (a) In case the certificate of registration is suspended under sub-section (1) of section 13 of the Act, up to twenty-five per cent of the unutilised amount may be spent, with the prior approval of the Central Government, for the declared aims and objects for which the foreign contribution was received. (b) The remaining seventy-five per cent of the unutilised foreign contribution shall be utilised only after revocation of suspension of the certificate of registration.

<p>16. Renewal of certificate. (1) Every person who has been granted a certificate under section 12 shall have such certificate renewed within six months before the expiry of the period of the certificate. (2) The application for renewal of the certificate shall be made to the Central Government in such form and manner and accompanied by such fee as may be prescribed. (3) The Central Government shall renew the certificate, ordinarily within ninety days from the date of receipt of application for renewal of certificate subject to such terms and conditions as it may deem fit and grant a certificate of renewal for a period of five years: Provided that in case the Central Government does not renew the certificate within the said period of ninety days, it shall communicate the reasons therefor to the applicant. Provided further that the Central Government may refuse to renew the certificate in case where a person has violated any of the provisions of this Act or rules made thereunder.</p>	<p>S. 16 Certificate will need to be renewed within 6 months of before the expiry date. Normally Dept. will renew the same within 90 days of the receipt of the application. However if the Govt. is not able to do the same, it will communicate its reasons for the same.</p>	
<p>S 17. Foreign contribution through scheduled bank. (1) Every person who has been granted a certificate or given prior permission under section 12 shall receive foreign contribution in a single account only through such one of the</p>	<p>. S.17 (1) 1st Proviso Rule 9 (1) (e) & Rule 9 (2) (e) Opening of more than one bank accounts allowed in the same bank or even in other banks both in case of registrations as well as prior permissions. Opening of more than bank account needs to be</p>	<p>11. Application to be made in prescribed form for obtaining prior permission to accept foreign contribution or hospitality (1) Every individual, association, organisation or other person, who is required by or under this Act to obtain</p>

<p>branches of a bank as he AccountAble Handbook FCRA 2010 Theory and Practice may specify in his application for grant of certificate: Provided that such person may open one or more accounts in one or more banks for utilising the foreign contribution received by him: Provided further that no funds other than foreign contribution shall be received or deposited in such account or accounts</p> <p>Rule 9(1)(e) The person may open one or more accounts in one or more banks for the purpose of utilising the foreign contribution after it has been received and, in all such cases, intimation on plain paper shall be furnished to the Secretary, Ministry of Home Affairs, New Delhi within fifteen days of the opening of any account.</p> <p>RULE 9(2)(e) A person seeking prior permission under this rule may open one or more accounts in one or more banks for the purpose of utilising the foreign contribution after it has been received and in all such cases intimation on plain paper shall be furnished to the Secretary, Ministry of Home Affairs, New Delhi within fifteen days of the opening of any account</p>	<p>informed to MHA within 15 days of opening any</p>	<p>the prior permission of the Central Government to accept any foreign contribution, or foreign hospitality, shall before the acceptance of any such contribution or hospitality, make an application for such permission to the Central Government in such form and in such manner as may be prescribed</p>
<p>19. Maintenance of accounts. Every person who has been granted a certificate or given prior approval under this Act shall maintain, in such form and manner as may be prescribed,— (a) an account of any foreign</p>	<p>S. 19 Every person who has been granted a certificate or given prior approval to maintain accounts in the manner as prescribed for the FC rec'd and how these have been utilized.</p>	<p>S 13. Recipients of foreign contribution to maintain accounts, etc. Every association, referred to in section 6, shall maintain, in such form and in such manner as may be prescribed,- (a) an account of</p>

<p>contribution received by him; and (b) a record as to the manner in which such contribution has been utilised by him.</p>		<p>any foreign contribution received by it, and (b) a record as to the manner in which such contribution has been utilised by it.</p>
<p>S 21. Intimation by candidate for election. Every candidate for election, who had received any foreign contribution, at any time within one hundred and eighty days immediately preceding the date on which he is duly nominated as such candidate, shall give, within such time and in such manner as may be prescribed, an intimation to the Central Government or prescribed authority or both as to the amount of foreign contribution received by him, the source from which, and the manner in which, such foreign contribution was received and the purposes for which and the manner in which such foreign contribution was utilised by him.</p> <p>RULE 18. Foreign contribution received by a candidate for election. - Foreign contribution received by a candidate for election, referred to in section 21, shall be furnished in Form FC-9 within forty-five days from the date on which he is duly nominated as a candidate for election.</p>	<p>S. 21 Rule 18 If a candidate receives FC within 180 days immediately preceding the date of nomination as a candidate, then s/he will have to give intimation to the Dept. in form FC-9 within 45 days of being nominated as a candidate.</p>	
<p>22. Disposal of assets created out of foreign contribution. Where any person who was permitted to accept foreign contribution under this Act, ceases to exist or has become defunct, all the assets of such</p>	<p>NEW</p>	

<p>person shall be disposed of in accordance with the provisions contained in any law for the time being in force under which the person was registered or incorporated, and in the absence of any such law, the Central Government may, having regard to the nature of assets created out of foreign contribution received under this Act, by notification, specify that all such assets shall be disposed off by such authority, as it may specify, in such manner and procedure as may be prescribed.</p>		
<p>23. Inspection of accounts or records. If the Central Government has, for any reason, to be recorded in writing, any ground to suspect that any provision of this Act has been or is being, contravened by— (a) any political party; or (b) any person; or (c) any organisation; or (d) any association, it may, by general or special order, authorise such gazetted officer, holding a Group A post under the Central Government or such other officer or authority or organisation, as it may think fit (hereinafter referred to as the inspecting officer), to inspect any account or record maintained by such political party, person, organisation or association, as the case may be, and thereupon every such inspecting officer shall have the right to enter in or upon any premises at any reasonable hour, before sunset and after sunrise, for the purpose of</p>		<p>14. Inspection of accounts or records If the Central Government has, for any reason, to be recorded in writing, any ground to suspect that any provision of this Act has been, or is being, contravened by- (a) any political party, or (b) any person, or (c) any organisation, or (d) any association, it may, by general or special order, authorise such gazetted officer, holding a 6[Group A post], as it may think fit (hereinafter referred to as the authorised officer), to inspect any account or record maintained by such political party, person, organisation or association, as the case may be, and thereupon every such authorised official shall have the right to enter in or upon any premises at any reasonable hour, before sunset and after sunrise, for the purpose of inspecting the said account or record : PROVIDED that no gazetted officer shall be</p>

<p>inspecting the said account or record. 24. Seizure of accounts or records. If, after inspection of an account or record referred to in section 23, the inspecting officer has any reasonable cause to believe that any provision of this Act or of any other law relating to foreign exchange has been, or is being, contravened, he may seize such account or record and produce the same before the court, authority or tribunal in which any proceeding is brought for such contravention: Provided that the authorised officer shall return such account or record to the person from whom it was seized if no proceeding is brought within six months from the date of such seizure for the contravention disclosed by such account or record. 25. Seizure of article or currency or security received in contravention of the Act. If any gazetted officer, authorised in this behalf by the Central Government by general or special order, has any reason to believe that any person has in his possession or control any article exceeding the value specified in sub-clause (i) of clause (h) of sub-section (1) of section 2 or currency or security whether Indian or foreign, in relation to which any provision of this Act has been or is being, contravened, he may seize such article or currency or security. 26. Disposal of seized article or currency or security. (1) The Central Government, may, having regard to the value of article or currency or security, their vulnerability to theft or</p>		<p>authorised to inspect the account or record maintained by a political party, unless he has been holding a 6[Group A post] in connection with the affairs of the Union or a State, for not less than ten years. 15. Seizure of accounts or records If, after inspection of an account or record referred to in section 14, the authorised officer has any reasonable cause to believe that any provision of this Act or of any other law relating to foreign exchange has been, or is being, contravened, he may seize such account or record and produce the same before the court in which any proceeding is brought for such contravention: PROVIDED that the authorised officer shall return such account or record to the person from whom it was seized if no proceeding is brought within six months from the date of such seizure for the contravention disclosed by such account or record. 1 [15A. Audit of accounts Where any organisation or association fails to furnish any returns under this Act within the time specified therefor or the returns so furnished are not in accordance with law or if, after inspection of such returns, the Central Government has any reasonable cause to believe that any provision of this Act has been, or is being, contravened, that government may, by general or special order, authorise such gazetted officer, holding a Group A post, as it may think fit, to audit any books of account kept or maintained by such</p>
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<p>any relevant consideration, by notification, specify such article or currency or security which shall, as soon as may be after their seizure, be disposed of by such officer and in such manner, as the Central Government may, from time to time, determine after following the procedure hereinafter specified. (2) The article or currency or security seized shall be forwarded without unnecessary delay to such officer as may be specified. (3) Where any article or currency or security has been seized and forwarded to such officer, the officer referred to in sub-section (1), shall prepare an inventory of such article or currency or security containing such details relating to their description, value or such other identifying particulars as the officer referred to in that sub-section may consider relevant to the identity of the article or the currency or security and make an application to any Magistrate for the purposes of certifying the correctness of the inventory so prepared. (4) Where an application is made under sub-section (2), the Magistrate shall, as soon as may be, allow the application. (5) Notwithstanding anything contained in the Indian Evidence Act, 1872 or the Code of Criminal Procedure, 1973, every court trying an offence under this Act, shall treat the inventory, as certified by the Magistrate, as primary evidence in respect of such offence. (6) Every officer acting under sub-section (3) shall forthwith report the seizure to the Court of</p>		<p>organisation or association, as the case may be, and thereupon every such officer shall have the right to enter in or upon any premises at any reasonable hour, before sunset and after sunrise, for the purpose of auditing the said books of account: PROVIDED that any information obtained from such audit shall be kept confidential and shall not be disclosed except for the purposes of this Act.] 16. Seizure of article or currency received in contravention of the Act If any gazetted officer, authorised in this behalf by the Central Government, by general or special order, has any reason to believe that any person has in his possession or control any article exceeding rupees one thousand in value, or currency, whether Indian or foreign, in relation to which any provision of this Act has been, or is being, contravened, he may seize such article or currency. 17. Seizure to be made in accordance with the Code of Criminal Procedure, 1973 Every seizure made under this Act shall be made in accordance with the provision of section 100 of the Code of Criminal Procedure, 1973 (2 of 1974). 18. Confiscation of article or currency obtained in contravention of the Act Any article or currency which is seized under section 16 shall be liable to confiscation if such article or currency has been adjudged under section 19 to have been received or obtained in contravention of this Act. 19. Adjudication of confiscation Any</p>
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<p>Session or Assistant Sessions Judge having jurisdiction for adjudging the confiscation under section 29. 27. Seizure to be made in accordance with Act 2 of 1974. The provisions of the Code of Criminal Procedure, 1973 shall apply in so far as they are not inconsistent with the provisions of this Act to all seizures made under this Act.25. Seizure of article or currency or security received in contravention of the Act. If any gazetted officer, authorised in this behalf by the Central Government by general or special order, has any reason to believe that any person has in his possession or control any article exceeding the value specified in sub-clause (i) of clause (h) of sub-section (1) of section 2 or currency or security whether Indian or foreign, in relation to which any provision of this Act has been or is being, contravened, he may seize such article or currency or security. 26. Disposal of seized article or currency or security. (1) The Central Government, may, having regard to the value of article or currency or security, their vulnerability to theft or any relevant consideration, by notification, specify such article or currency or security which shall, as soon as may be after their seizure, be disposed of by such officer and in such manner, as the Central Government may, from time to time, determine after following the procedure hereinafter specified. (2) The article or currency or security seized shall be forwarded</p>		<p>confiscation referred to in section 18 may be adjudged- (a) without limits, by the Court of Session within the local limits of whose jurisdiction the seizure was made; and (b) subject to such limits as may be prescribed, by such officer not below the rank of an Assistant Sessions Judge, as the Central Government may, by notification in the Official Gazette, specify in this behalf. 20. Opportunity to be given before adjudication of confiscation No order of adjudication of confiscation shall be made unless a reasonable opportunity of making a representation against such confiscation has been given to the person from whom any article or currency has been seized. 21. Appeal (1) Any person aggrieved by any order made under section 19 may prefer an appeal- (a) where the order has been made by the Court of Session, to the High Court to which such court is subordinate; or (b) where the order has been made by any officer specified under clause (b) of section 19, to the Court of Session within the local limits of whose jurisdiction such order of adjudication of confiscation was made, within one month from the date of communication to such person of the order: PROVIDED that the appellate court may, if it is satisfied that the appellant was prevented by sufficient cause from preferring the appeal within the said period of one month, allow such appeal to be preferred within a</p>
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<p>without unnecessary delay to such officer as may be specified. (3) Where any article or currency or security has been seized and forwarded to such officer, the officer referred to in sub-section (1), shall prepare an inventory of such article or currency or security containing such details relating to their description, value or such other identifying particulars as the officer referred to in that sub-section may consider relevant to the identity of the article or the currency or security and make an application to any Magistrate for the purposes of certifying the correctness of the inventory so prepared. (4) Where an application is made under sub-section (2), the Magistrate shall, as soon as may be, allow the application. (5) Notwithstanding anything contained in the Indian Evidence Act, 1872 or the Code of Criminal Procedure, 1973, every court trying an offence under this Act, shall treat the inventory, as certified by the Magistrate, as primary evidence in respect of such offence. (6) Every officer acting under sub-section (3) shall forthwith report the seizure to the Court of Session or Assistant Sessions Judge having jurisdiction for adjudging the confiscation under section 29. 27. Seizure to be made in accordance with Act 2 of 1974. The provisions of the Code of Criminal Procedure, 1973 shall apply in so far as they are not inconsistent with the provisions of this Act to all seizures made under this Act.(a) without limit, by the Court of</p>		<p>further period of one month, but not thereafter. (2) Any organisation referred to in section 5, or any person or association referred to in section 9 or section 10, aggrieved by an order made in pursuance of the Explanation to sub-section (1) of section 5 or by an order of the Central Government refusing to give permission, or by any order made by the Central Government, under section 5 or section 9 or section 10, as the case may be, may within sixty days from the date of such order prefer an appeal against such order to the High Court within the local limits of whose jurisdiction the appellant ordinarily resides or carries on business or personally works for gain, or, where the appellant is an organisation or association, the principal office of such organisation or association is located. (3) Every appeal preferred under this section shall be deemed to be an appeal from an original decree and the provisions of Order XLI of the First Schedule to the Code of Civil Procedure, 1908 (5 of 1908), shall, as far as may be, apply thereto as they apply to an appeal from an original decree.</p>
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<p>Session within the local limits of whose jurisdiction the seizure was made; and (b) subject to such limits as may be prescribed, by such officer, not below the rank of an Assistant Sessions Judge, as the Central Government may, by notification in the Official Gazette, specify in this behalf.</p> <p>(2) When an adjudication under sub-section (1) is concluded by the Court of Session or Assistant Sessions Judge, as the case may be, the Sessions Judge or Assistant Sessions Judge may make such order as he thinks fit for the disposal by confiscation or delivery of seized article or currency or security, as the case may be, to any person claiming to be entitled to possession thereof or otherwise, or which has been used for the commission of any offence under this Act. 30. Procedure for confiscation. No order of adjudication of confiscation shall be made unless a reasonable opportunity of making a representation against such confiscation has been given to the person from whom any article or currency or security has been seized.</p>		
<p>32. Revision of orders by Central Government</p> <p>(1) The Central Government may, either of its own motion or on an application for revision by the person registered under this Act, call for and examine the record of any proceeding under this Act in which any such order has been passed by it and may make such inquiry or cause such</p>	<p>New</p>	

<p>inquiry to be made and, subject to the provisions of this Act, may pass such order thereon as it thinks fit. (2) The Central Government shall not of its own motion revise any order under this section if the order has been made more than one year previously. (3) In the case of an application for revision under this section by the person referred to in sub-section (1), the application must be made within one year from the date on which the order in question was communicated to him or the date on which he otherwise came to know of it, whichever is earlier: Provided that the Central Government may, if it is satisfied that such person was prevented by sufficient cause from making the application within that period, admit an application made after the expiry of that period. (4) The Central Government shall not revise any order where an appeal against the order lies but has not been made and the time within which such appeal may be made has not expired or such person has not waived his right of appeal or an appeal has been filed under this Act. (5) Every application by such person for revision under this section shall be accompanied by such fee, as may be prescribed. Explanation. — An order by the Central Government declining to interfere shall, for the purposes of this section, be deemed not to be an order prejudicial to such person.</p>		
<p>33. Making of false statement,</p>	<p>New</p>	

<p>declaration or delivering false accounts. Any person, subject to this Act, who knowingly, — (a) gives false intimation under sub-section (c) of section 9 or section 18; or (b) seeks prior permission or registration by means of fraud, false representation or concealment of material fact, shall, on conviction by a court, be liable to imprisonment for a term which may extend to six months or with fine or with both.</p>		
<p>35. Punishment for contravention of any provision of the Act. Whoever accepts, or assists any person, political party or organisation in accepting, any foreign contribution or any currency or security from a foreign source, in contravention of any provision of this Act or any rule or order made thereunder, shall be punished with imprisonment for a term which may extend to five years, or with fine, or with both.</p>		<p>23. Punishment for the contravention of any provision of the Act (1) Whoever accepts, or assists any person, political party or organisation in accepting any foreign contribution or any currency from a foreign source, in contravention of any provision of this Act or any rule made thereunder, shall be punished with imprisonment for a term which may extend to five years, or with fine, or with both. (2) Whoever accepts any foreign hospitality in contravention of any provision of this Act or any rule made thereunder, shall be punished with imprisonment for a term which may extend to three years, or with fine, or with both.</p>
<p>36. Power to impose additional fine where article or currency or security is not available for confiscation. Notwithstanding anything contained in the Code of Criminal Procedure, 1973, the court trying a person, who, in relation to any article or currency or security, whether</p>		<p>24. Power to impose additional fine where article or currency is not available for confiscation Notwithstanding anything contained in the Code of Criminal Procedure, 1973 (2 of 1974), the court trying a person, who, in relation to any article or currency, whether Indian or</p>

<p>Indian or foreign, does or omits to do any act which act or omission would render such article or currency or security liable to confiscation under this Act, may, in the event of the conviction of such person for the act or omission aforesaid, impose on such person a fine not exceeding five times the value of the article or currency or security or one thousand rupees, whichever is more, if such article or currency or security is not available for confiscation, and the fine so imposed shall be in addition to any other fine which may be imposed on such person under this Act.</p>		<p>foreign, does or omits to do any act which act or omission would render such article or currency liable to confiscation under this Act, may, in the event of the conviction of such person for the act or omission aforesaid, impose on such person a fine not exceeding five times the value of the article or currency or one thousand rupees, whichever is more, if such article or currency is not available for confiscation, and the fine so imposed shall be in addition to any other fine which may be imposed on such person under this Act.</p>
<p>37. Penalty for offences where no separate punishment has been provided. Whoever fails to comply with any provision of this Act for which no separate penalty has been provided in this Act shall be punished with imprisonment for a term which may extend to one year, or with fine or with both.</p> <p>38. Prohibition of acceptance of foreign contribution. Notwithstanding anything contained in this Act, whoever, having been convicted of any offence under section 35 or section 37, in so far as such offence relates to the acceptance or utilisation of foreign contribution, is again convicted of such offence shall not accept any foreign contribution for a period of five years from the date of the subsequent conviction.</p>		<p>25. Penalty for offences where no separate punishment has been provided Whoever fails to comply with any provision of this Act for which no separate penalty has been provided in this Act shall be punished with imprisonment for a term which may extend to one year, or with fine not exceeding one thousand rupees, or with both.</p> <p>1 [25A. Prohibition of acceptance of foreign contribution Notwithstanding anything contained in this Act, whoever, having been convicted of any offence under sub-section (1) of section 23 or section 25, insofar as such offence relates to the acceptance or utilisation of foreign contribution, is again convicted of such offence shall not accept any foreign contribution for a period of three years from the date of the</p>

		subsequent conviction.]
<p>41. Composition of certain offences. (1) Notwithstanding anything contained in the Code of Criminal Procedure, 1973, any offence punishable under this Act (whether committed by an individual or association or any officer or employee thereof), not being an offence punishable with imprisonment only, may, before the institution of any prosecution, be compounded by such officers or authorities and for such sums as the Central Government may, by notification in the Official Gazette, specify in this behalf. (2) Nothing in sub-section (1) shall apply to an offence committed by an individual or association or its officer or other employee within a period of three years from the date on which a similar offence committed by it or him was compounded under this section. Explanation. — For the purposes of this section, any second or subsequent offence committed after the expiry of a period of three years from the date on which the offence was previously compounded, shall be deemed to be a first offence. (3) Every officer or authority referred to in sub-section (1) shall exercise the powers to compound an offence, subject to the direction, control and supervision of the Central Government. (4) Every application for the compounding of an offence shall be made to the officer or authority referred to in sub-</p>	New	

<p>section (1) in such form and manner along with such fee as may be prescribed. (5) Where any offence is compounded before the institution of any prosecution, no prosecution shall be instituted in relation to such offence, against the offender in relation to whom the offence is so compounded. (6) Every officer or authority referred to in sub-section (1), while dealing with a proposal for the compounding of an offence for a default in compliance with any provision of this Act which requires by an individual or association or its officer or other employee to obtain permission or file or register with, or deliver or send to, the Central Government or any prescribed authority any return, account or other document, may, direct, by order, if he or it thinks fit to do so, any individual or association or its officer or other employee to file or register with, such return, account or other document within such time as may be specified in the order.</p>		
<p>42. Power to call for information or document. Any inspecting officer referred to in section 23 who is authorised in this behalf by the Central Government may, during the course of any inspection of any account or record maintained by any political party, person, organisation or association in connection with the contravention of any provision of this Act, — (a) call for information from any person for</p>	<p>New</p>	

<p>the purpose of satisfying himself whether there has been any contravention of the provisions of this Act or rule or order made thereunder; (b) require any person to produce or deliver any document or thing useful or relevant to such inspection; (c) examine any person acquainted with the facts and circumstances of the case related to the inspection.</p>		
<p>44. Returns by prescribed authority to Central Government. The prescribed authority shall furnish to the Central Government at such time and in such form and manner such returns and statements as may be prescribed.</p> <p>Rule 21. Compounding of offence. - An application for the compounding of an offence under section 41 may be made to the Secretary, Ministry of Home Affairs, New Delhi on a plain paper and shall be accompanied by a fee of Rs.1000/- (One Thousand only) in the form of a demand draft or a banker's cheque in favour of the "Pay and Accounts Officer, Ministry of Home Affairs", payable at New Delhi.</p>	<p>New</p>	

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