

IN THE HIGH COURT OF DELHI AT NEW DELHI
(CIVIL ORIGINAL JURISDICTION)

Writ Petition (Civil) No. Of 2013

In the matter of Public Interest Litigation:

Association for Democratic Reforms & Anr

...

Petitioners

Versus

Union of India & Ors

...

Respondents

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New Delhi
Dated: 05th January 2013

(PRASHANT BHUSHAN)
Advocate for the Petitioner
301, New Lawyers Chambers
Supreme Court of India
New Delhi-110 001

SYNOPSIS AND LIST OF DATES

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The petitioners are filing the instant writ petition in public interest showing the complete inaction of the authorities against major political parties (like the Indian National Congress and the Bhartiya Janta Party), corporate groups and public sector undertakings for repeated violations of Representation of People's Act (RPA), of the Foreign Contribution (Regulation) Act (FCRA) and of the Companies Act. This petition is being jointly filed by Association of Democratic Reforms (a public trust) and Dr. EAS Sarma (former Secretary, Govt. of India).

Both the Section 29B of RPA and FCRA prohibit the political parties from accepting any donation from any foreign source. But as the accounts of INC and BJP from 2006 to 2012 show, they have been taking donations from foreign companies in complete violation of the law, which is also a punishable offence. The Companies Act prohibit the Government Companies from making donations to political parties but the same is being violated as PSUs are donating to the ruling political party. The repeated pleas of the petitioners to the authorities have been ignored and no action has been taken. Hence the instant writ petition.

- | | |
|------------|--|
| 31.03.1976 | Foreign Contribution (Regulation) Act 1976 comes into force which bars political parties from accepting donations from foreign sources |
| 1985 | Companies Act 1956 is amended to prohibit the Government Companies from making donations to political parties |
| 15.06.1989 | Representation of People's Act 1951 is amended to mandate political parties to declare contributions. |
| May 1999 | Law Commission of India recommends that functioning, conduct and funding of the political parties should be regulated by law. No such law till today has been made. |
| 2006-12 | Declaration of contributions by the political parties come in public domain. They show violation of Representation of People's Act, of the Foreign Contribution (Regulation) Act and of the Companies Act. |
| 27.08.2012 | Petitioner No. 2 writes to the Election Commission on the violations of RPA, FCRA. |
| 02.09.2012 | Petitioner No. 2 writes to the Revenue Secretary on improper tax exemptions to political parties and certain companies |
| Sept 2012 | Petitioner No. 2 writes 6 more letters to the Election Commission on the violations of RPA, FCRA and Companies Act. |

- 29.09.2012 Election Commission writes a letter to petitioner no. 2 stating that his complaints have been referred to the Ministry of Home, Government of India for necessary action
- 18.10.2012 Petitioner No. 2 writes a letter to the Ministry of Home requesting them to expedite the probe and be transparent about the same.
- Jan 2012 The Home Ministry has neither taken action against the defaulting political parties nor responded to the petitioner. The Election Commission has also not taken any action against parties for their illegal conduct. Hence the instant writ petition.

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IN THE HIGH COURT OF DELHI AT NEW DELHI

(CIVIL ORIGINAL JURISDICTION)

Writ Petition (Civil) No. Of 2013

A WRIT PETITION IN PUBLIC INTEREST UNDER ARTICLE 226 OF THE CONSTITUTION OF INDIA HIGHLIGHTING THE INACTION OF THE AUTHORITIES AGAINST THE VIOLATION OF REPRESENTATION OF PEOPLE'S ACT AND FOREIGN CONTRIBUTIONS (REGULATION) ACT BY MAJOR POLITICAL PARTIES AND CORPORATE GROUPS

MEMO OF PARTIES

In the matter of Public Interest Litigation:

Association for Democratic Reforms
Through Its Founder-Trustee and Secretary
Prof. Jagdeep S Chhokar
B-1/6 Upper Ground Floor
Hauz Khas, New Delhi-110016

..... Petitioner No.1

Dr. EAS Sarma
(Former Secretary, Govt of India)
S/o Emani Lakshmi Narayana
14-40-4/1 Gokhale Road, Maharani-peta,
Visakhapatnam 530002 (Andhra Pradesh)

..... Petitioner No. 2

Versus

Union of India
Through the Cabinet Secretary
Cabinet Secretariat
Rashtrapati Bhawan, New Delhi-110004

..... Respondent No. 1

Election Commission
Through its Secretary
Nirvachan Sadan, Ashoka Road
New Delhi-110001

..... Respondent No. 2

Indian National Congress
Through its Secretary
24, Akbar Road, New Delhi-110011

..... Respondent No. 3

Bhartiya Janata Party
Through its Secretary
11, Ashoka Road, New Delhi-110001

..... Respondent No. 4

NEW DELHI

DATED:

(PRASHANT BHUSHAN)
ADVOCATE FOR THE PETITIONER
301, NEW LAWYERS CHAMBERS
SUPREME COURT OF INDIA
NEW DELHI-110001

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unlikely to approach this Hon'ble Court on this issue. Hence the petitioners herein are preferring this PIL.

4. The affected parties by the orders sought in the writ petition would be the Union of India, Election Commission, Indian National Congress and Bhartiya Janta Party who have been made as a Respondent. To the best of the knowledge of the petitioners, no other persons / bodies / institutions are likely to be affected by the orders sought in the writ petition.

5. That the petitioner no. 1 is Association for Democratic Reforms (ADR). ADR has been in the forefront of electoral reforms in the country for the last 14 years from wide-ranging activities including advocacy for transparent functioning of political parties, conducting a detailed analysis of candidates in every election, and researching the financial records of political parties including their income-tax returns. It was on ADR's petition this Hon'ble Court ordered all election candidates to declare their criminal records and financial assets, a judgment which was later upheld by the Hon'ble Supreme Court. The Organization is registered as Public Trust under Mumbai Public Trust Act, 1950. Under the practice followed by ADR, the Founder-Trustee & Secretary Prof. Jagdeep S Chhokar is authorised to institute proceedings on behalf of petitioner no. 1.

That the petitioner no. 2 is Dr. EAS Sarma is former secretary to the Government of India. He has been Secretary, Ministry of Finance and Secretary, Ministry of Power, among others.

The petitioners have means to pay if any cost is imposed by the Hon'ble Court.

6. That the petitioner no. 2 had made several representations to the Election Commission as explained later in this petition. A letter was received from the Election Commission that his representation has been forwarded to the Home Ministry for action. The petitioner no. 2 thereafter made a representation to the Home Ministry to which no response has been received. Neither any action has been taken nor has any meaningful response been given by the authorities.

7. That the petitioner no. 1 has filed several notable PILs in the past in the Hon'ble Supreme Court.

S. No.	Case	Status	Outcome
1	Petition seeking disclosure of the antecedents of election candidates. (2001) 5 SCC 294	Disposed off	SC directed all election candidates to declare their educational qualifications, financial assets and criminal records
2	Petition challenging the amendment made in the Representation of People's Act 1951 barring certain disclosures by election candidates (2003) 4 SCC 399	Disposed off	SC struck down the amendment in the said Act as unconstitutional

That the petitioner no. 2 has also filed several notable PILs in the past in the Hon'ble Supreme Court. A brief of them is given below.

In the Hon'ble Supreme Court

S. No.	Case	Status	Outcome
1	WPC 250/2007 (PIL on the issue of 'Salwa Judum' in Chhatisgarh)	Disposed off	SC allowed the writ petition holding the deployment of 'Salwa Judum' forces as unconstitutional
2	CA 11354-11356/2011 (appeal against the order of National Environment Appellate Authority)	Pending	SC has issued notices to the respondents
3	WPC 464/2011 (PIL on the lack of safety	Pending	SC has admitted the petition

	in the use of nuclear energy)		
6	WPC 407/2012 (PIL on the issue of liability of Kudankulam nuclear power plant)	Pending	SC has issued notice on the petition

THE CASE IN BRIEF

8. The instant writ petition is being filed in public interest against the inaction of the authorities to the violation of Representation of People's Act 1951, Foreign Contribution (Regulation) Act of 1976 and of 2010 (hereinafter 'the FCRA') by major political parties including Indian National Congress (INC) and the Bhartiya Janta Party (BJP). Section 29B of the Representation of People's Act prohibit the political parties from taking donations from government companies and from any foreign source. A copy of the said provision is annexed as **Annexure P1**. A brief summary of legal provisions regarding electoral funding prepared by the petitioners is annexed as **Annexure P2**.

9. The FCRA 2010 came into force from May 1st 2011, and a violation of the same is a serious criminal offence. The said Act has replaced FCR Act of 1976 which had similar provisions on the issue in question. The preamble to FCRA 1976 stated *"An Act to regulate the acceptance and utilisation of foreign contributions... by certain persons or associations, with a view to ensuring that parliamentary institutions, political associations... as well as individuals working in the important areas of national life may function in a manner consistent with the values of a sovereign democratic republic."* A copy of 1976 Act is annexed as **Annexure P3**. The preamble of FCRA 2010 states: *"An Act... to prohibit acceptance and utilisation of foreign contribution or foreign hospitality for any activities detrimental to the national interest."* A copy of the FCRA 2010 is annexed as **Annexure P4**.

10. Section 4 of the 1976 Act and Section 3 of 2010 Act categorically prohibits any financial contribution from any foreign source or company to a political party registered in India. Violation of the same is a serious criminal offence. The term 'foreign company' has been defined in the said law, and a subsidiary of a foreign company is a foreign company within the meaning of the FCRA. Even multi-national companies are covered within the definition of a foreign source under the said Act. The law states that 'foreign company' would have the same meaning as defined in Section 591 of the Companies Act 1956. However, it is clear from the facts that have now come in public domain, that there is brazen violation of these provisions.

11. M/s Vedanta Resources is a company incorporated in United Kingdom and has its registered office in London, hence is clearly a foreign company without any shadow of doubt for the purposes of the FCRA. A copy of the relevant pages from Vedanta Resources' website is annexed as **Annexure P5**. Vedanta has many subsidiary companies in India including Sterlite Industries, Sesa Goa and Malco. This is clear from Vedanta's application to the London Stock Exchange. Relevant pages of the same are annexed as **Annexure P6**.

12. As per Section 2(1)(g)(ii) of FCRA, subsidiary of a foreign company is treated as a foreign company, hence it is impermissible for political parties to take donations from companies like Sterlite, Sesa Goa or Malco. However, from the facts that come in public domain, Vedanta Resources and its subsidiary companies have in fact donated several crores of rupees to major political parties like the INC and the BJP. Vedanta's own annual report of 2012 has the following admission: *"It is the Board's policy that neither Vedanta nor any of its subsidiary companies may, under any circumstances, make donations or contributions to political organisations within the United Kingdom or European Union. In exceptional circumstances, where such political donations or contributions are to be paid in the United Kingdom and European Union, and if deemed necessary for legitimate business reasons, they will not be made without the approval of the Board and the*

shareholders in the general meeting. During the year, the Group made political donations in India of US\$2.01 million (2011: US\$0.02 million) either through a trust or directly in respect of the Indian general election. The Board believes that supporting the political process in India will encourage and strengthen the democratic process." Relevant pages of the Vedanta's annual report of 2012 is annexed as **Annexure P7**. Sterlite's annual report also states: "During the year, the Group made political donations in India of (Rs) 5 Crore either through trust or directly". Relevant pages of the Sterlite's annual report of 2011-2012 is annexed as **Annexure P8**.

13. The petitioners have accessed the filing of account statements made by the INC and the BJP to the Election Commission and other relevant official records made over by the INC and the BJP themselves. They show the Vedanta's donations to these parties, and by other foreign companies and also show donation by public sector undertakings and State Government, which are in violation of the law. Relevant pages from the INC's account statements are annexed as **Annexure P9 (Colly)** and relevant pages from the BJP's account statements are annexed as **Annexure P10**. Copies of letters submitted by some foreign companies to the INC and the BJP confirming their donations are annexed as **Annexure P11 (Colly)**. It is evident that, in addition to Vedanta Group, there are several other foreign companies which gave contributions to the political parties, in violation of FCRA. An analysis prepared by the petitioners on the same is annexed as **Annexure P12**. There are also some Central PSUs like STC and MMTC which gave donations to INC, prohibited under Section 293A(1)(a) of Companies Act and Section 29B of RP Act of 1951.

14. Also, it is clear from Vedanta's application to LSE that Mr. P Chidambaram was its Director till May 2004, and after that he became a Union Minister in the INC Government. Now, till recently he was the Home Minister in charge of ensuring the implementation of FCRA. He did not take any action against Vedanta or the INC with whom he is associated. He is now the Finance Minister under whose charge

income tax exemptions are being given to Vedanta and the INC for the illegal donations. Therefore, in view of clear situation of conflict of interest, a court monitored investigation is required as Union of India is unlikely to proceed against major political parties or corporate groups like Vedanta on its own. In other cases involving FCRA violations, Home Ministry has been quite firm and conducted proceedings quite expeditiously. During July and August, 2012, for example, MHA had taken action against 4,139 NGOs for FCRA violations and frozen the bank accounts of several of them. A news report dated 10-8-2012 that indicated this is annexed as **Annexure P13**.

15. Both Section 29B of Representation of the People Act, 1951 and Section 3(1)(e) of FCRA, 2010 [Section 4(1)(e) of FCRA, 1976] prohibit contributions being received by political parties from foreign companies. The major political parties which are registered with Election Commission of India and play a crucial role in the electoral process of the country, as envisaged in the Constitution, are expected to respect the law of the land and uphold the statute to set an example to the people of the country. By flouting the provisions of the statute, they have set an undesirable precedent that tends to erode the confidence of the people in the rule of law and our great Parliamentary democracy. Especially, accepting contributions from foreign companies has long term adverse implications from the point of view of national sovereignty and security.

16. It is reasonable to infer that the foreign companies which gave contributions to the political parties have done so for quid pro quos. In addition to receiving undue concessions, these quid pro quos involve acquiescence on the part of the governments headed by the political parties to the concerned companies violating the other statutes relating to protection of the environment, safeguarding of the human rights of the people and so on. Ministry of Environment & Forests (MOEF) appointed the Saxena Committee to investigate the legality of bauxite mining in Niyamgiri hills inhabited by Dongaria Kondh tribe. The report has highlighted the possible statutory violations, including human rights violations, in Vedanta's mining

and refinery activity. Evidently, the concerned statutory authorities acquiesced in this. The Hindu report dated 21-7-2011 indicated the statutory violations, especially violations that affected the environment as a result of Sesa Goa's mining activity in Goa and the civil society's efforts to contain the same. The report dated 11-4-2011 in Down to Earth indicated how the company's negligence resulted in polluting a river that is the lifeline for the downstream communities.

17. Receiving contributions from Central PSUs (STC and MMTC) violates the Section 293A of the Companies Act. A copy of the said provision is annexed as **Annexure P14**. This is especially objectionable as the PSUs gave the donations to the ruling INC at the Centre. This amounted to INC appropriating public money to fund its party activity, to the detriment of the public interest. It amounted to a breach of trust reposed by the people in the political executive. Also, the 2008-09 Contribution report of BJP showed that the Gujarat Government gave a donation to the BJP. Clearly, this amounted to the ruling political party in that State appropriating public money.

18. The petitioner no. 2 has written repeatedly to the Election Commission of India, pointing out these illegalities. He expressed the apprehension that the concerned political parties, by receiving such contributions, had not only infringed the provisions of Companies Act, RPA, 1951, FCRA (1976 & 1910) but also the relevant provisions of the Income Tax Act by claiming tax exemption on the donations. Likewise, the concerned companies had also infringed the provisions of these laws. The said representations to the Election Commission are annexed as **Annexure P15 (Colly)**. Petitioner no. 2 also addressed a letter dated 29-9-2012 to Union Revenue Secretary (**Annexure P16**) requesting that tax exemptions, if any, granted on the illegal donations be revoked in respect of both the companies and the political parties, to which no reply has been received.

19. Thereafter, Election commission in its response informed that the matter had been referred to Union Home Ministry on FCRA violations. Copy of the said letter

of Election Commission to the petitioner no. 2 is annexed as **Annexure P17**. Pursuant to this, the petitioner no. 2 addressed a letter dated 18-10-2012 (**Annexure P18**) to the Election Commission, the Union Home Ministry to ensure that the FCRA proceedings are carried out in a transparent and speedy manner. No communication has been received from the Home Ministry.

20. Since violations to FCRA constitute a serious offence punishable with severe penalties, the petitioner submits that the political executive at the Centre has not taken any action in the matter, in violation of its statutory duty. Similarly, no action has been taken under the Income Tax Act and the Companies Act. Considering the possibility of several foreign companies involved in giving donations to the various political parties during the last several years, it is necessary that a comprehensive investigation to identify the foreign companies and the political parties who have violated FCRA as well as other laws is carried out and necessary proceedings be initiated.

21. The Law Commission as far back as May 1999 in its 170th report on reform of electoral laws had recommended that a law must be brought to regulate the conduct and functioning of political parties including their funding. Relevant chapter of the said report is annexed as **Annexure P19**. No such law has been brought into force.

GROUND:

- A. That the INC and the BJP have violated Section 29B of the Representation of People's Act 1951 which categorically prohibits them to take donations from government companies and from any foreign source, and thus their registration/recognition is liable to be cancelled.
- B. That the donation of huge sums of money made by the Vedanta Group (being a foreign company) to major political parties like INC and BJP is in clear violation of the FCR Act of 1976 and the FCR Act of 2010.

- C. That the donation of huge sums of money by the public sector undertakings (who are also State within Article 12 of the Constitution) to the political parties is in violation of Section 293A of the Companies Act.
- D. That the donation by the state governments to the political parties amounts to using public money for partisan political objectives and the same is unconstitutional.
- E. That the total inaction of the Ministry of Home Affairs and other ministries is in violation of its statutory obligations and duties under FCR Act of 1976, FCR Act of 2010 and other laws like the Companies Act, Representation of People's Act and the Income-Tax Act.
- F. That the failure of the Election Commission to oversee that major political parties do not violate electoral funding laws, and its failure to ensure that necessary action is taken if they do, is in violation of its constitutional duty under Article 324 of the Constitution of India.

The petitioners have not filed any other petition, claim, suit or proceeding in any court or tribunal throughout the territory of India regarding the matter in dispute. The petitioners have no better remedy available.

PRAYERS:

In view of the facts & circumstances stated above, it is prayed that this Hon'ble Court in public interest may be pleased to: -

- a. Direct a thorough court-monitored investigation by SIT or the CBI into the violation of foreign funding and other laws by major political parties, corporate groups and public sector undertakings.

- b. Direct the Union of India to initiate action against the major political parties and corporate groups as per Foreign Contribution (Regulation) Act of 1976 and 2010, and to confiscate the illegal donations, under the supervision of this Hon'ble Court
- c. Direct the Union of India to initiate action against the major political parties and public sector undertakings /state governments under Section 293A of the Companies Act and others laws under the supervision of this Hon'ble Court
- d. Direct the Union of India to cancel the income-tax exemption given to political parties and the corporate groups for donations made in violation of the law of the land
- e. Issue such other writ, direction or order, which this Hon'ble court may deem fit and proper under the facts and circumstances of the case.

Petitioners

Through

New Delhi

Dated: January 4th, 2013

PRASHANT BHUSHAN

(Advocate for the Petitioners)

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IN THE HIGH COURT OF DELHI AT NEW DELHI
(CIVIL ORIGINAL JURISDICTION)

Writ Petition (Civil) No. Of 2013

In the matter of Public Interest Litigation:

Association for Democratic Reforms & Anr ... Petitioners

Versus

Union of India & Ors ... Respondents

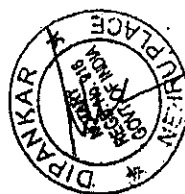
AFFIDAVIT

I, Jagdeep S. Chhokar, aged 68 years, S/o Shri Raghbir Singh, Founder Trustee and Secretary, Association for Democratic Reforms having its office at "Kiwanis Centre", 4th Floor, B-35, Qutub Institutional Area (Near Rockland Hospital), New Delhi-110 016, do hereby solemnly affirm and declare as under:

1. That I am the Founder Trustee and Secretary of Petitioner No. 1 and hence authorised to institute and sign this petition. Petitioner No. 1 is a Public Trust registered under the Mumbai Public Trust Act, 1950. As per the practice followed by the Trust, I am authorised to institute proceedings on its behalf. I have also been authorised by petitioner no. 2 to file this affidavit on his behalf.

2. I have filed the present petition as a Public Interest Litigation.

3. I have gone through the Delhi High Court (Public Interest Litigation) Rules, 2010 and do hereby affirm that the present Public Interest Litigation is in conformity thereof.



4. I have no personal interest in the litigation and neither myself nor anybody in whom I am/petitioner is interested would in any manner benefit from the relief sought in the present litigation save as a member of the General Public. This petition is not guided by self gain or gain of any person, institution, body and there is no motive other than of public interest in filing this petition.

5. I have done whatsoever inquiry/investigation which was in my power to do, to collect all data/material which was available and which was relevant for this court to entertain the present petition. I further confirm that I have not concealed in the present petition any data / material / information which may have enabled this court to form an opinion whether to entertain this petition or not and/or whether to grant any relief or not.

6. I have read the above petition and state that all averments and facts therein are true to my knowledge and belief. The annexures are true copies of their respective originals.



VERIFICATION

Verified at New Delhi on

03 JAN 2013



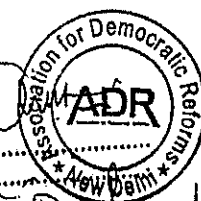
Deponent

above writ are true and nothing material has been concealed therefrom.

ATTESTED

DIPANKAR JAIWAL
NOTARY PUBLIC
B-3C, SHIPPER HOUSE
62/63, BEHAR PLACE,
NEW DELHI-110019

I Identify the Executant/Deponent
who has appeared in My Presence



Deponent

IDENTIFIED BY.....
HAS SOLEMNLY AFFIRMED BEFORE
ME ON..... THAT THE CONTENTS
OF THE AFFIDAVIT WHICH HAS
BEEN EXPLAINED TO HIM ARE TRUE
AND CORRECT TO HIS KNOWLEDGE.

2013 DIPANKAR JAS

19

IN THE HIGH COURT OF DELHI AT NEW DELHI
(CIVIL ORIGINAL JURISDICTION)

Writ Petition (Civil) No. Of 2013

In the matter of Public Interest Litigation:

Association for Democratic Reforms & Anr

...

Petitioners

Versus

Union of India & Ors

...

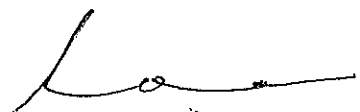
Respondents

AFFIDAVIT

I, Dr. E A S Sarma, aged 71 years, S/o Shri Emani Lakshmi Narayana R/o 14-40-4/1 Gokhale Road, Maharanipecta, Visakhapatnam 530002 (Andhra Pradesh) do hereby solemnly affirm and declare as under: -

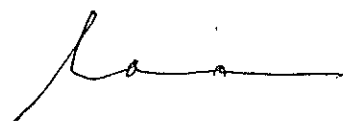
1. That I am the Petitioner No. 2 and hence authorised to institute and sign this petition. I have also been authorised by petitioner no. 1 (a registered society having its office at B-1/6 Upper Ground Floor, Hauz Khas, New Delhi-110016) to file this affidavit on their behalf.
2. I have filed the present petition as a Public Interest Litigation.
3. I have gone through the Delhi High Court (Public Interest Litigation) Rules, 2010 and do hereby affirm that the present Public Interest Litigation is in conformity thereof.
4. I have no personal interest in the litigation and neither myself nor anybody in whom I am/petitioner is interested would in any manner benefit from the relief sought in the present litigation save as a member of the General Public. This petition is not guided by self gain or gain of any person, institution, body and there is no motive other than of public interest in filing this petition.

ATTESTED
100-
NOTARY
VISAKHAPATNAM
ANDHRA PRADESH
27/12/2012



5. I have done whatsoever inquiry/investigation which was in my power to do, to collect all data/material which was available and which was relevant for this court to entertain the present petition. I further confirm that I have not concealed in the present petition any data / material / information which may have enabled this court to form an opinion whether to entertain this petition or not and/or whether to grant any relief or not.

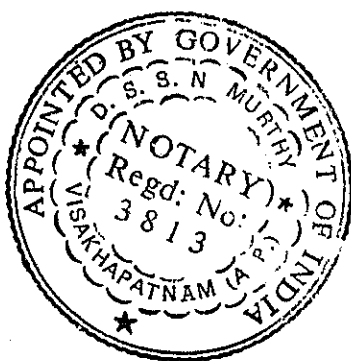
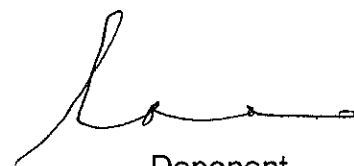
6. I have read the above petition and state that all averments and facts therein are true to my knowledge and belief. The annexures are true copies of their respective originals.



Deponent


VERIFICATION

Verified at Visakhapatnam on 27th December 2012 that the contents of the above writ are true and nothing material has been concealed therefrom.

Deponent

ATTESTED


NOTARY 27/12/2012
VISAKHAPATNAM
ANDHRA PRADESH
INDIA

D. S. S. N. MURTHY,
ADVOCATE & NOTARY
Flat No 404, Swarna Palace
SEETHAMMA DHARA N.E
VISAKHAPATNAM-530 013
Cell: 9948899481, (R)2535122

N.R SI No: 237 Date 27/12/2012
My Commission Expires on 19-02-2017

Representation of People's Act 1951

211

29B. Political parties entitled to accept contribution.—Subject to the provisions of the Companies Act, 1956 (1 of 1956), every political party may accept any amount of contribution voluntarily offered to it by any person or company other than a Government company:

Provided that no political party shall be eligible to accept any contribution from any foreign source defined under clause (e) of section 2 of the Foreign Contribution (Regulation) Act, 1976 (49 of 1976).

Explanation.—For the purposes of this section and section 29C,—

- (a) "company" means a company as defined in section 3;
- (b) "Government company" means a company within the meaning of section 617; and
- (c) "contribution" has the meaning assigned to it under section 293A, of the Companies Act, 1956 (1 of 1956) and includes any donation or subscription offered by any person to a political party; and
- (d) "person" has the meaning assigned to it under clause (31) of section 2 of the Income-tax Act, 1961 (43 of 1961), but does not include Government company, local authority and every artificial juridical person wholly or partially funded by the Government.

29C. Declaration of donation received by the political parties.—(1) The treasurer of a political party or any other person authorised by the political party in this behalf shall, in each financial year, prepare a report in respect of the following, namely:—

- (a) the contribution in excess of twenty thousand rupees received by such political party from any person in that financial year;
- (b) the contribution in excess of twenty thousand rupees received by such political party from companies other than Government companies in that financial year.

(2) The report under sub-section (1) shall be in such form as may be prescribed.

(3) The report for a financial year under sub-section (1) shall be submitted by the treasurer of a political party or any other person authorised by the political party in this behalf before the due date for furnishing a return of its income of that financial year under section 139 of the Income-tax Act, 1961 (43 of 1961), to the Election Commission.

(4) Where the treasurer of any political party or any other person authorised by the political party in this behalf fails to submit a report under sub-section (3) then, notwithstanding anything contained in the Income-tax Act, 1961 (43 of 1961), such political party shall not be entitled to any tax relief under that Act.

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Relevant provisions under Indian laws for Political party's Donations and Contribution

- According to section 29B of Representation of People's Act, every political party may accept any amount of contribution voluntarily offered to it by any person or company other than a Government company provided that no political party shall be eligible to accept any contribution from any foreign source defined under clause (e) of section 2 of the Foreign Contribution (Regulation) Act, 1976.
- Section 29C of Representation of People's Act states that the treasurer of a political party or any other person authorised by the political party in this behalf shall, in each financial year, prepare a report in respect of the contribution in excess of twenty thousand rupees received by such political party from any person in that financial year.
- Furthermore, under Section 29-C of the RPA, it is made mandatory for the political parties to submit to the Election Commission a list of donations they received of over Rs. 20,000 in Form 24-A and where such a political party fails to submit a report then such political party shall not be entitled to any tax relief under that Act.
- Section 293A of Company's Act, 1956 states that no Government company and no other company which has been in existence for less than three financial years, shall contribute any amount or amounts, directly or indirectly to any political party or for any political purpose to any person.
- Besides, as per section 293A of the Company's Act, a company, incorporated under the Companies Act, can donate up to 5% of its profit in a year, and the company is bound to disclose the amount in its profit and loss account. This exercise should be conducted with the approval of its board of directors through a resolution. If a company makes any contribution in contravention of the provisions of this section, the company shall be punishable with fine which may extend to three times the amount so contributed; and every officer of the company who is in default shall be punishable with imprisonment for a term which may extend to three years and shall also be liable to fine.
- Under Section 293A (1)(a) of Companies Act, political parties cannot receive contributions from government companies
- Section 293 A(4) of the Companies Act requires the companies making the donations to political parties to disclose the same with the details explicitly in their respective profit & loss account statements. The ministry of corporate affairs should cause a verification of this and take necessary action in case there is any infringement.
- Any contribution made by an individual to a political party (registered under Section 29A of the Representation of the People Act, 1951) is fully deductible under section 80GGC of the Income Tax Act and under section 80GGB in case the contribution is made by the companies.
- As per section 13A of the I.T Act, any income of a political party which is chargeable under the head "Income from house property" or "Income from other sources" or any income by way of voluntary contributions received by a political party from any person shall not be included in the total income of the previous year of such political party: Provided that—
 - (a) Such political party keeps and maintains such books of account and other documents as would enables the Assessing Officer to properly deduce its income there from;
 - (b) in respect of each such voluntary contribution in excess of twenty thousand rupees, such political party keeps and maintains a record of such contribution and the name and address of the person who has made such contribution.
- Under Sections 3 & 4 of Foreign Contributions (Regulation) Act (FCRA), 1976, political parties are not permitted to accept contributions from foreign companies or companies controlled in India by foreign companies.

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ANNEXURE - P3

THE FOREIGN CONTRIBUTION (REGULATION) ACT, 1976
No. 49 of 1976

23

[31st March, 1976.]

An Act to regulate the acceptance and utilisation of foreign contribution or foreign hospitality by certain persons or associations, with a view to ensuring that parliamentary institutions, political associations and academic and other voluntary organisations as well as individuals working in the important areas of national life may function in a manner consistent with the values of a sovereign democratic republic, and for matters connected therewith or incidental thereto.

Be it enacted by Parliament in the Twenty – seventh year of the Republic of India as follows:

CHAPTER 1
Preliminary

1. Short title, extent, application and commencement – (1) This Act may be called the Foreign Contribution (Regulation) Act, 1976.

Short title, extent,
application and
commencement

(2) It extends to the whole of India; and it shall also apply to –

(a) citizens of India outside India; and

(b) associates, branches or subsidiaries, outside India, of companies or bodies corporate, registered or incorporated in India.

(3) It shall come into force on such date¹ as the Central Government may, by notification in the Official Gazette, appoint.

2. Definitions- (1) In this Act, unless the context otherwise requires, –

Definitions.

21 of 1860.

(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) '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;

46 of 1973.

(iii) of any foreign security as defined in clause (i) of Section 2 of the Foreign Exchange Regulation Act, 1973 (46 of 1973);

²[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 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 cost of travel to any foreign country or territory or with free board, lodging, transport or medical treatment;

¹ 5-8-1976 vide notification No. G.S.R. 755(E) dated the 5th August, 1976.

² Ins. By Act 1 of 1985, s.2 (w.e.f. 20-10-1984)

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(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 and also includes -

1 of 1956.

(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,

1 of 1956.

(vi) a company within the meaning of the Companies Act, 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 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 registered 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 a 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 Mizoram as provided in the Sixth Schedule to the Constitution, or

(vii) any other elective body as may be notified by the Central Government, as the case may be;

¹[(g) 'political party' means-

- (i) an association or body of individual citizens of India-
- (1) which is, or is deemed to be, registered with the 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 1 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 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;

46 of 1973. (2) Words and expressions used herein and not defined but defined in the Foreign Exchange Regulation Act, 1973, have the meanings respectively assigned to them in that Act.

46 of 1973. 43 of 1950. 43 of 1951. (3) Words and expressions used herein and not defined in this Act or in the Foreign Exchange Regulation Act, 1973, but defined in the Representation of the People Act, 1950, or the Representation of the People Act, 1951, have the meanings respectively assigned to them in such Act.

3. The provisions of this Act shall be in addition to, and not in derogation of, any other law for the time being in force.

Application of other laws not barred.

CHAPTER II
Regulation of foreign Contribution and Foreign Hospitality

- 4. (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) ²[Judge, Government servant] or employee of any corporation,
- (d) member of any Legislature,
- (e) political party or office-bearer thereof.

Candidate for election, etc., not to accept foreign contribution.

¹ Subs. By Act 1 of 1985, s.2, for cl.(g) (w.e.f. 20-10-1984)
² Subs. by s.3, ibid., for "Government servant" (w.e.f. 20-10-1984)

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 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 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-section (1), 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 association, referred to in sub-section (1) of section 6, shall deliver such currency —

(i) to any association or organisation other than the association for which it was received, or

(ii) 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 an association other than the association for which such currency was received.

5. (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 activities of any political party, by an order published in the Official Gazette, specify in this behalf.

Organisation of a political nature not to accept foreign contribution except with the prior permission of the Central Government.

(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 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 sub-section (1).

where such association obtains any foreign contribution through any branch[6. ¹(1) No association [other than an organisation referred to in sub-section

Certain associations and persons receiving foreign contribution to give intimation to the Central Government.

(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

(b) agrees to receive such foreign contribution only through such one of the branches of a bank as it may specify in its application for such registration,

and every association so registered shall give within such time and in such manner as may be prescribed, an intimation to the Central Government as to the amount of each foreign contribution received by it, 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 it:

Provided that other than the branch of the bank through which it has agreed to receive foreign contribution or fails to give such intimation within the prescribed time or in the prescribed manner, or gives any intimation which is false, the Central Government may, by notification in the Official Gazette, direct that such association shall not, after the date of issue of such notification, accept any foreign contribution without the prior permission of the Central Government.

(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 purposes for which and the manner in which such foreign contribution was utilised by it.

(2) Every candidate for election, who has 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 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.

Recipients of scholarships, etc., to give intimation to the Central Government.

7. (1) Every citizen of India receiving any scholarship, stipend or any payment of like nature from any 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.

¹Subs. by Act 1 of 1985, s.4, for sub-section (1)(w.e.f. 1-1-1985).

(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, stipend or other payments does not exceed such limits as the Central Government may by rules made under this Act, specify in this behalf.

Persons to whom section 4 shall not apply.

8. 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 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.

Provided that no such permission shall be required if the amount of foreign contribution received by him from his relative does not exceed in value, eight thousand rupees per annum and an intimation is given by him to the Central Government as to the amount received, the source from which and the manner in which it was received and the purpose for which and the manner in which it was utilised by him;

(f) by way of remittance received, in the ordinary course of business through any official channel, post office, or in any authorised dealer in foreign exchange under the Foreign Exchange Regulation Act, 1973.

46 of 1973.

Explanation – In this Act, the expression “relative” has the meaning assigned to it in the Companies Act, 1956.

1 of 1956.

Restrictions on acceptance of foreign hospitality.

9. 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.

Power of Central Government

10. The Central Government may –

(a) prohibit any association, not specified in section 4, or any person, from accepting any foreign contribution;

¹Subs. by Act 1 of 1985, s 5, for “Government servant”(w.e.f. 20-10-1984)

to prohibit receipt of foreign contribution, etc., in certain cases.

(b) ¹[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:

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 persons 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.

Application to be made in prescribed form for obtaining prior permission to accept foreign contribution or hospitality.

11. (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 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 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.

CHAPTER III Miscellaneous

12. 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

Power to prohibit payment of currency received in contravention of the Act.

¹Subs. by s. 6, ibid. for "require any association, specified in section 6"(w.e.f., 1-1-1985)

37 of 1967.

~~8~~
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-section (2), (3), (4) and (5) 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.

13. Every association, referred to in section 6, shall maintain, in such form and in such manner as may be prescribed, -

(a) an account of any foreign contribution received by it, and

(b) a record as to the manner in which such contribution has been utilised by it.

Recipients of foreign contribution to maintain accounts etc.

14. 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,

Inspection of accounts or records.

it may, by general or special order, authorise such gazetted officer, holding a ¹[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 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 inspecting the said account or record :

Provided that no gazetted officer shall be authorised to inspect the account or record maintained by a political party, unless he has been holding a Group A post in connection with the affairs of the Union, or a State, for not less than ten years.

15. 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:

Seizure of accounts or records.

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.

²[15A. 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 the law or if, after inspection of such returns, the Central Government has any reasonable cause to believe that any provision of

Audit of accounts.

¹.Subs. by Act I of 1985, s.7, for "class I post" (w.e.f. 20-1-1984)

².Ins. by s.8 ibid. (w.e.f. 20-10-1984).

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 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.]

Seizure of article or currency received in contravention of the Act.	16. 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.
Seizure to be made in accordance with the Code of Criminal Procedure, 1973.	17. 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.
Confiscation of article or currency obtained in contravention of the Act.	18. 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.
Adjudication of confiscation.	19. Any confiscation referred to in section 18 may be adjudged – (a) without limit, 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.
Opportunity to be given before adjudication of confiscation.	20. 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.
Appeal	21. (1) Any person aggrieved by any order made under section 19 may prefer any 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:

-14-

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 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 applicant 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, shall, as far as may be, apply thereto as they apply to an appeal from an original decree. 5 of 1908.

Penalty for article or currency obtained in contravention of section 12.

22. If any person, on whom any prohibitory order has been served under section 12, pays, delivers, transfers or otherwise deals with, in any manner whatsoever, any article or currency, whether Indian or foreign, in contravention of such prohibitory order, he shall be punished with imprisonment for a term which may extend to three years, or with fine, or with both; and notwithstanding anything contained in the Code of Criminal Procedure, 1973, the court trying such contravention may also impose on the person convicted an additional fine equivalent to the market value of the article or the amount of the currency in respect of which the prohibitory order has been contravened by him or such part thereof as the court may deem fit.

2 of 1974.

Punishment for the contravention of any provision of the Act.

23. (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.

Power to impose additional fine where article or currency is not available for confiscation.

24. Notwithstanding anything contained in the Code of Criminal Procedure, 1973, the Court trying a person, who, in relation to any article or currency, whether Indian or 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 fine so imposed shall be in addition to any other fine which may be imposed on such person under this Act.

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Penalty for offences where no separate punishment has been provided.

25. 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.

Prohibition of acceptance of foreign contribution.

¹[25A Notwithstanding anything contained in this Act, whoever, having been convicted of any offence under sub-section (1) of section 23 or section 25, 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 three years from the date of the subsequent conviction.]

Offences by companies.

26. (1) where an offence under this Act or any rule made thereunder has been committed by a company, every person who, at the time the offence was committed, was in charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this Sub-section shall render such person liable to any punishment if he proves that the offence was committed without his knowledge or that he had exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where an offence under this Act or any rule made thereunder has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any neglect on the part of, any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

Explanation. -For the purposes of this section, -

(a) "company" means any body corporate and includes a firm, society, trade union or other association of individuals; and

(b) "director" in relation to a firm, society, trade union or other association of individuals, means a partner in the firm or a member of the governing body of such society, trade union or other association of individuals.

Bar to prosecution of offences under the Act.

27. No court shall take cognisance of any offence under this Act, except with the previous sanction of the Central Government or any officer authorised by that Government in this behalf.

Investigation into cases under the Act.

28. Notwithstanding anything contained in the Code of Criminal Procedure, 1973, any offence punishable under this Act may also be investigated into by such authority as the Central Government may specify in this behalf and the authority so specified shall have all the powers which an officer-in-charge of a police station has while making an investigation into a cognisable offence.

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¹ Ins. By Act I of 1985, s 9 (w.e.f. 20-10-1984)

Protection of
action taken
in good
faith.

29. No suit or other legal proceedings shall lie against the Central Government in respect of any loss or damage caused or likely to be caused by anything which is in good faith done or intended to be done in pursuance of the provisions of this Act or, any rule or order made thereunder.

power to
make rules.

30. (1) The Central Government may, by notification in the Official Gazette, make rules for carrying out the provisions of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:

- (a) the time within which, and the manner in which, intimation is to be given by an association referred to in section 6, with regard to the foreign contribution received by it;
- (b) the limits up to which receipt of scholarships, stipends or payments of like nature need not be intimated to the Central Government;
- (c) the time within which, and the manner in which, intimation is to be given by persons receiving any scholarships, stipend or any payment of a like nature from a foreign source;
- (d) the time within which, and the manner in which a candidate for election should give intimation as to the amount of foreign contribution received by him at any time within one hundred and eighty days from the date when he became such a candidate
- (e) the form and manner in which an application shall be made for obtaining prior permission of the Central Government to receive foreign contribution or foreign hospitality
- (f) the manner of service of the prohibitory order made under section 12;
- (g) the form and manner in which account or record referred to in section 13 shall be maintained;
- (h) the limits up to which an officer, not below the rank of an Assistant Sessions Judge, may make adjudication of confiscation;
- (i) any other matter which is required to be, or may be prescribed.

(3) Every rule made by the Central Government under this Act shall be laid, as soon as may be after it is made, before each House of Parliament while it is in session for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

Power to
exempt.

31. If the Central Government is of opinion that it is necessary or expedient in the interests of the general public so to do, it may, by order and subject to such conditions as may be specified in the order, exempt any association (not being a political party), organisation or any individual (not being a candidate for election) from the operation of all or any of the provisions of this Act and may, as often as may be necessary, revoke or modify such order.

Act not to
apply to
Government
transactions.

32. Nothing contained in this Act shall apply to any transaction between the Government of India and the Government of any foreign country or territory.

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FOREIGN CONTRIBUTION (REGULATION) ACT, 2010

(No. 42 of 2010)

35

An Act
to consolidate the law to regulate the acceptance and utilisation of foreign contribution or foreign hospitality by certain individuals or associations or companies and
to prohibit acceptance and utilisation of foreign contribution or foreign hospitality or
any activities detrimental to the national interest and for matters connected there with or incidental thereto.

CHAPTER I

PRELIMINARY

Short title, extent, application and commencement.

1. (1) This Act may be called the Foreign Contribution (Regulation) Act, 2010.

(2) It extends to the whole of India, and it shall also apply to—

- (a) citizens of India outside India; and
- (b) associate branches or subsidiaries, outside India, of companies or bodies corporate, registered or incorporated in India.

(3) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint:

Provided that different dates may be appointed for different provisions of this Act and

any reference in any such provision to the commencement of this Act shall be construed as a reference to the coming into force of that provision.

Definitions.

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) "authorised person in foreign exchange" means an authorised person referred to in clause (c) of section 2 of the Foreign Exchange Management Act, 1999 (42 of 1999);

(c) "bank" means a banking company as referred to in clause (c) of section 5 of the Banking Regulation Act, 1949 (10 of 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;

(f) "company" shall have the meaning assigned to it under clause (17) of section 2 of the Income-tax Act, 1961 (43 of 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 (1 of 1956);

(ii) a company which is a subsidiary of a foreign company;

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(iii) the registered office or principal 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.

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, —

(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;

(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 (42 of 1956) and includes any foreign security as defined in clause (o) of section 2 of the Foreign Exchange Management Act, 1999 (42 of 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, shall also be deemed to be foreign contribution within the meaning of this clause.

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.

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 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 (1 of 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, either House of the Legislature of that State;

(C) Legislative Assembly of a Union territory constituted under the Government of Union Territories Act, 1963 (20 of 1963);

(D) Legislative Assembly for the National Capital Territory of Delhi referred to in the Government of National Capital Territory of Delhi Act, 1991 (1 of 1992);

(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;

(l) "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 (1 of 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 (43 of 1951); or

(B) 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 2 of Table 1 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 (25 of 1867);

(r) "relative" has the meaning assigned to it in clause (41) of section 2 of the Companies Act, 1956 (1 of 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 (2 of 1934);

(t) "subsidiary" and "associate" shall have the meanings, respectively assigned to them in the Companies Act, 1956 (1 of 1956);

(u) "trade union" means a trade union registered under the Trade Unions Act, 1926 (16 of 1926);

(2) Words and expressions used herein and not defined in this Act but defined in the Representation of the People Act, 1950 (43 of 1950) or the Representation of the People Act, 1951 (43 of 1951) or the Foreign Exchange Management Act, 1999 (42 of 1999) shall have the meanings respectively assigned to them in those Acts.

CHAPTER II

REGULATION OF FOREIGN CONTRIBUTION AND FOREIGN HOSPITALITY

Prohibition to accept foreign contribution.

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;

(f) organisation of a political nature as may be specified under subsection (1) of section 5 by the Central Government;

(g) association or company engaged in the production or broadcast of 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 (1) of section 2 of the Information Technology Act, 2000 (21 of 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 (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 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-section (1), 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.

Persons to whom section 3 shall not apply.

4. Nothing contained in section 3 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 relation to any transaction made by such foreign source with the Central Government or State 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 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 (42 of 1999); or

(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.

Procedure to notify an organization of a political nature.

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 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 said period of one hundred and twenty days.

Restriction on acceptance of foreign hospitality.

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.

Prohibition to transfer foreign contribution to other person.

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 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.

Restriction to utilize foreign contribution for administrative purpose.

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.

Power of Central Government to prohibit receipt of foreign contribution, etc., in certain cases.

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 (1) 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 of foreign 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.

Power to prohibit payment of currency received in contravention of the Act.

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 (37 of 1967) shall, so 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.

Registration of certain persons with Central Government.

11. (1) 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 (49 of 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 (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 such prior permission shall be valid for the specific purpose for which it is obtained and from 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 (49 of 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) 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.

Grant of certificate of registration.

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.

(2) On receipt of an application under sub-section (1), the Central Government shall, by an order, if the application is not in the prescribed form or does not contain any of the particulars specified in that form, reject the application.

(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 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.

(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 country;

(iv) has not been found guilty of diversion or mis-utilisation 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 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.

(5) Where the Central Government refuses the grant of certificate or does not give prior permission, it shall record in its order the reasons therefor and furnish a copy thereof to the applicant:

Provided that the Central Government may not communicate the reasons for refusal for grant of certificate or for not giving prior permission to the applicant under this section in cases where is no obligation to give any information or documents or records or papers under the Right to Information Act, 2005 (22 of 2005).

(6) The certificate granted under sub-section (3) shall be valid for a period of five years and the prior permission shall be valid for the specific purpose or specific amount of foreign contribution proposed to be received, as the case may be.

Suspension of certificate.

13. (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 prescribed manner, the foreign contribution in his custody with the prior approval of the Central Government.

Cancellation of certificate.

14. (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 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.

Management of foreign contribution of person whose certificate has been cancelled.

15.(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) shall return the foreign contribution and the assets vested upon it under that sub-section to the person referred to in the said sub-section if such person is subsequently registered under this Act.

Renewal of certificate.

16. (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.

CHAPTER IV

ACCOUNTS, INTIMATION, AUDIT AND DISPOSAL OF ASSETS, ETC.

Foreign contribution through scheduled bank.

17.(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 branches of a bank as he 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.

(2) Every bank or authorised person in foreign exchange shall report to such authority as may be specified —

(a) prescribed amount of foreign remittance;

(b) the source and manner in which the foreign remittance was received; and

(c) other particulars,

in such form and manner as may be prescribed.

Intimation

18.(1) Every person who has been granted a certificate or given prior approval under

this Act shall give, within such time and in such manner as may be prescribed, an intimation

to the Central Government, and such other authority as may be specified by the Central

Government, as to the amount of each foreign contribution received by it, 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.

(2) Every person receiving foreign contribution shall submit a copy of a statement

indicating therein the particulars of foreign contribution received duly certified by an officer of the bank or authorised person in foreign exchange and furnish the same to the Central Government along with the intimation under sub-section (1).

Maintenance of accounts.

19. 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 contribution received by him; and

(b) a record as to the manner in which such contribution has been utilised by him.

Audit of accounts.

20. Where any person who has been granted

a certificate or given prior permission, fails to furnish any intimation under this Act within the time specified therefor or the intimation so furnished is not in accordance with law or if, after inspection of such intimation, the

Central Government has any reasonable cause to believe that any provision of this Act has

been, or is being, contravened, the Central Government may, by general or special order, authorise such gazetted officer, holding a Group A post under the Central Government or any

other officer or authority or organisation, as it may think fit, to audit any books of account

kept or maintained by such person 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.

Intimation by candidate for election.

21. 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.

Disposal of assets created out of foreign contribution.

22. 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 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 of by such authority, as it may specify, in such manner and procedure as may be prescribed.

CHAPTER V

INSPECTION, SEARCH AND SEIZURE

23. 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 inspecting the said account or record.

Seizure of accounts or records.

24. 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.

Seizure of article or currency or security received in contravention of the Act.

25. 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.

Disposal of seized article or currency or security.

26. (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 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 (1 of 1872) or the Code of Criminal Procedure, 1973 (2 of 1974), 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.

Seizure to be made in accordance with Act 2 of 1974.

27. 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.

CHAPTER VI

ADJUDICATION

Confiscation of article or currency or security obtained in contravention of the Act.

28. Any article or currency or security which is seized under section 25 shall be liable to confiscation if such article or currency or security has been adjudged under section 29 to have been received or obtained in contravention of this Act.

Adjudication of confiscation.

29. (1) Any confiscation referred to in section 28 may be adjudged—

(a) without limit, 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.

(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.

Procedure for confiscation.

30. 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.

CHAPTER VII

APPEAL AND REVISION

Appeal

31.(1)

Any person aggrieved by any order made under section 29 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 sub-section (1) of section 29, 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 further period of one month, but not thereafter.

(2) Any organisation referred to in clause (f) of sub-section (1) of section 3, or any person or association referred to in section 6 or section 9, aggrieved by an order made in pursuance of section 5 or by an order of the Central Government refusing to give permission

under this Act, or by any order made by the Central Government under sub-section (2) or sub-section (4) of section 12, or sub-section (1) of section 14, 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.

Revision of orders by Central Government.

32. (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 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.

CHAPTER VIII

OFFENCES AND PENALTIES

Making of false statement, declaration or delivering false accounts.

33. 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.

Penalty for article or currency or security obtained in contravention of section 10.

34. If any person, on whom any prohibitory order has been served under section 10, pays, delivers, transfers or otherwise deals with, in any manner whatsoever, any article or

currency or security, whether Indian or foreign, in contravention of such prohibitory order, he shall be punished with imprisonment for a term which may extend to three years, or with fine, or with both; and notwithstanding anything contained in the Code of Criminal Procedure, 1973 (2 of 1974), the court trying such contravention may also impose on the person convicted an additional fine equivalent to the market value of the article or the amount of the currency or security in respect of which the prohibitory order has been contravened by him or such part thereof as the court may deem fit.

Punishment for contravention of any provision of the Act.

35. 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.

Power to impose additional fine where article or currency or security is not available for confiscation.

36. 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 or security, whether 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.

Penalty for offences where no separate punishment has been provided.

37. 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.

Prohibition of acceptance of foreign contribution.

38. 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.

Offences by companies.

39. (1) Where an offence under this Act or any rule or order made thereunder has been committed by a company, every person who, at the time the offence was committed, was in charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this sub-section shall render such person liable to any punishment if he proves that the offence was committed without his knowledge

ge or that

he had exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section

(1), where an offence under

this Act or any rule or order made thereunder has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any neglect on the part of, any director, manager, secretary or other officer

of the company, such director, manager, secretary or other officer shall also be deemed to

be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

Explanation.— For the purposes of this section,—

(a) "company" means any body corporate and includes a firm, society, trade union or other association of individuals; and

(b) "director", in relation to a firm, society, trade union or other association of individuals, means a partner in the firm or a member of the governing body of such society, trade union or other association of individuals.

Bar on prosecution of offences under the Act.

40. No court shall take cognizance of any offence under this Act, except with the

previous sanction of the Central Government or any officer authorised by that Government in this behalf.

Composition of certain offences.

41. (1) Notwithstanding anything contained in the Code of Criminal Procedure, 1973 (2 of 1974),

any offence punishable under this Act (whether committed by an individual or as a

sociation 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-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 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.

CHAPTER IX MISCELLANEOUS

Power to call of information or document.

42. 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 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.

Investigation into cases under the Act.

43. Notwithstanding anything contained in the Code of Criminal Procedure, 1973 (2 of 1974), any offence punishable under this Act may also be investigated into by such authority as the Central Government may specify in this behalf and the authority so specified shall have all the powers which an officer-in-charge of a police station has while making an investigation into a cognizable offence.

Returns by prescribed authority to Central Government.

44. 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.

Protection of action taken in good faith.

45. No suit or other legal proceedings shall lie against the Central Government or the authority referred to in section 44 or any of its officers in respect of any loss or damage caused or likely to be caused by anything which is in good faith done or intended to be done in pursuance of the provisions of this Act or, any rule or order made thereunder.

Power of Central Government to give directions.

46. The Central Government may give such directions as it may deem necessary to any other authority or any person or class of persons regarding the carrying into execution of the provisions of this Act.

Delegation of powers.

47. The Central Government may, by notification, direct that any of its powers or functions under this Act, except power to make rule under section 48, shall, in relation to such matters and subject to such conditions, if any, may be specified in the notification, be exercised or discharged also by such authority as may be specified.

Power to make rules.

48. (1) The Central Government may, by notification, make rules for carrying out the provisions of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

- (a) the value of the article which may be specified under sub-clause (i) of clause (h) of sub-section (1) of section 2;
- (b) the authority which may be specified under clause (p) of sub-section (1) of section 2;
- (c) acceptance or retention of gift or presentation under clause (d) of section 4;
- (d) guidelines specifying the ground or grounds on which an organisation may be specified as an organisation of political nature under sub-section (1) of section 5;
- (e) the activities or business which shall be construed as speculative business under the proviso to clause (a) of sub-section (1) of section 8;
- (f) the elements and the manner in which the administrative expenses shall be calculated under sub-section (2) of section 8;
- (g) the time within which and the manner in which any person or class of persons or an association may be required to furnish intimation regarding the amount of foreign contribution received under clause (c) of section 9;
- (h) the time within which and the manner in which any person or class of persons may be required to furnish intimation regarding foreign hospitality under clause (e) of section 9;
- (i) the manner in which the copy of the order of the Central Government shall be served upon any person under section 10;
- (j) the form and manner in which the application for grant of certificate of registration or giving of prior permission under sub-section (1) of section 12;
- (k) the fee to be accompanied by the application under sub-section (1) of section 12;
- (l) the terms and conditions for granting a certificate or giving prior permission under clause (g) of sub-section (4) of section 12;
- (m) the manner of utilising the foreign contribution under clause (b) of sub-section (2) of section 13;
- (n) the authority with whom the foreign contribution to be vested under sub-section (1) of section 15;
- (o) the period within which and the manner in which the foreign contribution shall be managed under sub-section (2) of section 15;
- (p) the form and manner in which the application for a renewal of certificate of registration shall be made under sub-section (2) of section 16;
- (q) the fee to be accompanied by the application for renewal of certificate under sub-section (2) of section 16;
- (r) the prescribed amount of foreign remittance, the form and manner in which the foreign remittance received by every bank or authorised person in foreign exchange shall be reported under sub-section (2) of section 17;

- (s) the time within which and the manner in which the person who has been granted certificate of registration or given prior permission under this Act shall give intimation under section 18;
- (t) the form and manner in which account of any foreign contribution and the manner in which such contribution has been utilised shall be maintained under section 19;
- (u) the time within which and the manner in which a candidate for election shall give intimation under section 21;
- (v) the manner and procedure to be followed in disposing of the assets under section 22;
- (w) the limits subject to which any confiscation may be adjudged under clause (b) of sub-section (1) of section 29;
- (x) the fee to be accompanied along with every application for revision under sub-section (5) of section 32;
- (y) the form and manner for making of an application for compounding of an offence and the fee therefor under sub-section (4) of section 41;
- (z) the form and manner in which and the time within which returns and statements to be furnished by the prescribed authority under section 44;
- (za) any other matter which is required to be, or may be, prescribed.

Orders and rules to be laid before Parliament.

49. Every order made under section 5 and every rule made by the Central Government under this Act shall be laid, as soon as may be after it is made, before each House of Parliament while it is in session for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the order or rule or both Houses agree that the order or rule should not be made, the order or rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that order or rule.

Power to exempt in certain cases.

50. If the Central Government is of opinion that it is necessary or expedient in the interests of the general public so to do, it may, by order and subject to such conditions as may be specified in the order, exempt any person or association or organisation (not being a political party), or any individual (not being a candidate for election) from the operation of all or any of the provisions of this Act and may, as often as may be necessary, revoke or modify such order.

Act not to apply to certain Government transactions.

51. Nothing contained in this Act shall apply to any transaction between the Government of India and the Government of any foreign country or territory.

Application of other laws not barred.

52. The provisions of this Act shall be in addition to, and not in derogation of, the provisions of any other law for the time being in force.

Power to remove difficulties.

53. (1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order, published in the Official Gazette, make such provisions not

inconsistent with the provisions of this Act as may appear to be necessary for removing the difficulty:

Provided that no order shall be made under this section after the expiry of two years from the commencement of this Act.

(2) Every order made under this section shall be laid, as soon as may be after it is made, before each House of Parliament.

Repeal and saving.

54. (1) The Foreign Contribution (Regulation) Act, 1976 (49 of 1976) (hereafter referred to as the repealed Act) is hereby repealed.

(2) Notwithstanding such repeal,—

(a) anything done or any action taken or purported to have been done or taken under the repealed Act shall, in so far as it is not inconsistent with the provisions of this Act, be deemed to have been done or taken under the corresponding provisions of this Act;

(b) any organisation of a political nature, not being a political party, to whom the prior permission was granted under section 5 of the repealed Act, shall continue to be the organisation of a political nature, not being a political party, under clause (f) of sub-section (1) of section 3 of this Act, till such permission is withdrawn by the Central Government;

(c) permission to accept foreign hospitality granted under section 9 of the repealed Act shall be deemed to be the permission granted under section 6 of this Act until such permission is withdrawn by the Central Government;

(d) any association prohibited from accepting any foreign contribution under clause (a) of section 10 of the repealed Act, in so far as it is not inconsistent with the provisions of this Act, shall be deemed to be an association prohibited from accepting any foreign contribution under section 9 of this Act;

(e) permission obtained under clause (b) of section 10 of the repealed Act shall, in so far as it is not inconsistent with the provisions of this Act, be deemed to be the permission until such permission is withdrawn by the Central Government;

(f) any order issued under section 12 of the repealed Act shall be deemed to be an order issued under section 10 of this Act;

(g) any order issued under section 31 of the repealed Act exempting any association or any individual shall be deemed to be an order under section 50 of this Act till such order is varied or revoked.

(3) Save as provided in sub-section (2), mention of particular matters in that sub-section shall not be held to prejudice or affect the general application of section 6 of the General Clauses Act, 1897 (10 of 1897), with regard to the effect of repeal.

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The principal members of our consolidated group of companies are as follows:

COPPER BUSINESS

Sterlite Industries (India) Ltd. Vedanta has 58.0% share in Sterlite Industries India Ltd. ("Sterlite"), India's largest diversified metals and mining company. Sterlite is listed on the Bombay and New York Stock Exchanges and the National Stock Exchange of India. Its primary businesses are: Copper, Zinc, Lead, Silver, Aluminium and Power. Sterlite has custom copper-smelting operations in Southern India with a capacity of 400ktpa of copper cathodes and a copper rod plant at Silvassa.

Konkola Copper Mines. KCM has fully integrated copper operations in Zambia with several mines at Konkola and Nchanga, a tailings leach plant and smelter at Nchanga, and a refinery at Nkana. Two new copper concentrators are being constructed at Nchanga, and the Konkola Deep Mine Project is expected to ramp-up ore production and integrated copper capacity to 400+ktpa of copper post completion of the Bottom Shaft Loading project. KCM has substantial high grade reserves and resources including the Konkola underground mine, which has a 3.55% grade. Vedanta has a 79.4% shareholding in KCM, and the remainder is owned by ZCCM, a Zambian Government investment vehicle.

Copper Mines of Tasmania Pty Ltd. Sterlite owns 100% of the Mount Lyell copper mine in Tasmania, Australia, which supplies approximately 8% of Sterlite India's copper concentrate requirements.

ZINC BUSINESS

Hindustan Zinc Limited. HZL has fully integrated zinc-lead-silver operations in India, with four zinc-lead mines in the state of Rajasthan at Rampura Agucha, Sindesar Khurd, Raipura Dariba and Zawar supplying concentrate to its zinc and lead smelters at Chanderiya, Dariba, Debari and Vizag. HZL is India's leading zinc producer with over 80% domestic market share and also operates multiple captive coal-fired power plants and 171MW of wind power plants. HZL is listed on the Bombay and National Stock Exchanges, and Sterlite owns 64.9% of its share capital.

Zinc International. Sterlite Industries owns the Skorpion mine in Namibia (100%), Lisheen mine in Ireland (100%) and 74% of Black

Mountain Mining in South Africa, which includes the Black Mountain mine and Gamsberg project. These assets were acquired from Anglo American's Zinc business during FY 2010-11.

ALUMINIUM BUSINESS

Bharat Aluminium Company Ltd. Sterlite owns 51.0% of BALCO, a leading Indian aluminium producer with operations in the state of Chhattisgarh. BALCO currently has 245ktpa smelting capacity, 810MW power generation facilities and capabilities to produce ingots and other value-added products. BALCO has a 325ktpa smelter project, a 1,200MW power plant project, and rights to a coal block of 211.0mt for captive usage.

Vedanta Aluminium Ltd. Vedanta owns 70.5% of the share capital of VAL, with Sterlite owning the remaining 29.5%, resulting in an effective stake of 87.5%. VAL is based in Eastern India and operates a 1mtpa alumina refinery at Lanjigarh. At Jharsuguda, VAL operates a 500ktpa aluminium smelter and an associated 1,215MW captive power plant. VAL also has a 1.25mtpa aluminium smelter project at Jharsuguda.

IRON ORE BUSINESS

Sesa Goa Ltd. Sesa Goa is India's largest private sector producer-exporter of iron ore, with mining and processing facilities located in the states of Goa and Karnataka. As of 31 March 2011, Sesa Goa has proved and probable reserves of an estimated 306mt of iron ore. Sesa Goa also manufactures pig iron and metallurgical coke. Vedanta owns 55.1% of Sesa Goa, which is listed on the Bombay and National stock exchanges of India. Sesa Goa owns 100% of Sesa Resources Ltd. (formerly known as VS Dempo), an iron ore mining and processing company based at Goa.

POWER BUSINESS

Sterlite Energy Ltd. Sterlite Energy is 100% owned by Sterlite Industries and has two major power plant projects for power generation – the 2,400MW power plant at Jharsuguda, Orissa of which two units were operational at the end of FY 2010-11, and the 2,640MW power plant at Talwandi Sabo, in Punjab.

Madras Aluminium Company (MALCO). MALCO is a power generation company with a 100MW power plant located in Southern India and is 94.8% owned by Vedanta.

Hindustan Zinc Limited. Hindustan Zinc has 273MW of wind power generational capacity, making it one of the largest providers of wind power in India.

We are a globally diversified natural resources group committed to sustainable development, supporting local communities and contributing to the economies of the areas where we operate. Our assets and operations are located in the high growth markets of India, Zambia, Namibia, South Africa, Liberia, Ireland and Australia. We are primarily engaged in copper, zinc, silver, aluminium, iron ore and power business.

We have experienced significant growth in recent years through various expansion projects for our copper, zinc, lead silver, aluminium, iron power and power businesses. Our Group Revenue for the fiscal year ending 31 March 2011 was US\$ 11.4 billion.

We have spent approximately two-third of our US\$ 19 billion capital expenditure programme as of 30 September 2011. We are the world's largest integrated Zinc Lead producer and among the top producers of copper, iron ore and silver.

We embed sustainable development into all aspects of what we do and support communities where we operate to improve their quality of life.

About 2.7 million people in about 550 villages have benefitted from our programmes that include sustainable livelihood development, education, women empowerment, and healthcare.

Our aanganwadis cater to 1.25 lakh children, while as many as 2.5 lakh children receive nutritious meals every day. Investments in computer education has benefitted 10 lakh students, while we have provided healthcare for over 22 lakh people. We also support more than 35,000 women through 2,000 women self-help groups.

In the last five years, we have reduced our energy consumption by over 40%. Last year, we planted 759,000 trees bringing the total number of trees on our operations to 12 million.

HEAD OFFICE

Vedanta Resources plc
16 Berkeley Street
London W1J 8DZ

Telephone: +44 20 7499 5900

Facsimile: +44 20 7491 8440

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This document comprises listing particulars relating to Vedanta Resources plc ("Vedanta Resources" or the "Company") prepared in accordance with the Listing Rules made under section 74 of the Financial Services and Markets Act 2000 and a copy of it has been delivered for registration to the Registrar of Companies in England and Wales in accordance with section 83 of that Act.

Application has been made to the UK Listing Authority and to the London Stock Exchange plc (the "London Stock Exchange") for the Ordinary Shares of Vedanta Resources, issued and to be issued in connection with the Global Offer, to be admitted to the Official List of the UK Listing Authority and for such Ordinary Shares to be admitted to trading on the London Stock Exchange's main market for listed securities. Admission to the Official List together with admission to trading on the London Stock Exchange's main market for listed securities ("Admission") will constitute admission to official listing on a stock exchange. Conditional dealings in the Ordinary Shares are expected to commence on the London Stock Exchange on 5 December 2003. It is expected that Admission will become effective and that unconditional dealings will commence in the Ordinary Shares at 8.00 a.m. (London time) on 10 December 2003. All dealings before the commencement of unconditional dealings will be of no effect if Admission does not take place and such dealings will be at the sole risk of the parties concerned.

The Directors of Vedanta Resources, whose names appear on page 2 of this document, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

For a discussion of certain risks and other factors that should be considered in connection with an investment in the Ordinary Shares, see "Risk factors" set out in Part II.

Vedanta Resources plc

(incorporated under the Companies Act 1985 and registered in England and Wales with registered no 04740415)

Global Offer of 130,903,961 Ordinary Shares of US\$0.10 each
at a price of 390p per Ordinary Share
and admission to the Official List of the UK Listing Authority and
admission to trading on the London Stock Exchange

Sponsored by J.P. Morgan plc

*Expected ordinary share capital immediately following the Global Offer
(assuming no exercise of the Manager's Option and excluding the
Ordinary Shares to be issued under the Reward Plan)*

Authorised		Ordinary Shares of US\$0.10 each	Issued	
Number	Amount		Number	Amount
400,000,000	US\$40,000,000		286,000,000	US\$28,600,000

In connection with the Global Offer, J.P. Morgan Securities Ltd., as Stabilising Manager, in consultation with HSBC Bank plc, may over-allot or effect other transactions with a view to supporting the market price of the Ordinary Shares at a level higher than that which might otherwise prevail for a limited period after the Offer Price is announced. However, there is no obligation on J.P. Morgan Securities Ltd. to do this. Such transactions may be effected on the London Stock Exchange, the over-the-counter market or otherwise. Such stabilising, if commenced, may be discontinued at any time and must be brought to an end after a limited period.

In connection with the Global Offer, the Company has granted J.P. Morgan Securities Ltd., on behalf of the Underwriters, an option (the "Manager's Option") which is exercisable in whole or in part, upon notice by J.P. Morgan Securities Ltd., for the period commencing with the date of this document and ending 30 days after Admission. Pursuant to the Manager's Option, J.P. Morgan Securities Ltd., in consultation with HSBC Bank plc, may require the Company to issue up to 19,500,000 additional New Ordinary Shares at the Offer Price, inter alia, to cover over-allotments or further allotments, if any, in connection with the Global Offer and to cover short positions resulting from stabilisation transactions. Any Ordinary Shares issued by the Company following the exercise of the Manager's Option will be issued on the same terms and conditions as the Ordinary Shares being issued in the Global Offer.

J.P. Morgan plc is advising Vedanta Resources and no one else in connection with the Global Offer and will not be responsible to anyone other than Vedanta Resources for providing the protections afforded to its clients or for providing any advice in relation to the Global Offer.

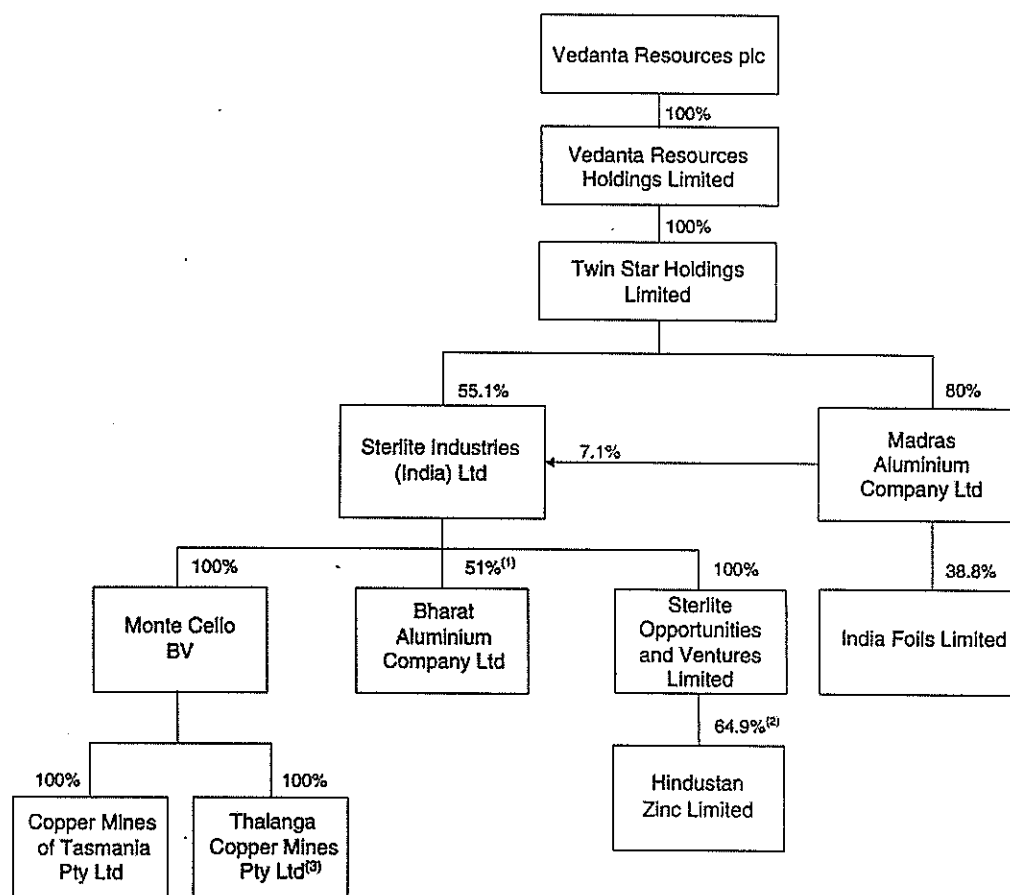
Dated 5 December 2003

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Part I—Information on the Group

Current Group structure

Vedanta Resources holds its interests in the Copper, Aluminium and Zinc Businesses through two subsidiaries—Sterlite Industries (India) Ltd and Madras Aluminium Company Ltd. The following diagram summarises the Group's current corporate structure:



(1) Sterlite has an option over the remaining 49 per cent. or such lower amount as the Government of India may own at the time of exercise of the option. See "Options over further interests in BALCO and HZL" in this Part I for further information.

(2) Sterlite has options over a further 29.5 per cent. or such lower amount as the Government of India may own at the time of exercise of the relevant options. See "Options over further interests in BALCO and HZL" in this Part I for further information.

(3) Thalanga Copper Mines Pty Ltd has an interest in approximately 70 per cent. of the Highway Reward mine and a 100 per cent. interest in the Thalanga processing facility.

Sterlite Industries (India) Ltd

Sterlite is incorporated in Aurangabad, State of Maharashtra, India and is headquartered in Mumbai in Maharashtra. Sterlite is currently listed on the Bombay, Delhi, Calcutta and Ahmedabad Stock Exchanges but has announced that it intends, and has obtained the necessary shareholder approval, to delist from all stock exchanges it is currently listed on, other than the Bombay Stock Exchange. Sterlite has also applied to list its shares on the National Stock Exchange in India. The Group currently has an effective interest in 60.8 per cent. of Sterlite's issued share capital and has management control. The remainder of Sterlite's share capital is held by the Sterlite Employees Welfare Trust (11.5 per cent.), Life Insurance Corporation of India (7.1 per cent.) and other institutional and public shareholders (19.4 per cent.).

The Group's Copper Business is owned and operated by Sterlite and its interests in copper mines in Australia are held through subsidiaries of Sterlite. Sterlite has also signed memoranda of understanding in connection with a bauxite deposit in the State of Orissa in eastern India. The

Part I—Information on the Group

Directors and senior management

Directors

Vedanta Resources' Board of Directors is chaired by Brian Gilbertson. The other members of the Board are Anil Agarwal, Peter Sydney-Smith, P Chidambaram, Michael Fowle CBE and Sir David Gore-Booth KCMG KCVO.

Executive Directors

Anil Agarwal, aged 51. Chief Executive Officer of Vedanta Resources. Mr Agarwal is also Chairman and Managing Director of Sterlite and is a director of BALCO, MALCO and HZL. Sterlite was formed by Mr Agarwal in 1976 and since then it has grown under his leadership. Mr Agarwal has over 29 years of experience as an industrialist.

Peter Sydney-Smith, aged 51. Finance Director of Vedanta Resources. Mr Sydney-Smith joined the Group in 2003. Prior to joining the Group, Mr Sydney-Smith was Finance Director at BPB plc, an international building material group. Mr Sydney-Smith joined BPB plc from British Gypsum Ltd in 1992, where he had been the Finance Director. Mr Sydney-Smith is a chartered accountant and a member of the Institute of Chartered Accountants of England and Wales and has an MA from Cambridge University.

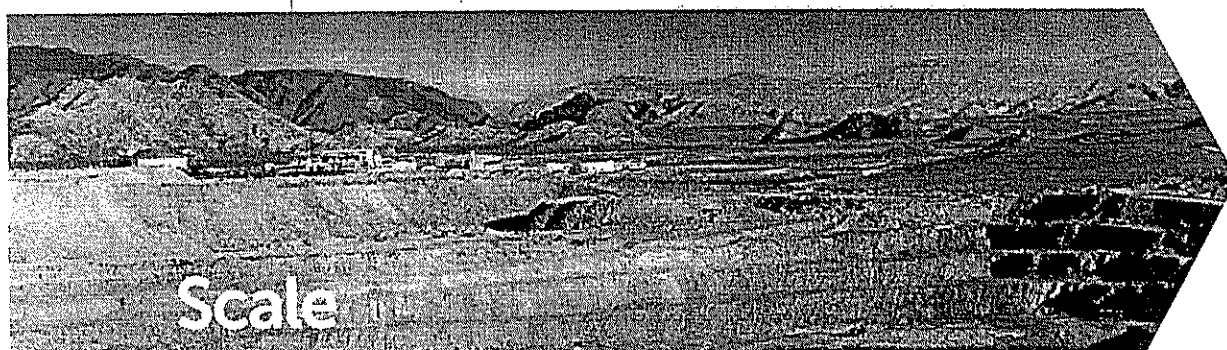
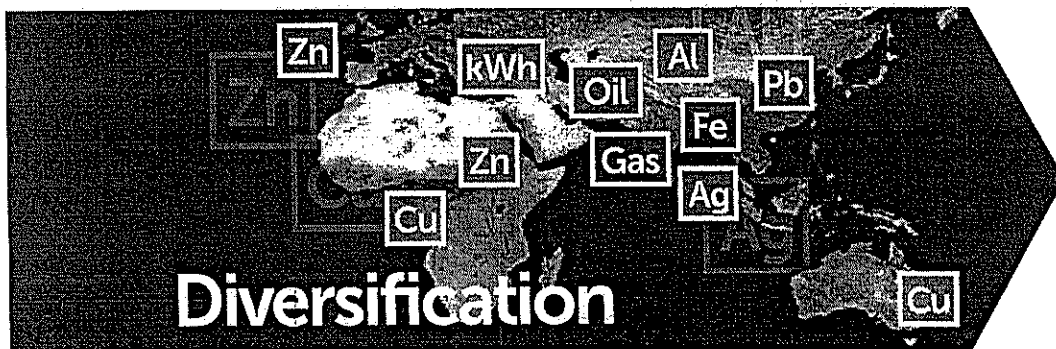
Non-executive Directors

Brian Gilbertson, aged 60. Non-executive Director. Chairman. Mr Gilbertson has been a Director, Chief Executive and/or Chairman of many major mining companies, including Gencor Limited, Goldfields Limited, Billiton Plc and dual listed company BHP Billiton Plc/Limited. During his career, he has led or been associated with a variety of company-transforming transactions. Since May 2003, Mr Gilbertson has acted as consultant to Lonmin plc, the London-based platinum group metals producer in which capacity it has recently been proposed that he be appointed as non-executive chairman of Incwala, a joint venture of mining firms Lonmin and Impala. Mr Gilbertson has a Master of Science in Physics from Rhodes University and a MBL from the University of South Africa.

P Chidambaram, aged 58. Non-executive Director. Mr Chidambaram is presently a Senior Advocate in India and appears before the Supreme Court of India and various Indian High Courts. Mr Chidambaram was Finance Minister of India from 1996 to 1998. Mr Chidambaram has held a number of ministerial posts in India, including Minister of State in the Ministry of Commerce. Mr Chidambaram is also a trustee of the Rajiv Gandhi Foundation. Mr Chidambaram has a Bachelor of Science from Presidency College, Chennai, a Bachelor of Law from Madras University and an MBA from Harvard.

Michael Fowle CBE, aged 63. Non-executive Director. Mr Fowle is a chartered accountant and was senior partner of KPMG London & South (1993-98). Throughout his career at KPMG he held numerous leading positions, including Chairman of KPMG India, Head of UK Audit and Chairman of Global Banking & Finance and he also acted as auditor and adviser to a broad range of corporate clients. Currently, Mr Fowle is a Non-Executive Director and Audit Committee Chair of ICICI Bank UK and Senior Non-Executive Director and Audit Committee Chair of Norwich & Peterborough Building Society. In 2000, Mr Fowle was appointed CBE for services to Business in the Community. He has an MA from Cambridge University.

Sir David Gore-Booth KCMG KCVO, aged 60. Non-executive Director. Sir David is Special Adviser to the Chairman of HSBC Holdings plc, Chairman of the Windsor Energy Group, Co-Chairman of the Dubai/UK Trade and Economic Committee and holds a number of other board positions including directorships of HSBC Bank Middle East, British Arab Commercial Bank, HSBC Bank Egypt, Saudi British Bank, Group 4 Falck and the Arab-British Chamber of Commerce. Sir David served in a number of posts with the British Diplomatic Service from 1964 to 1998, including the



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Dividends

The Directors recommend a final dividend for the year ended 31 March 2012 of 35.0 US cents per ordinary share (2011: 32.5 US cents per ordinary share). Subject to shareholders approving this recommendation at the Annual General Meeting on 28 August 2012, the final dividend will be paid on 5 September 2012 to shareholders on the register of members as at 17 August 2012.

Taken together with the interim dividend of 20.0 US cents per ordinary share paid to shareholders on 15 December 2011, the total dividend for the year is 55.0 US cents per ordinary share (2011: 52.5 US cents per ordinary share).

Directors

The names, specific responsibilities and biographical details of the current Board of Directors are shown on pages 58 to 59 and details of the Directors who held office during the year ended 31 March 2012 are shown in the Corporate Governance Report on page 64. Details of the remuneration of the Directors, their interests in the shares of the Company and service contracts are contained in the Remuneration Report on pages 83 to 91.

Appointment and Replacement of Directors

The Company's Articles of Association specify that the minimum number of Directors of the Company, unless determined by ordinary resolution, shall be two. There is no limit on the maximum number of Directors. The Company or the Board may appoint any person to be a Director. Any Director appointed by the Board shall hold office only until the next general meeting and is then eligible for election by the shareholders. The Articles specify that at least one-third of the Directors, or if their number is not three or multiple of three, the number nearest to one-third, shall retire from office. The Directors to retire by rotation are those who have been longest in office since appointment or reappointment. However, in accordance with the requirements of the UK Corporate Governance Code all of the Directors will retire at the forthcoming Annual General Meeting and being eligible will offer themselves for re-election.

Powers of the Directors

Subject to the provisions of the Companies Acts and the Articles of Association and to any directions given by special resolution, the business of the Company is to be managed by the Board which may exercise all the powers of the Company.

Directors' and Officers' Liability Insurance and indemnities

The Company purchases and maintains liability insurance for its Directors and officers and those of the subsidiaries of the Group, as permitted by the Companies Act 2006. The insurance policy does not provide cover where the Director has acted fraudulently or dishonestly. The Company believes that it is appropriate to provide such cover to protect Directors from innocent error as the Directors carry significant liability under criminal and civil law and under the UK Listing, Prospectus and Disclosure and Transparency Rules, and face a range of penalties.

In addition the Articles of Association of the Company contain an indemnity provision in favour of the Directors of the Company against proceedings brought by third parties, subject to the Companies Act 2006, to allow the Company to pay defence costs for the Director where the Director is exonerated.

Employees

Information on the Group's employees and its policies with respect to employees can be found in the Sustainable Development Report.

Charitable Donations

During the year, the Group made charitable donations of a total of US\$3.12 million (2011: US\$3.03 million). US\$2.31 million was paid to the Vedanta Foundation (2011: US\$1.68 million) and other charitable donations of US\$0.81 million (2011: US\$1.35 million) were made.

Further details about the Group's involvement with local communities during the year can be found in the Sustainable Development Report.

Political Donations

It is the Board's policy that neither Vedanta nor any of its subsidiary companies may, under any circumstances, make donations or contributions to political organisations within the United Kingdom or European Union. In exceptional circumstances, where such political donations or contributions are to be paid in the United Kingdom and European Union, and if deemed necessary for legitimate business reasons, they will not be made without the approval of the Board and the shareholders in the general meeting.

During the year, the Group made political donations in India of US\$2.01 million (2011: US\$0.02 million) either through a trust or directly in respect of the Indian general election. The Board believes that supporting the political process in India will encourage and strengthen the democratic process.

Supplier Payment Policy

The responsibility for determining payment terms is delegated to the individual businesses within the Group, which take into consideration the commercial circumstances, local market and industry practice. The Group's policy is either to settle terms of payment with suppliers when agreeing the terms of each transaction or to ensure that the supplier is aware of the individual business's usual payment terms. Payment is made in accordance with contractual and other legal obligations and reflects local market practices.

Trade creditor days of the Company at 31 March 2012 were 30 days (2011: 42 days).

Value of Land

Land is carried in the Balance Sheet at historic cost. It is not practical to estimate the market value of land at each balance sheet date.

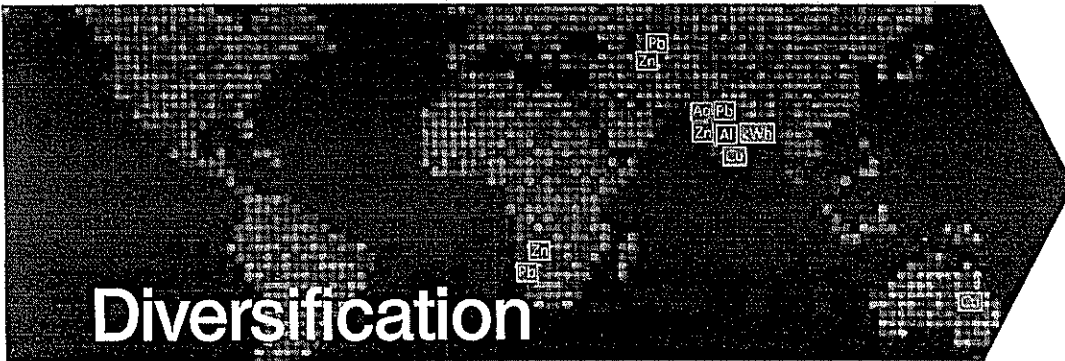
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Sterlite Industries (India) Limited



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Governments is multifaceted and incorporates all aspects of our business, from resource licensing rounds, contributions to debates around the mining and resources industry and development planning.

In India, where the majority of Sterlite's operations are based, we met 80% of India's Zinc consumption and approximately 40% of its Aluminium, Copper and Lead requirements. During the past year, we contributed ₹ 5,500 Crore through direct and indirect taxes, royalties and other payments. During the year, the Group made political donations in India of ₹ 5 Crore either through trust or directly.

OUR LOCAL COMMUNITIES

Working with our local communities is an integral part of our sustainability strategy - before, during and subsequent to our operations we closely consult with them. We plan and implement community development initiatives prioritizing local needs and ensuring long term sustainable benefits - for example in India we worked to support 546 villages through our various programmes.

Our ability to add value and work collaboratively is an important element of our license to operate and long-term success. It is core to our vision to both enhance the quality of life and the socio-economic well-being of those communities in and around our operations and to contribute to developing empowered and sustainable societies.

We are committed to the aspirations of the Millennium Development Goals and they inform our areas of social investment, where we worked with more than 3 million people:

HEALTH & NUTRITION

Sterlite recognizes the importance of health in socio-economic

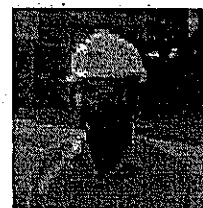


Global Exposure Initiatives 2011-12

Hindustan Zinc has always strived for excellence in its operations of its mines and smelters. Through its Global Exposure Initiative programme, HZL enables its employees to visit best practice mines and smelters across the globe - since its commencement to till date over 400 employees have visited leading mines and smelters around the world.

One group of employees visited the lead smelter operated by Yunnan Tin Company Ltd (YTCL), at Geiju in China with an objective to learn, share and implement best practices. The team selected included a cross section of employees including unit Heads and Plant Operators. The plant was selected because HZL operates a lead smelter based on the same technology as YTCL's plant. During the visit, the HZL team and the YTCL team shared their experience and best practices in areas including operations, maintenance, safety, health and environment. As with all site visits, on return the team shared their experience and what they learned with the broader workforce through presentations and discussions. As a result of the experience, the team proposed a list of improvement projects which lead to measurable improvements in both the operation and productivity of the plant - including one project with potential savings of more than ₹ 3 Crore per annum.

ABDUL WAHEED
Head - Roaster & Utility Plants,
Rajpura Dariba Smelting Complex
Hindustan Zinc Limited



The Global Exposure Initiative to visit world class facilities for sharing best practice enabled me to widen my experience by visiting Hudson Bay Zinc, Xstrata Zinc (Canada), Nyrstar Zinc Budel (Netherlands) Zinc Plant in Russia and Uzbekistan. I aspire to grow to the level of Unit Head over the next five years. The excellent work culture inspires me

NOTES

forming part of Financial statements for the year ended March 31, 2012

44. IN ACCORDANCE WITH CLAUSE 32 OF LISTING AGREEMENT, ADVANCE(S) IN THE NATURE OF LOAN IS/ARE AS UNDER : (As Certified by the Management)

(a) Loans & Advances in the nature of Loans

Name of the Company	Relationship	Balance as at March 31, 2012	Maximum Amount Outstanding during the year	Balance as at March 31, 2011
Monte Cello BV	Subsidiary	-	0.40	0.40
Vizag General Cargo Berth Private Limited*	Subsidiary	-	50.00	-
Sterlite Opportunities & Ventures Limited**	Subsidiary	0.00	-	-
Sterlite Infra Limited	Subsidiary	5,860.06	5,860.06	5,781.42
Sterlite Energy Limited	Subsidiary	4,224.61	4,619.61	4,099.61
Vedanta Aluminium Limited	Associate	6,551.36	9,335.00	8,020.40

* Excluding Debentures of ₹ 150 Crore (Previous year ₹ 97.5 Crore)

** Excluding Debentures of ₹ Nil (Previous year ₹ 444.27 Crore)

(b) None of the loans have made, per se, investment in the shares of the company.

(c) (i) Investments made by Monte-Cello BV in Subsidiaries:-Investment in Copper Mines of Tasmania Pty. Ltd- 2 Shares & Thalanga Copper Mines Pty. Ltd- 5,78,240 Shares

(ii) Investments made by Sterlite Energy Limited in Talwandi Sabo Power Limited 40,00,50,000 shares.

(iii) Investments made by Sterlite Infra Limited in THL Zinc Ventures Limited- 1,00,001 Equity Shares & 70,00,000 Optionally Convertible Redeemable Preference Shares and in THL Zinc Holding B.V. - 37,38,000 Equity Shares & 55,00,000 Optionally Convertible Redeemable Preference Shares.

d) The above loans & advances to subsidiary fall under the category of loans & advances in the nature of loans where there is no repayment schedule and are repayable on demand and are free from interest except in case of Vedanta Aluminium Limited and Vizag General Cargo Berth Private Limited. The loan to Vedanta Aluminium Limited includes amount repayable after more than 7 years.

e) As per the Company's policy, loan to employees are not considered in (a) above.

45. General expenses include donations aggregating to ₹ 5.00 Crore (Previous Year ₹ 0.10 Crore) made during the year to Public Political Awareness Trust, an indirect contribution to political party.

46. In response to the various writ petitions filed in the year 1996-1998 challenging the environment clearances for setting up of the copper smelter at Tuticorin, the Madras High Court by its order dated September 28, 2010 ordered the closure of the smelter at Tuticorin. The Company had filed Special Leave Petition (SLP) in the Supreme Court of India against the impugned order of Madras High Court and the Hon'ble Supreme Court stayed the order of the High Court. The Hon'ble Supreme Court in subsequent hearings directed Tamilnadu Pollution Control Board (TNPCB) to issue directions to implement the improvement measures suggested by National Environmental Engineering Research Institute (NEERI), Central Pollution Control Board (CPCB) and them. The Company is in the process of complying with the improvement measures suggested. The matter was last heard on March 28, 2012 and listed for further hearing on May 9, 2012. Interim stay order granted by the Hon'ble Supreme Court continues and the unit continues to operate at rated capacity.

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ANNEXURE - PG (copy)



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23792375
Phone 23017137
23019080
Ext 432

ALL INDIA CONGRESS COMMITTEE

MOTILAL VORA, MP
Treasurer

24, AKBAR ROAD
NEW DELHI-110011
Dt No 8/10/88
30/9/08

29th September, 2008

To,

THE SECRETARY
Election Commission of India
Nirvachan Sadan
Ashoka Road
New Delhi

Dear Sir,

Sub: Report of donation received in excess of Rs.20,000/- by the Party during the F.Y. 2007-2008 under sub section (1) of section 29C of the Representation of People Act, 1951.

Please find enclosed herewith Report of Donation received in excess of Rs.20,000/- from each donor along with a soft copy (C.D) of the same, received by the Party Indian National Congress during the Financial Year 2007-2008 as required under Sub Section (1) of the Section 29C of the Representation of People Act, 1951.

We hope you will find the same in order.

Thanking you.

Yours sincerely,

Motilal Vora
(MOTILAL VORA)

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Sh. Amit

ANNEXURE -P9 (COLLY)
ALL INDIA CONGRESS COMMITTEE

Motilal Vora, M.P.
Treasurer
24, Akbar Road
New Delhi

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29th September, 2008

To,
The Secretary
Election Commission of India
Nirvachan Sadan
Ashoka Road
New Delhi

Dear Sir,

Sub: Report of donation received in excess of Rs. 20,000/- by the Party during the F.Y. 2007-2008 under sub section (1) of section 29C of the Representation of People Act. 1951.

Please find enclosed herewith Report of Donation received in excess of Rs. 20,000/- from each donor along with a soft copy (CD) of the same, received by the Party Indian National Congress during the Financial Year 2007-2008 as required under Sub-Section (1) of the Section 29C of the Representation of People Act. 1951.

We hope you will the same in order.

Thanking you.

Yours sincerely.
Sd/-
(MOTILAL VORA)

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FORM 24 A

(See Rule 85B)

[This Form should be filed with the Election Commission before the due date for furnishing a return of the Political Party's Income of the concerned financial year under section 139 of the Income Tax Act, 1961 (43 of 1961) and a certificate to this effect.

- 1 Name of the Political Party : **INDIAN NATIONAL CONGRESS.**
- 2 Status of the Political Party
(recognised/ unrecognised) **Recognised.**
- 3 Address of the headquarters of the Political Party: **24, Akbar Road, New
Delhi-110011.**
- 4 Date of registration of the political party with Election Commission :
- 5 Permanent Account Number (PAN) and Income Tax : **AABFI6563K**
Ward/ Circle where return of the Political Party is filed **31(1)**
New Delhi - 110 001.
- 6 Details of contribution received, in excess of rupees twenty thousand, during the financial year 2007 To 2008

S.No.	Name and complete address of the contributing person/ company	Amount of Contribution (Rs.)	Mode of Contribution * (Cheque/ demand draft/ cash)	Remarks
1	Torrent Power Limited. Torrent House, Ashram Road Ahmedabad (Gujarat)	10000000 10000000	Ch.No.696877 dtd.05.11.07 Ch.No.696955 dtd.28.11.07	HDFC Bank Ltd HDFC House 6-Navrangpura Ahmedabad
2	General Electoral Trust. B-4, Aditya Birla Centre S.K. Ahire Marg, Worli Mumbai-30	2500000	Ch.No.101230 dtd.30-11-07	HDFC Bank Ltd. Worli Mumbai
3	Thr. Shri Santosh Bagrodia, MP 60-Lodhi Estate New Delhi	25000	DD.No.753784 dtd.10.01.08	State Bank of India Yavatmal Maharashtra
4	Everest Industries Limited. Khasra No.158 & 159, Village Pargana, Bhagwampur, Tehsil District Haridwar (Uttanchal)	400000	Ch.No.056735 dtd.09.04.07	UTI Bank Ltd. Civil Lines Roorkee Uttanchal
5	Cello World 5-Vakil Industrial Estate Walbhat Gurgaon, East Mumbai	500000	Ch.No.554659 dtd.09.07.07	HDFC Bank Ltd
6	Videocon Industries Ltd. Videocon Tower E-1, Jhandewalan Extn., New Delhi	20000000	Ch.No.496731 dtd.26.10.07	The Bank of Rajasthan Ltd. New Delhi
7	Shri Kirp Chaliha 20-Windsor Place New Delhi-110001	30000	DD.No.115503 & 04 Dtd.28-03-2007	Bank of Baroad New Delhi

43455000

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8	Shri Abdul Manan Hussain 76-North Avenue New Delhi	50000	DD No 833109 Dtd.03-05-2007	State Bank of India Parliament House New Delhi
9	Shri Sushil Kumar Shinde D-II-32, Kaka Nagar New Delhi	49000	Cash	
10	Shri Jagdish Tytler 9-Tyagraj Marg New Delhi	29000 16500	Ch.No.027567 Dtd.03-05-2007 Ch.no.920057 dtd.04.02.08	State Bank of India Parliament House New Delhi
11	Ms. Mabel Rebello 701-Brahmputra Apartment M.S Flats, B.K.S. Marg, New Delhi	60000	Cash	
12	Shri Rajiv Shukla C-1/2, Lodhi Garden New Delhi	37000	Ch.No.389100 Dtd.04-05-2007	State Bank of India Parliament House New Delhi
13	Shri Dr. Radhakant Nayak 201-Brahmputra Apartment Dr. B D. Marg, New Delhi	37000	Ch.No.738203 Dtd.09-05-2007	State Bank of India Sansad Soudha New Delhi
14	Shri Harisinh P. Chauda 3, Dr. B.D. Marg New Delhi	29000	Ch.No.512493 Dtd.03-05-2007	State Bank of India Parliament House New Delhi
15	Shri B.K. Handique C-2, M.S Flats B.K.S. Marg, New Delhi	29000	Ch.No.513515 Dtd.10-05-2007	State Bank of India Parliament House New Delhi
16	Shri S.K. Kharventha 189-North Avenue New Delhi	63500	Ch.No.800168 Dtd.11-05-2007	State Bank of India Parliament House New Delhi
17	Shri Madhu Goud Yaski 43-Meena Bagh New Delhi	37000	Ch.No.477927 Dtd.17-05-2007	State Bank of India Parliament House New Delhi
18	Shri Keshav Rao 215-A.P. Bhawan Ashoka Road, New Delhi	49000	Ch.No.518085 Dtd.22-05-2007	State Bank of India Parliament House New Delhi
19	Shri Sajjan Kumar 16-Ashoka Road New Delhi	16000 12000 43500	P.O.No.876128/dtd.22.05.07 P.O.No.876129/dtd.22.05.07 P.O.No.876130/dtd.22.05.07	Oriental Bank of 48-52, LSC, L.U Block Pitampura, Delhi
20	Shri P.R. Dass Munshi 7-Lodhi Road New Delhi	49000	Ch.No.00009 Dtd.20-05-2007	American Express Bank Ltd., Calcutta
21	Shri Karnedu Bhattacharjee 79 & 80 North Avenue New Delhi	56000	Ch.No.527419 Dtd.18-06-2007	State Bank of India Parliament House New Delhi
22	Shri V.K. Thummar 7-Harish Chandra Mathur Lane New Delhi	29000	Ch.No.578590 dtd.01-07-2007	State Bank of India Parliament House New Delhi

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23	Shri Janardan Dwivedi AB-89, Shahajahan Road New Delhi	39500	Ch.No 130736 Dtd.29-06-2007	Punjab & Sind Bank Dev Nagar New Delhi
24	Shri Akhilesh Das 11-Lodhi Estate, New Delhi	112500	Cash	
25	Shri Shish Ram Ola 1-Teen Murthy Lane New Delhi	37000	Cash	
26	Shri Iqbal Ahmed Saradgi 92-South Avenue New Delhi	18500 12000 25000 29000 28000	Ch.no.119155/dtd.09.08.07 Ch.no.119156/dtd.09.08.07 Ch.No.663371/dtd.06.07.07 Ch.no.119164/dtd.05.09.07 Ch.No.119170/dtd.10.10.07	State Bank of India Parliament House New Delhi
27	Ms. Ingrid Macloed 202-North Avenue New Delhi	49000	Ch.NO.514473 Dtd.17-07-2007	State Bank of India Parliament House New Delhi
28	Shri Ajay Makan 10-Pandit Pant Marg New Delhi-110001	86000	Cash	
29	Shri Narsingh Surya Banshi C-1, A-Block, M.S. Flats B.K.S. Marg, New Delhi	37000	Ch.No.043397 Dtd 10-07-2007	State Bank of India Parliament House New Delhi
30	Shri V. Narayansamy 1/19, Humayun Road New Delhi	37000	Ch.no.473481 Dtd.14-11-2007	State Bank of India Parliament House New Delhi
31	Shri Damodar B. Shingda AB-17, Pandara Road New Delhi	86000	Ch.No.180113 Dtd.16-11-2007	State Bank of India Parliament House New Delhi
32	Shri Dwijender Nath Sharma 301-Brahmputra Complex Dr. B.D. Marg, New Delhi	65000	Ch.No.870075 Dtd.16-11-2007	State Bank of India Parliament House New Delhi
33	Shri R. Dhanuskodi Athithan 22-Gurudwara Rakabganj Road New Delhi	63500	Ch.no.842467 Dtd.06-12-2007	State Bank of India Parliament House New Delhi
34	Smt. K. Rani 111, South Avenue New Delhi	49000	Ch.No.835226 Dtd.29-02-2008	State Bank of India Parliament House New Delhi
35	Shri R. Sambhasina Rao C-1/20, Pandara Park New Delhi	37000	Ch.No.603311 Dtd.25-03-2008	Canara Bank R.K. Puram New Delhi
36	Ms. Alka Balram Kshatriya 124, South Avenue New Delhi	53000	Ch.No.512293 Dtd.12-03-2008	State Bank of India Parliament House New Delhi
37	Shri Dr. Chinta Mohan 170-South Avenue New Delhi	50000	DD.No.759309 Dtd.26-02-2008	State Bank of India Parliament House New Delhi

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38	Shri Santosh Bagrodia 60-Lodhi Estate New Delhi	14500	Ch.No.755766 dtd.28.05.07	SBI. P House N D
		20000	DD.No 176683 dtd.08.03.07	ICICI Bank Ltd. N D
39	Shri Virbhadra Singh Holly Lodge Jakhoo, Shimla-1 Himachal Pradesh	29200	Cash	
40	Shri Dharmpal Sabharwal C-201-S-J Sadan B D Marg New Delhi	15000	DD No.040384/dtd.14.06.07	PNB. Hoshiarpur
		2000	Ch.No.183349/dtd.14.07.07	State Bank of Patiala.
		2000	Ch.No.287354/dtd.12.08.07	HDFC Bank Ltd.
		2000	Ch.no.413111/dtd.14.08.07	Hoshiarpur
40		2000	Ch.no.454273/dtd.16.08.07	
41	Nirmal Chemical Works Ltd. Ashram Road Ahmedabad	5000000	Ch.No.728353 Dtd.06-12-2007	The Kalupur Commercial Co Op Bank Ltd
42	Traspek Silox Industry Ltd. Kalali Alladra Vadodara-390012	300000	Ch.No.602514 Dtd.04-12-2007	UTI Bank Ltd.
43	The Westend Gujarat College Road Madalpur, Ahmedabad	50000	Cash	
44	Dichand Gardee Charitable Trust 3, Ushakiran, M.L Dahnukar Marg Mumbai-400 026	50000	Cash	
45	Vistar Wheels Private Limited Panaji, Goa	25000	Cheque No	ICICI Bank Ltd. Panaji, Goa
46	V.M. Salgaonkar & Brothers (P) Salgaonkar, House Vasco-Da-Gama, Goa	1250000	Cheque No	HDFC Bank Ltd. Vasco, Goa
47	Sesa Goa Limited Sesa Ghor Panaji, Goa	1250000	Cheque No	Canara Bank Panaji, Goa
48	V.S. Dempo and Co.Private Ltd. Dempo House Campal, Panaji, Goa	1250000	Cheque No	Canara Bank Panaji, Goa
49	Sesa Goa Limited Sesa Ghor Panaji, Goa	1500000	Cheque No.	Canara Bank Panaji, Goa
50	V.M.Salgaonkar & Brothers (P) Salgaonkar, House Vasco-Da-Gama, Goa	6000000	Cheque No.	HDFC Bank Ltd Vasco, Goa
51	Dempo Mining Corporation (P) Dempo House Campal, Panaji, Goa	1000000	Cheque No.	Bank of Maharashtra Panaji, Goa
52	V.S. and Co. Private Limited Dempo House Campal, Panaji, Goa	5000000	Cheque No.	Bank of Maharashtra Panaji, Goa

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53	Mr. A. Advani Margao-Goa	100000	Cheque No.	Bank of Baroda Panaji, Goa
54	Chowgule Charitable Trust House of Chowgule Harbormormugao-Goa	6000000 1250000	Cheque No. Draft No	SBI Commercial Branch, Vasco-Da Gama, Goa
55	Dr. C.P. Joshi A-621, Malviya Nagar Jaipur (Rajasthan)	35000	Cash	
56	Chhattisgarh Mini Steel Plant Association, Raipur	100001	Cheque No.134319 Dtd.24-05-2007	IDBI Bank, Raipur
57	Gagan Sponge Iron Pvt. Ltd. Moti Nagar New Delhi	100000	Cheque No.904069 Dtd.07-06-2007	SBI Bank
58	Jindal Steel & Power Limited Ranchi	500000	Ch.No.041504 Dtd.18-09-2007	Bank of India Main Road Ranchi
59	Vijay Singh Lochav. Village Barnauli New Delhi-110077	33000	Cheque No.624344 Cheque No. 624343	State Bank of India Nagal Dairy, Delhi
60	Mangat Ram Singhal H.No.10, Village Sahipur Shalimar Bagh Delhi-110052	49500	Cheque No.793734 dated 05/07/2007	Syndicate Bank I P Estate New Delhi
61	Surender Kumar. H No.795 Village & P.O. Bawana Delhi-110039	33000	Cheque No.906208.	Syndicate Bank Bawana, New Delhi
62	Anil Bhardwaj. C-4/160, B, Lawrence Road New Delhi-110035	33000	Cheque No.997123. dated.28/07/2007.	State Bank of India, Keshav Puram, Delhi
63	Raj kumar Chauhan 60, Bera Enclave Near Paschim Vihar New Delhi-110063	66000	cash	
64	Brahm Pal. Village- Gheroly, Kalyanpuri Delhi-110091.	49500	cash	
65	Malaram Gangwal A1B-24C, LIG Flats Paschim Vihar New Delhi-110063	33000	Cheque No.254862 Cheque No.254861 dated 27.08.2007.	Central Bank of India, Madipur, New Delhi.
66	Dr.A.K.Walla 36-Bharti Artist Colony Delhi-110 092	49500	Cheque No.021611.. dated 25.08.2007.	Bank of India, Laxmi Nagar, Delhi

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67	Surender P. Singh Bitto. D-28A, Vijay Nagar Delhi-110 009	33000 33000	Cheque No.293473 & Cheque.No.637615 dated 30.08.2007 & Dated 15.10.07	Punjab National Bank, Vijay Nagar, Delhi
68	Bhishma Sharma, Village Ghonda Delhi	49500	Cheque No.336631. dated 31.08.2007.	State Bank of India Ghonda, Delhi.
69	Mahabai Mishra. A-1/41, Vinodpuri Vijay Enclave, Palam Dabri Road, New Delhi-45	49500	Cheque No.669090. dated 05.09.2007.	State Bank of India Ghonda Dethi
70	Dr. S.C.Vats 216, Harsh Vihar New Delhi-110 034	49500	Cash.	
71	Mateen Ahmed C-53/9, Near Noorani Masjid Chauhan Banger New Seelampur, Delhi-53	50000 48000	Cheque No.349405. dated 21.09.2007. Cash.	Central Bank of India New Seema Puri
72	Melra Bhardwaj. B-3/125, Ekta Garden Plot No.9, I.P. Extn Delhi-110091	30000 3000	Cheque No.253891 & Cheque.No.279377 dated 21.09.2007 & Dated 27.12.2007	Punjab National Bank & Central Bank Parliament street.
73	Balfore Singh. C-6/441, Yamuna Vihar Delhi-110053	33000	Cheque No.233870. dated 21.09.2007.	Punjab National Bank Mall Road.
74	Barkha Singh. B-5/183, Safdarjung Enclave New Delhi-110029	49500	Cheque No.283876. dated 21.09.2007.	Syndicate bank, R.K.Puram
75	Dr.Narender Nath. 41, Shalimar Park, Shahdara Delhi-110032	49500	Cheque No.233900 & Cheque No.233898 dated 29 & 27.09.2007.	State Bank of India. Shahdara Delhi
76	Kanwar Karan Singh. 80, Rajpur Gurmandi Delhi-110 009	66000	Cheque No.394821. dated 4.10.2007.	Punjab National Bank R.P Bagh
77	Vir Singh Dhingan. H.No.631, Village Tahirpur Sarai Pocket-R, Dilshad Garden Delhi-95	49500	Cheque No.526461. dated 05.10.2007	Bank of Maharashtra, Vivek Vihar
78	Ramakant Goswami. 25/30, East Patel Nagar New Delhi-110 008	49500	Cheque No.199080. dated 08.10.2007.	Syndicate bank, Patel Nagar.

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79	Charan Singh Kandera H.No 38, Village Bakner Narela Delhi-110040	33000 32000	Cheque No 522005 & Cheque No.526422 dated 12.10.07 &12.01.08	Delhi Lampur
80	Bljender Singh 466, Village & P.O Nangloi Delhi-110 040	82500	Cheque No.049130 dated 12.10.07	Delhi S Coop Bank Lampur Road Delhi
81	Parvez Hashmi. 260, Jamia Nagar Okhla New Delhi-110025	40000	Cheque No 823499 dated 15.10.07	HDFC Bank NFC,New Delhi-65
82	Dr. Yoga Nand Shastri. G-24, Geetanjali Enclave New Delhi-110017	16500 16500 32000	Cash	
83	Amrlesh Singh Gautam. 10/160, Khichripur Colony Delhi-110 091	30000 35000	Cheque No-262279 & Cheque No.262280 dated 19.01.08	Corporation bank Maayur Vihar New Delhi
84	Kiran Walla R-120, Greater Kailash Part-I, New Delhi-48	49500	Cheque No 137435. dated 05.12.07	AXIS Bank
85	Balram Tanwar. Teja Farm, Dera More Mehrauli New Delhi	65000	Cheque No-880441 dated 21 12 07	Syndicate Bank, Fatehpur Beri
86	Rajesh Jain. H.No 4634, Gali Maharsingh Jat Pahari Dheeraj Delhi-8	66000	Cheque No-258019. dated 17.12.07.	Syndicate Bank Pahari Dhiraj.
87	Nasseb Singh H.No.91, Village Gajipur Delhi-110 096	16500 16000	Cheque No.153682 & Cheque No 153685. dated 1.10.07 &15.12.07	SBI,Ghazipur, Delhi.
88	Prahlad Singh Sawhey 1-B, Ashoka Apartments 74 Rajpur Road Delhi-54	33000 32000	Cheque No.610327,28 & Cheque No.610329. dated 22.01.08 & 22.03.08	Gujarawanta Town New Delhi.
89	Jile Singh Chauhan 5908, Otram Lane Kingsway Camp, Delhi-9	65000	cash	
90	Vinay Sharma BH-732, Shalimar Bagh Delhi-110088	65000	Cheque No-370064. dated	Union Bank of India Shalimar bagh New Delhi.

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91	Tarwinder Singh Marwah I-2, Jungpura-B Mathura Road New Delhi-14	50000	Cash	
92	Ashok Ahuja A/65, MIG, DDA Flats Katwaria Sarai New Delhi-16	90000	Cheque no-741296 dated 5.2.2008.	Mehrauli Ind Area Delhi
93	Anjali Rai. A-9, Kirti Nagar New Delhi-15	50000	Cash	
94	J.K.Mittal 10/25, Sakti Nagar, New Delhi	50000	Cash	
95	Shri Siddharth Shri Ram Honda Sheel Cares India Ltd. Plot No.A-1, Sector 40/41, Surajpur Kashna Road, Greater Noida Industrial Development Area Distt. Gautambudh Nagar	500000	Cheque No.497661 Dated 31-03-2007	ICICI Bank Connaught Place New Delhi
96	Shri Guruswarup Srivastva A-701, Oberoi-Sky Hight Illrd Clarks lane, Lokhandwala Complex, Andheri(w) Mumbai-53	77000	Cheque No.815339 dated 24-01-2008	UCO Bank Mumbai
97	Shri Rohit Kohali L.G-17A, Somdutt Plaza, The Mall, Kanpur-208001.	51000	Cheque No.101786 Dated 04-02-2008	Indian Merchantile Co-Operative Bank Ltd. Aliganj, Lucknow
98	Shri Kaul Singh Thakur MLA Hostel Jawahar Bhawan Near H.P. Vidhan Sabha Shimla	30000	Cash	
99	Shri Singhi Ram Straw Bery Hills Shimla-2	30000	Cash	
100	Shri Sat Mahajan Hotel Mau Font Raja Ka Bagh Jasoor-Kangra	50000	Cash	
101	Shri Kuldeep Kumar Vill / P.O. Gagrel UNA-Himachal Pradesh	25000	Cash	

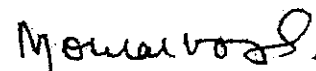
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102	Director (P & A) STC of India Ltd. Jawahar Vypar Bhawan New Delhi	100000	Ch.No.855644	State Bank of India
103	Dr. Vamshi Chand Reddy Flat No.103, Sagar Appartments Raj Bhawan Road, Somaji Guda Hyderabad, Andhra Pradesh-500082	150000	Ch.No.830153	Bank of Maharashtra
104	MMTC Ltd. Scope Complex Lodhi Road New Delhi	100000	Ch No.228901	State Bank of India

Verification

I MOTILAL VORA (full name in Block letter), son of Late Shri Mohan Lal Vora solemnly declare that to the best of my knowledge and belief, the information given in this Form is correct, complete and truly stated.

I further declare that I am verifying this Form in my capacity as Treasurer on behalf of the political party above named and I am also competent to do so.



(MOTILAL VORA)
TREASURER

Date: 29th September, 2008.
Place: New Delhi.

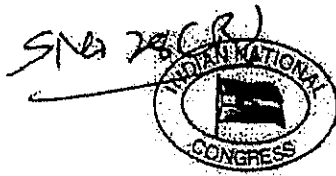
All India Congress Committee/(Indian National Congress).
(Signature and name of the authorised person)

TREASURER
ALL INDIA CONGRESS COMMITTEE
(INDIAN NATIONAL CONGRESS)



78974701

Annexure-P 901



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23792375
Phone: 23017137
23019080
Ext. 432

ALL INDIA CONGRESS COMMITTEE

MOTILAL VORA, MP
Treasurer

24, Akbar Road
New Delhi-110011

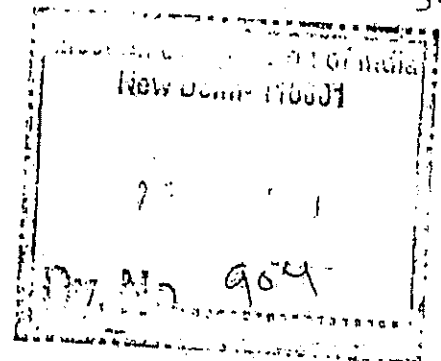
22nd 10th November, 2010.

Dy No 455 P.P.S.
30-11-10

To,

THE SECRETARY,
Election Commission of India,
Nirvachan Sadan,
Ashoka Road,
New Delhi.

Dear Sir,



Sub: Report of donation received in excess of Rs.20,000/- by the Party during the F.Y. 2009-2010 under sub section (1) of section 29C of the Representation of People Act. 1951.

Please find enclosed herewith Report of Donation received in excess of Rs.20,000/- from each donor along with a soft copy (C.D) of the same and copies of the Certificates obtained from the contributor companies, received by the Party -Indian National Congress during the Financial Year 2009-10 as required under Sub Section (1) of the Section 29C of the Representation of People Act, 1951. Kindly acknowledge the same.

We hope you will find the above report in order.

Thanking you,

Yours sincerely,

Motilal Vora
(MOTILAL VORA)

INDIAN NATIONAL CONGRESS

FORM 24 A

(See Rule 85B)

(This Form should be filed with the Election Commission before the due date for furnishing a return of the Political Party's Income of the concerned financial year under section 139 of the Income Tax Act, 1961 (43 of 1961) and a certificate to this effect

- 1 Name of the Political Party : **INDIAN NATIONAL CONGRESS.**
- 2 Status of the Political Party: **Recognised.**
(recognised / unrecognised)
- 3 Address of the headquarters of the Political Party: **24, Akbar Road,
New Delhi-110011.**
- 4 Date of registration of the political party with Election Commission :
- 5 Permanent Account Number (PAN) and Income Tax : **AABFI6563K**
Ward/ Circle where return of the Political Party is filed **31(1)**

6 Details of contribution received, in excess of rupees twenty thousand, during the financial year 2009 To 2010.

S.No	Name and Complete address of the contributing person/company.	PAN (if any) & Income Tax ward/Circle.	Amount of Contribution (Rs.)	Mode of Contribution (Cheque/Demand Draft/Cash)	Remarks.
1	Solaris Holdings Ltd. First India Place, Tower C, Mehrauli-Gurgaon Road, Gurgaon, Haryana-122002.		8000000	Ch.No.512059/Dtd.21.03.2009	Standard Chartered Bank Narain Manzil, 23, Barakhamba Road, New Delhi-110 001
2	Solaris Holdings Ltd. First India Place, Tower C, Mehrauli-Gurgaon Road, Gurgaon, Haryana-122002		5000000	Ch.No.512060/Dtd.21.03.2009	Standard Chartered Bank Narain Manzil, 23, Barakhamba Road, New Delhi-110 001
3	General Electoral Trust B-4, Aditya Birla Centre S.K. Ahire Marg Worli, Mumbai-400030		10000000 10000000	Ch.No.102752/Dtd.01.04.2009 Ch.No.428407/Dtd.13.04.2009	HDFC Bank, Mumbai Punjab National Bank, New Delhi
4	Torrent Power Limited Torrent House, Off Ashram Road, Ahmedabad-380009.		25000000	Ch.No.698479/Dtd.03.04.2009	HDFC Bank Ltd, Ahmedabad, Gujrat-380009
5	Larsen & Toubro Ltd. L & T House Narottam Morari Marg Mumbai-400 001		22500000	Ch.No.016818/Dtd.30.03.2009	Standard Chartered Bank, Narain Manzil, 23 Barakhamba Road, New Delhi-110001.
6	Ambuja Cement Ltd. 248, Okhla Industrial Estate Phase-III, New Delhi		20000000	Ch.No.602292/dtd.25.03.2009	HDFC Bank Ltd, Nanki Mohan Marg, Fort, Mumbai-400023
7	Sterite Industries (India) Ltd Business Square, C-Wing 2nd Floor, Andheri-Kurla Road Chakala, Andheri (East) Mumbai-400 093		50000000	Ch.No.081394/Dtd.02.04.2009	ICICI Bank, Mumbai
8	National Engineering Industries Ltd. Khatipura Road Jaipur-302006		3750000	Ch.No.188712/Dtd.07.04.2009	IDBI Bank, Jaipur. Rajasthan

CONGR

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23	Shri Mahesh Agarwal, MD, HUF Megh Madhura Apartment 38, Cement Road, Shivaji Nagar, Nagpur-10		500000	Ch.No.844266/Dtd.24.04.2009	ING-Vysya Bank Ltd., Maharashtra
24	Electoral Trust Registration No E-16618 52, Mittal Tower A Wing, Nariman Point Mumbai-400 021		18231343 5377292 3339894 29977612 1487140	Ch.No.107076/Dtd.25.04.2009 Ch.No.107083/Dtd.29.04.2009 Ch.No.107088/Dtd.13.05.2009 Ch.No.107092/Dtd.20.05.2009 Ch.No.107098/Dtd.04.06.2009	ICICI Bank Limited Mumbai Fort Branch Navasari Building, 240 D N Road, Fort Mumbai-400 001
25	SRF Limited C-8, Commercial Complex Safdarjung Development Area New Delhi-110 016	1/81	1500000	Ch.No.026928/Dtd.23.04.2009	Citibank, New Delhi
26	KSK Energy Ventures Limited 8-2-293/82/A/431/A Road No.22, Jubilee Hills Hyderabad-500 033	8/82	20000000	Ch.No.072823/Dtd.04.05.2009	UCO Bank Plot No 490, D No 8-2-293/82/A/490 Jubilee Hills, Hyderabad
27	Bush Foods Overseas Pvt. Ltd. 704, Surya Kiran Building, 19, Kasturba Gandhi Marg, N-Delhi-1		500000	Ch.No.520097/Dtd.12.03.2009	Bank of India, New Delhi Overseas Branch, New Delhi
28	V & R Overseas 704, Surya Kiran Building, 19, Kasturba Gandhi Marg, N-Delhi-1	AAACD6743Q	500000	Ch.No.397127/Dtd.12.03.2009	The Hongkong & Shanghai Banking Corporation Ltd., New Delhi
29	Kohinoor Foods Limited 201, Vipps Centre, Masjid Moh,. Greater Kailash-II, New Delhi-110048.	AAACS2470D	1000000	Ch.No.895502/Dtd.12.03.2009	Axis Bank Ltd. Stateman House, Barakhamba Road Branch, New Delhi.
30	Sunstar Overseas Limited 4119/7, First Floor, Naya Bazar, Delhi-110006	AAACS9693A	1000000	Ch.No.192090/Dtd.12.03.2009	The Karur Vysya Bank Ltd., New Delhi
31	L T Foods Limited, Cannaught Place, New Delhi.	AAACL0259K	800000	Ch.No.036994/Dtd.12.03.2009	Corporation Bank Cannaught-Place, New Delhi
32	Punj Lloyd Limited 78, Institutional Area, Sector-32 Gurgaon-122001	AAACP0305Q	10000000	Ch.No.006855/Dtd.09.04.2009	Yes Bank Ltd. 4th Floor, Nehru Centre, Discovery of India Dr. A.B. Road, Worli Mumbai-400018
33	Harmony Electoral Trust D-7/7371, Vasant Kunj New Delhi-110070		20000000	Ch.No.825702/Dtd.06.05.2009	Corporation Bank, New Delhi Vasant Vihar New Delhi
34	Bharat Hotels Ltd. Barakhamba Lane New Delhi-110001		10000000	Ch.No.178433/Dtd.09.04.2009	Jammu & Kashmir Bank Ltd. G-40, Connaught Place New Delhi
35	Honda Sael Cars India Ltd Plot No A-1, Sector 40/41 Surajpur-Kasna Road, Greater Noida Distt. Gautam Budh Nagar, UP		500000	Ch.No.518528/Dtd.02.05.2009	ICICI Bank, New Delhi
36	Global Trading Old Rohlak Road, Near Gokal Nagar Sonapat, Haryana		1500000	Ch.No.130620/Dtd.22.05.2009	Mahamedha Urban Co Op. Bank Ltd Ghaziabad, UP
37	Asianet TV Holding Pvt Limited Jay Chambers Srvice Road, Ville Parley (East), Mumbai-400 057		25000000	Ch.No.058965/Dtd.19.05.2009	Corporation Bank M G Road Branch, Bangalore

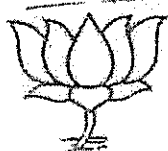
83

125	Kanwar Karan Singh 80, Rajpur, Gurmandi Delhi-110 009		32000	Cheque No.462032	PNB R.P. Bagh
126	Rajesh Lilothia G-4, Barreck, Upper Anand Parbal, New Delhi-05		32400		
127	Raj Kumar Chaudhan 60, Bera Enclave, Near Paschim Vihar, New Delhi-63		32000	Cash	
128	Naseeb Singh H No 91, Village Gajpur Delhi-110096		32000	Cash	
129	Rajesh Jain H.No 4634, Gali Moharsingh Jat Pahar Dheeraj, Delhi-6		32000	Cheque No.805700	Syndicate Bank
130	T S Marwah 1-2, Jungpura-8, Mathura Road New Delhi-14		32000	Cheque No.908324	Punjab & Sind Bank
131	V M. Salgaonkar & Brothers Private Limited, Salgaonkar House, Vasco-Da-Gama-Goa 8/2006	AAACV5950B	2500000	Cheque No.465584, dated 16-4-2009,	HDFC Bank Ltd. Vasco da Gama Branch-Goa
132	V S. Dempo & Co. Ltd. Sesa Ghar, 20 EDC Complex Patto, Panjim, Goa-403001 8/2007	AAACV7160R	3500000	Cheque No.113578, dated 09-4-2009,	Bank of Maharashtra Panajim-Goa.
133	Advani Hotels and Resorts (I) Ltd. Margao-Goa	AAACR5389Q	200000	Cheque No.670337, dated 16-5-2009,	Bank of Baroda, Altamont Road, Mumbai
134	Chowgule Charitable Trust House of Chowgule, Harbor Mormugao-Goa	AAAGC5479J	4000000 1000000	Ch. No.372112 dt.17-04-2009, Ch. No.372110 dt.14-04-2009	SBI, Vasco-Da-Gama Goa
135	Damodar Mangalji & Co. Ltd Damodar Niwas, M.g. road Panaji-Goa	AAACD6880G	1000000	Cheque No.266677, Dated 6/4/2009,	Canara Bank Panaji, Goa
136	Sesa Goa Limited Sesa Ghar, 20 EDC Complex Panaji-Goa-403001	AAAGC57101B	3000000	Cheque No.548287, dated 15/04/2009,	Canara Bank Panaji, Goa
137	Rajaram Bhandekar (Sirga) Mines Pvt. Ltd. 601.6th Floor, Dr. Ozler Forum Near St. Andrews, Church, Vasco-da-Gama, Goa-403802	AAACR9460L	500000	Cheque No.018288, dated 06/04/2009,	IDBI Bank Vasco Branch.
138	Hotel Leelaventure Ltd. The Leela Kempinski. Sahar Mumbai-400059	AAACH3187J	2000000	Ch.No.002295/dtd.15-04-2009	Oriental Bank of Commerce. Bandra West Branch
139	Timblo Pvt. Ltd. P.O Box 34, Kadar Manzil Margao-403601, Goa	AABCT1944N	1000000	Cheque No.035245 Dated 20/04/2009	HDFC Bank Ltd. Margao Branch
140	Esmeralda Investments Pvt. Ltd Panji, Goa.	AAACE4220F	1000000	Cheque No.000435, Dated 01-03-2010	Bank of India Campai Branch, Panji Goa
141	Chowgule Chantable Trust House of Chowgule, Harbor Mormugao-Goa	AAAGC5479J	1000000	Ch.No 147205/dtd.25-02-2010	SBI, Vasco-Da-Gama Goa
142	Stenelec India Pvt Ltd B-205, Kundaim Ind. Estate 8/2015 Kundaim-Goa	ADTPD5522G	49000	Demand Draft No.250812 Dated 02-04-2009	State Bank of India Margao

True Copy

14/04/2010

Shyam Jaju
Office Incharge



84
ANNEXURE - P/D 95

भारतीय जनता पार्टी
Bharatiya Janata Party

Date: 01.12.2010

Election Commission of India
New Delhi- 110001

2 DEC 2010

Dy. No.

To,
The Chief Election Commissioner
Nirvachan Sadan,
Ashok Road,
New Delhi

Subject : Donation List of BJP above 20000/- for year ending
01.04.09 to 31.03.10.

Dear Sir,

Enclosed please find herewith a list of Donation above Rs. 20,000/-
received by party including all states during the period of 01/04/2009 to
31/03/2010. A soft copy (CD) is also enclosed for the same.

Thanking you.

Yours sincerely,

Sh Jaju
(Shyam Jaju)

11, अशोक रोड, नई दिल्ली-110 001, दूरभाष : 011-23005700 फैक्स : 011-23005787
11, Ashok Road, New Delhi-110 001, Phone : 011-23005700 Fax : 011-23005787

True COPY
PB

Shyam Jaju

Office Incharge

Bharatiya Party

To,

The Chief Election Commissioner

Nirvachan Sadan,

Ashok Raad.

New Delhi.

Subject: Donation List of BJP above 20000/- for year ending
01.04.09-31.03.10.

Dear Sir,

Enclosed please find herewith a list of Donation above Rs. 20,000/-
received by party including all states during the period of 01/04/2009
to 31/03/2010. A soft copy (CD) is also enclosed for the same.

Thanking you.

Yours Sincerely

Sd/-

(Shyam Jaju)

True Typed copy
PB

86

Shree Manipally Suryam Manikyan	20000	591676	SBI, Hinayalnagar
Annamacharya Educational Trust	250000	617677	Central Bank of India, Balasingaram
M/s Asianet V Holdings Pvt. Ltd. Jay Chambers Service Road, Vile Parle (East) Mumbai - 57	500000000	630451	Corporation Bank
M/s Asianet V Holdings Pvt. Ltd., Jay Chambers Service Road, Vile Parle (East) Mumbai - 57	500000000	RTGS	Corporation Bank
M/s Genetel Electoral Trust A. Aditya Birla Centre, S.K. Ahire, Worli Mumbai - 30	500000000	102753	HDFC Bank
M/s Mahindra & Mahindra Ltd., Gateway Building, Apollo Bunder, Mumbai - 400001	100000000	664797	SBI
M/s Sterlite Industries India Ltd., Business Square, C Wing, 2nd Floor, Andheri Kurla Road, Chakala, Andheri East Mumbai - 93	500000000	91395	ICI Bank
M/s ITC Ltd., Virginia House, 37, J. L. Nehru Road, Kolkata - 700071, West Bengal	250000000	880768	HSEC Kolkata
M/s United Phosphorus Ltd., 11 GIDC, VAPI-396195-GUJARAT 0260-2432716, 2401718/9	25000000	886080	DBI Bank
M/s KIMS Engineering Corp. Kalyani Carpenter, Special Steels Ltd Munghwa, Pune - 35	100000000	2956	HDFC
M/s Orient Papers & Industries Ltd 91/1 R. N. Mukherjee Road, Kolkata - 1	50000000	886	HDFC
M/s INFRA Finance Private Ltd 1st Floor, Navsan Building 240, D. N. Road, For. Mumbai - 1	100000000	2786	Kotak Mahindra Bank
M/s Hyderabad Industries Ltd Sanathnagar, Hyderabad - 18	25000000	8454	HDFC
M/s Ballarpur Industries Ltd Thapar House, 124 Janpath, NO. - 1	75000000	620405	Standard Chartered



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M/s Corporate Electoral Trust International Trade Tower 14th Floor Block E Nehru Place, New Delhi 110019	Not Required	5000000	504251 SBI of Hyderabad
M/s CHL Ltd Crowne Plaza Surya New Friends Colony, ND - 65	AAACC 2587M	500000	181303 HDFC Bank
M/s Vasantia The Madras Aluminium Co Ltd		30000000 5000000	DD 104791 ICICI Bank DD 104792 ICICI Bank
M/s Sesa Goa Ltd 20 ED Complex Patto Panaji, Goa	AACCS7101B	5000000	202831 ICICI Bank
M/s Electoral Trust Tower, A Wing, Nariman Point, Mumbai - 21	52 Mittal	15447761	107077 ICICI Bank
M/s Electoral Trust Tower, A Wing, Nariman Point, Mumbai - 21	52, Mittal	5117698	107084 ICICI Bank
M/s KSK Energy Venture Ltd.		20000000	72822 UCO Bank
M/s Harmany Electoral Trust, D - 7/7371, Vasant Kunj ND - 70	Not Required	15000000	825701 Corporation Bank
M/s Honda Sial Car India Ltd Plot No A-1, Sector 40/41 Surajpur, Kasna Road, Greater Noida	AAACH1755D	1000000	518529 ICICI Bank
M/s Interlobe Enterprises Limited Block 2B, DLF Ph III, Gurgaon	AAACH1393M	2500000	51482 HDFC Bank
M/s Interlobe Technologies Limited Udyog Vihar Ph I Gurgaon	230	2500000	881713 Bank of America
M/s Videcon Industries Ltd 12th Floor Videcon Tower, Jhandewalan Extn ND 55		7500000	327375 The Bank of Rajasthan
M/s Wabai Components Pvt Ltd Floor, Videcon Tower, Jhandewalan Extn ND 55	12th	2500000	533544 The Bank of Rajasthan
M/s Electoral Trust Mittal Tower A Wing, Nariman Point, Mumbai-400021	52	3178559	107089 ICICI Bank
M/s Out of Home Media (India) Pvt Ltd 4th Floor Tower A, DLF Building No 5 Cyber City Gurgaon, Haryana 122002		200000	Cash



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ANISOL TRADING COMPANY APMC AHMEDABAD	216733 SARDAR VALLABHBHAI SAHAKARI BANK	10000	AGVFP7267K
K MUKESHKUNAR COMPANY APMC AHMEDABAD	217419 SARDAR VALLABHBHAI SAHAKARI BANK	10000	ACRPP4947D
LACHHMANDAS TRADERS APMC AHMEDABAD	217661 SARDAR VALLABHBHAI SAHAKARI BANK	10000	ABRPP6910C
AKSHARDHAM TRADING COMPANY APMC AHMEDABAD	175265 SARDAR VALLABHBHAI SAHAKARI BANK	10000	AILPP6334R
KIRANKUNAR GORHANDAS SHAH APMC AHMEDABAD	82795 THE AHMEDABAD DISTRICT CO-OP	25000	ABJP96899D
KIRANKUNAR GORHANDAS SHAH APMC AHMEDABAD	82796 THE AHMEDABAD DISTRICT CO-OP	25000	ABJP85699D
SH BALDEVBHAI JETHIBHAI PATEL APMC AHMEDABAD	52018 BANK OF BARODA	50000	AAHFE9221D
JAY GANPATI TRADERS APMC AHMEDABAD	218756 SARDAR VALLABHBHAI SAHAKARI BANK	50000	AJAPP7816R
TORRENT POWER LTD TORRENT HOUSE OFF ASHRAM ROAD AHMEDABAD-9	699068 HDFC BANK	100000000	AAQC10294J
GOVERNMENT OF GUJARAT GANDHINAGAR	482811 STATE BANK OF INDIA	25000	
AVIR PHARMACEUTICALS LTD A-11 PHASE-1 OPP GIDC WATER FILTER	259916 HDFC BANK	50000	AAACAC453R
HERAMBA INDUSTRIES LTD UNIT-1 PLOT NO 1805/1605 PHASE-2 GIDC VAPI	577570 CORPORATION BANK	200000	AAACH5757D
AARTI INDUSTRIES LTD PLOT NO 601/23 GIDC ESTATE PHASE-III VAPI DISTRICT-2401322	58155 CITI BANK	200000	AABCA2787L
JAMES ROBINSONS INDIA PVT LTD PLOT 518/11 4TH PHASE GIDC VAPI	767277 Bank Of Baroda	50000	AAACE1227E

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S.H. PINALBHAI SHANI GANDHINAGAR	ADFP69456N	21000	408 YES BANK
MAN INDUSTRIES (INDIA) LTD AKHEDOT TALUKA ANJAR DIST. KUTCH	AAACN2675G	200000	329855 ICICI BANK
M.R.K. PIPE LTD C-104, RAGHVANSHNAGAR, NEW RAVALWADI RELOCATION SITE BHILJI	AACCM0497L	160000	453354 HDFC BANK
JINDAL SAW LTD AT SAMAGOGA TA MUNDRA, DIST. KUTCH	AABCS7280C	150000	67481 AXIS BANK
JINDAL SAW LTD AT SAMAGOGA TA MUNDRA, DIST. KUTCH	AABCS7280C	50000	67485 AXIS BANK
M/S V.L. Jewelers Shop No. 101, 20/2775, 1st Floor, Karol Bhog, Seadapura, New Delhi		101000	11792 HDFC BANK
M/S Vikas Cham Co. (P) Ltd 2501/8 Beadam Pura, Karol Bagh, New Delhi		100000	813010 Indian Overseas Bank
M/s. Nareish Jewellers (P) Ltd Synnagate Market Patam Colony New Delhi	AAACP5268J	100000	139755 ICICI BANK
M/s. Paras Pharmaceuticals Pvt Ltd	AAACV40631J	500000	315036 SBI
Wm. Medicaide (P) Ltd C/o Mohi Group of Industries 1409-Modi Tower, 66 Nehru Place New Delhi		500000	102789 HDFC Bank, Wank Mumbai
General Electrol Trust 159 Church Gate Reclamation Industry House, Mumbai-400026		500000	102791 HDFC Bank, Wank Mumbai
General Electrol Trust 159 Church Gate Reclamation Industry House, Mumbai-400026		1000000	32151 ICICI Bank Ltd, Panaji Branch
Sesa Goa Limited P.O. Box 125, Sesa Ghor, 20 EDC Complex Patto, Panaji Goa-403601	AAACB7456F	2000000	343015
Shri M.K. Jadhav & Co. Chairman and managing			

15

NAME	PAN NO.	AMOUNT	CH. NO.	BANK
Shree Manipally Suryam Manikyam		25000	591876	SBI Himayatnagar
Anamcharya Education Trust		25,000	617677	CBI Barasinggram
M/s. asianet V.Holding Pvt. Ltd. Jay Cahmbers Service Road Vile Parle (E) Mumbai-57	AABCR3246B	5,00,00,000	630451	Corporation Bank
M/s. asianet V.Holding Pvt. Ltd. Jay Cahmbers Service Road Vile Parle (E) Mumbai-57	AABCR3246B	5,00,00,000	RTGS	Corporation Bank
M/s General Electoral Trust, 4-Aditya Birla Centre S.K. Ahire Work Mumbai-30	Not Required	5,00,00,000	102753	HDFC Bank
M/s Mahindra & Mahindra Ltd. Gateway Building Apollo Bunder, Mumbai – 400001	AAACM3025E	1,00,00,000	664797	SBI
M/S Sterhte Industries India Ltd., Business Squate, 'C' Wing, 2 nd Floor, Anderi Kurla Road, Chakala, Andheri East Mumbai - 93	AABCS4955Q	5,00,00,000	91395	ICICI Bank.
M/s ITC Ltd., Virginia House-37, J. L. Nehru Road, Kolkata – 700071, West Bengal	AAAC15950L	2,50,,00,000	880768	HSBC Kolkata
M/s United Phosphorus Ltd. 11-GIDC, VAPI-396195-GUJARAT, 0260-2432716, 2401718/9	AABCS 1698G	2,50,00,000	686080	IDBI Bank.
M/s KTMS Engineering Opp. Kalyani Carpenter Special Steels Ltd. Mundhwa. Pune – 36		1,00,00,000	2958	HDFC
M/S INFINA Finance Private Ltd., 1 st Floor Navsan Building, 240, D.N. Road For Mumbai -1	AACCM 1561D	1,00,00,000	2788	Kotak Mahindra Bank
M/s Hyderabad Industries Ltd. Sanathnagar, Hyderabad – 18		2,50,00,000	8454	HDFC
M/s Ballarpur Industries Ltd. Thapar House -124, Janpath, N. D. – 1	AAACB343E	75,00,000	620405	Standard Chartered
M/s Corporate Electoral Trust, International Trade Tower 14 th Floor Block – E, Nehru Place New Delhi-19	Not required	50,00,000	804251	Sbi of Hyderabad
M/s HCL Ltd , Crowne Plaza Surya New Friends Colony, ND	AAACC2587M	500000	181303	HDFC Bank

65				
M/s Vedanta, The Madras Aluninium, ND-65		30000000 5000000	DD104791 DD104792	ICICI Bank ICICI Bank
M/s Sesa Goa Ltd., m20, ED Complex, Patto, Panaji, Goa	AACCS7101B	5000000	202831	ICICI Bank
M/s Electoral Trust, 52-Mittal Tower –A, wing Nariman Point, Mumbai-21.		15447761	107077	ICICI Bank
M/s Electoral Trust, 52- Mittal Tower –A, wing Nariman Point, Mumbai-21,	Not required	5117698	107084	ICICI Bank
M/s KSK Energy Venture Ltd.		2,00,00,000	72822	UCO Bank
M/s Harmony Electoral Trust, D-717371, Vasant Kunj, N.D. 70	Not Required	1,50,00,000	825701	Corporation Bank
M/s Honda Steel Car India Ltd. Plot No. A-1, Sector 40/41, Surajpur, Kasna Road, Greater Noida	AAACH17650	10,00,000	518529	ICICI Bank
M/s Interglobe Enterprises Limited , Block 2B, DLF Ph. III, Gurgaon	AAACI 1393M	26,00,000	51482	HDFC Bank
M/s Interglobe Technologies Limited, 230-Udyog Vihar, Ph. - 1, Gurgaon		25,00,000	881713	Bank Of America
M/s Videocon Industries Ltd., 12 th Floor Videocon Tower, Jhandewalan, Extn. New Delhi – 55		75,00,000	327375	The Bank of Rajasthan
M/s Waluj Components (p) Ltd. 12 th Floor, Videocon Tower, Jhandewalan Extn. N.D. – 55		25,00,000	533944	The Bank of Rajasthan
M/s Electoral Trust, 52-Mittal Tower A Wing Nariman Point, Mumbai-400021	Not Required	31,78,659	107089	ICICI Bank.
M/s Out of Home Media (India) Pvt. Ltd. , 4 th Floor, Tower A, DLF Building No. & Cyber City, Gurgaon, Haryana-122002	AAACO 8473G	2,00,000	Cash.	
Anmol Trading Company APMC aHMEDABAD	AGVPP2267K	10,000	218733	Sardar Vallabhai Sahakari Bank.
K. Mukesh Kumar Company APMC Ahmedabad	Agrpp 4947O	10,000	217419	Sardar Vallabhai Sahakari Bank

Lachhman Das Traders APMC Ahmedabad	ABRPP6910C	10,000	217651	Sardar Vallabhai Sahakari Bank
Akshrdham Trading Company APMC Ahmedabad	AILPP6334F	10,000	175256	The Ahmedabad District Co-op
Kiran Kumar Gorhan Das Shah APMC Ahmedabad	ABJPS6699D	25,000	82795	The Ahmedabad District CO-OP
Kiran Kumar Gorhan Das Shah APMC Ahmedabad	ABJPS6699D	25,000	82796	The Ahmedabad District CO-OP
Sh. Baldev Bhai Jethbhai Patel APMC Ahmedabad	AAHFB9221D	50,000	52018	Bank of Baroda
Jai ganpati Traders APMC Ahmedabad	AIAPP7816R	50,000	218756	Sardar Vallabhai Sahakari Bank.
Torrent Power Ltd. , Torrent House Of Ashram Road, Ahmedabad	AACCT0294J	10,00,00,000	699068	HDFC Bank.
Government of Gujarat, ghandhi Nagar		25,000	482811	State Bank Of India
Avik Pharmaceuticals Ltd., A-17, Phase-1, Opp. GIDC water filter	AAACA5490R	50,000	259918	HDFC Bank.
Heramba Industries Ltd. Unit-1, Plot No. 1505/1506, Phase-2, GIDC Vapi	AAACH3787Q	2,00,000	977670	Corporation bank
Aarti Industries Ltd. Plot No. 801/23, GIDC Estate, Phase - 40,VAPI O260-2400153-2401322	AABCA-2787L	2,00,000	88155	CITI BANK
James Robinsons India Pvt. Ltd. Plot 610- /11, 4 th Phase GDIC, Vapi	AAACP5227E	50,000	767277	Bank of Baroda
Sh. Pinalbhai Shah, Gandhinagar	ADPP59496N	21,000	408	Yes Bank
Man Industries India Ltd. at Khedoi, Taluka Anjar, dist. Kutch.	AAACM2675G	2,00,000	929855	ICICI Bank.
MRK Pipe Ltd., C-194, Raghvanshnagar, New Ravalwadi Re-location Site Bhuj	AACCM9497L	1,00,000	453354	HDFC Babk
Jindal Saw Ltd. At Samgoga IA Mundra, distt. Kutch	AABCS7280C	1,50.000	67481	Axis Bank.
Jindal Saw Ltd. At Samgoga IA Mundra, distt. Kutch	AABCS7280C	50,000	67485	Axix Bank.

M/s V.L. Jewellers Shop No. 101/20/2775, 1 st Floor, Karol Bhag, Beadapura, New Delhi		1,01,000	11792	HDFC Babk.
M/s Vikash Chain Co. (P) Ltd. , 2501/8, Bedam PUra, Karol Bagh, New Delhi		1,00,000	813010	Indian Overseas Bank
M/s Naresh Jewelers Pvt. Ltd. Syndicate Market, Patam colony New Delhi		1,00,000	139755	ICICI Babk.
M/s Paras Pharmaceuticals Pvt. Ltd	AAACP9268J	5,00,000		
Win Medicare (p) Ltd, C/o Modi Group Of Industries, 1400-Modi Tower, 98-Nehru Place, New Delhi.	AAACW0631J	25,00,000	316038	SBI
General Electrol Indst., 159-Church Gate, Reclamation Industry House, Mumbai-400020	Not Required	50,00,000	102789	HDFC Wath Mumbai
General Electrol Indst., 159-Church Gate, Reclamation Industry House, Mumbai-400020	Not required	50,00,000	102791	HDFC Wath Mumbai
Sesa Goa Limited, P.O. Box-125, Sesa Ghat, 20 EDC Complex, Patto Panjim, Goa- 43001	AACCS7101B	10,00,000	22753	ICICI Babk Ltd. Panap Branch
Shri M.R. Jashanker , Chairman and Managing Director	AAACB7459F	20,00,000	340-5	

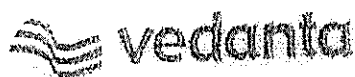
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ANNEXURE - P11

158

60



STERLITE INDUSTRIES (I) LTD.

Regd. Office: SIPCOT Industrial Complex,
Madurai Bypass Road, T.V. Puram P.O.
Tuticorin - 628 002, Tamilnadu, India
Tel: (91-461) 661 2591 (10 Lines)
Fax: (91-461) 234 0203
Website: www.vedantaresources.com

Date 29.03.2010

To,
The Treasurer,
Indian National Congress
24, Akbar Road,
New Delhi - 110011.

Dear Sir,

We hereby certify that all the conditions laid down Under Section 293 A of the Companies Act 1956 have been complied with in respect of our contribution of Rs. 5,00,00,000/- (Rupees Five crores only) to your party, paid vide cheque No 091394 dated 02.04.2009 drawn on ICICI Bank Limited, Mumbai Branch.

Yours Sincerely
For Sterlite Industries (India) Limited

Rajiv Choubey
Company Secretary

True copy
MS



Vedanta

STERLITE INDUSTRIES (I) LTD.

Regd. Office: SIPCOT Industrial Complex.

Madurai Bypass Road, T.V. Puram, P.O.

Tuticorin 628002, Tamilnadu, India

Tel. : (91-461) 661 2591 (10 Lines)

Fax ; (91-461) 234 0203

Website: www.vedantaresources.com

Date 29.03.2010

To,

The Treasurer,

Indian National Congress

24, Akbar Road-New Delhi-110 011.

Dear Sir,

We hereby certify that all the conditions laid down Under Section 293A of the Companies Act 1956 have been complied with in respect of our contribution of Rs. 5,00,00,000/- (Rupees Five Crores only) to your party, paid vide cheque No. 091394 dated 02.04.2009 drawn on ICICI Bank Limited Mumbai Branch.

Yours Sincerely

For Sterlite Industries (India) Limited

Sd/-

Rajiv Choubey

Company Secretary

*True Typed copy
PB*

96

19

82

HONDA

Honda SIEL Cars India Ltd.
Plot No. A-1, Sector 40/41, Surajpur-Kasna Road,
Greater Noida Industrial Development Area,
Distt. Gautam Budh Nagar (U.P.) Pin-201306
Tel. : 91-120-2341313 : 321 : 327 : 801 : 806
Fax : 91-120-2341261 : 300

12.04.2010

The Treasurer,
Indian National Congress,
24, Akbar Road
New Delhi - 110 011

Dear Sir,

With reference to your letter dated 19.03.2010, this is to confirm that the contribution of Rs.5,00,000/- (Rupees Five Lac only) made to your Party by the Company, vide Cheque No.518528 dated 02.05.2009 drawn on ICICI Bank Limited, is in compliance with the provisions of Section 293A of the Companies Act, 1956.

We hope the above will suffice the requirement.

Thanking you

Yours faithfully
For Honda SIEL Cars India Limited



Company Secretary

True Copy
PB



HONDA

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HONDA SIEL CARS INDIA LTD

Plot No. A1, Sestro 40/41, Suraj Pur, Kashna Road,

Greater Noida, Industrial Development Authority,

Distt. – Gautam Budh Nagar, (UP) Pin No. 201301

Tel. – 91-120-2341313, 321, 327.

Fax No. 91-120-2341261, 300.

12.04.2010.

The Treasurer,

Indian National Congress,

24, Akbar Road.

New Delhi – 110 011

Dear Sir,

With reference to your letter dated 19.03.2010, this is to confirm that the contribution of Rs. 5,00,000/- (Rupees Five Lac only) made to your Party by the Company, Vide Cheque No. 518528 dated 02.05.2009 drawn on ICICI Bank Limited, is in compliance with the provisions of Section 293A of the Companies Act, 1956.

We hope the above will suffice the requirement.

Thanking you

Yours faithfully

For Honda Siel Cars India Limited

Sd/-

Company Secretary

True Type/copy
PS



vedanta

SESA GOA LIMITED

Sesa Ghor,
28, EDC Complex,
Panaji, Panaji, Goa - 403001
Tel: +91-832-2480600
www.sesagoa.com



98

7 08.2012

The Treasurer,
Indian National Congress,
24, Akbar Road,
New Delhi 110011.

Dear Sir,

We hereby certify that all the conditions laid down Under Section 293A of the Companies Act, 1956 have complied with in respect of our contribution of Rs.2,00,00,000/- (Rupees two crores only) to our party paid through RTGS system on 2.3.2012 through ICICI Bank Ltd., Panaji Branch.

Yours faithfully,
SESA GOA LIMITED

Authorised Signatory

*True Copy
PB*

Vedanta

SESA GOA LIMITED
Sesa Ghor, 20 EDC Complex,
Patto, Panaji, Goa 403001
Phone: +91-832-2460600.
www.sesagoa.com.

95

07.08.2012

Dear Sir,

We hereby certify that all the Conditions laid down Under Section 293A of the Companies Act., 1956 have complied with in respect of our contribution of Rs. 2,00,00,000/- (Rupees two crores only) to our party paid through RTGS system on 02.03.2012 through ICICI Bank Branch.

Your Faithfully,

SESA COAL LIMITED

Sd/-

Authorised Signatory.

True Typed Copy
PB

150

ANNEXURE - P 12

1	Hyatt regency	4/11 shanti niketan new delhi		500,000	Ch.no. 046981, dt- 04.05.2004 IDBI bank K.G. marg new delhi	FY 04-05	INC	American Origin Company
2	Sterlite industries india ltd	Dhanraj mahal 5th floor csm road apollo bundar mumbai-39		10,000,000	Ch.no. 486677, dt- 27.01.2005 HDFC Bank Ltd silvasa	FY 04-05	INC	Vedanta
3	Sesa goa ltd	Sesaghar patto panaji		500,000	cheque HDFC bank panaji	FY 04-05	INC	Vedanta
4	Sesa goa ltd	sesa ghar patto panaji		500,000	cheque Canara bank panaji	FY 04-05	INC	Vedanta
5	Sesa goa ltd	sesa ghar patto panaji		200,000	cheque Canara bank panaji	FY 04-05	INC	Vedanta
6	Adani Wilmar Ltd.	Adani House, Mithakali Sikh Road Navamgpiu8ra Ahmedabad-380014	250,000	Cheque No 286765 Dtd 4.07.2005	UTI Bank Ltd.	FY 05-06	INC	Adani: Adani Wilmar Limited is a 50:50 joint venture between two recognized Multinational Corporations – the US \$7 Billion Adani Group, the leader in International trading, Power Sector and Private Infrastructure, and Wilmar International Limited, Singapore, Asia's leading Agri business group with revenues exceeding US\$ 44.7 Billion.
7	Sesa Goa Limited	Sesa Ghar, Potti, Panaji, Goa	500,000	Cheque No 238460 Dtd. 31.05.2005	Canara Bank Panaji, Goa	FY 05-06	INC	Vedanta
8	Sesa Goa Limited	Sesa Ghar, Potti, Panaji, Goa	200,000	Cheque No 913411 Dtd 20.02.2006	Canara Bank Mapusa, Goa	FY 05-06	INC	Vedanta
9	Sesa Goa Limited	Sesa Ghar Patto, Panaji Goa		200,000	Cheque Canara Bank Panaji	FY 06-07	INC	Vedanta
10	Sesa Goa Ltd.	Sesa Ghor ,Panji Goa		1,500,000	Cheque No. Canara Bank	FY 07-08	INC	Vedanta

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11	Adani Wilmar Limited	Fortune House Nr. Adani House Mithakali Cross Road Navrangpura, Ahmedabad-380009	N.A	5,000,000	Ch.No.928686/dtd.28-03-2009 Axis Bank Ltd. Ahmedabad	FY 08-09	INC	Adani
12	Solaris Holdings Ltd.	First India Place, Tower C, Mehrauli-Gurgaon Road, Gurgaon, Haryana-122002		5,000,000	Ch.No.512059/Dtd.21.03.2009 Standard Chartered Bank, Narain Manzil, 23, Barakhamba Road, New Delhi-110001	FY 09-10	INC	Vedanta
13	Solaris Holdings Ltd.	First India Place, Tower C, Mehrauli-Gurgaon Road, Gurgaon, Haryana-122002		5,000,000	Ch.No.512060/Dtd.21.03.2009 Standard Chartered Bank, Narain Manzil, 23, Barakhamba Road, New Delhi-110001	FY 09-10	INC	Vedanta
14	Sterlite Industries (India) Ltd.	Business Square, C-Wing 2nd Floor, Andheri-Kurla Road Chakala, Andheri (East) Mumbai-400093		50,000,000	Ch.No.091394/Dtd.02.04.2009 ICICI Bank, Mumbai	FY 09-10	INC	Vedanta
15	Sesa Goa Limited	Sesa Ghar, 20 EDC Complex, Panjim, Goa-403001	AACS5710 B	3,000,000	Ch.No.548287/Dtd.15.04.2009 Canara Bank Panaji, Goa	FY 09-10	INC	Vedanta
16	enich Aromatics (India) Pvt	74/11. "C" Cross Road M.I.D.C., Andheri (East)		50,000	Ch. No- 931979, Dated-15-09-2010 HDFC Bank Daman	FY 10-11	INC	Swiss Company
17	Sesa Goa Ltd Sesa. Ghor	20 EDC Complex Pattc		500,000	238464 Canara Bank, Panaji	FY 05-06	BJP	Vedanta
18	Win Medicare (P) Ltd	98-Nehru Place, New Delhi 110019	AACW0631	2,500,000	Draft 199356	FY 05-06	BJP	Part of Modi-Mundipharma.Mundipharma is a Swiss Company
19	SESA GOA LTD	SESA GOA LTD. SESA GHOR 20 EDC COMPLEX PATTO, PANAJI-GOA		200,000	CHEQUE NO. 913853 CANARA. BANK. PANAJI	FY 06-07	BJP	Vedanta
20	DOW CHEMICAL INT. P. LTD.	CORPORATE PARK. UNIT NO 1, V.N. PURAV MARS MUMBAI		100,000	CHEQUE NO. 9189 CITY BANK. MUMBAI BRANCH. MUMBAI	FY 06-07	BJP	US Based company that acquired Union Carbide
21	Sesa Goa Ltd.	20 EDC Complex Panaji Goa		1,500,000	Cheque No 893723 Canara Bank Panaji	FY 07-08	BJP	Vedanta

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22	Sesa Goa Ltd.	20 EDC Complex Patto Panaji Goa		1,250,000	Chaque No 541344 Canara Bank Panaji	FY 07-08	BJP	Vedanta
23	ADANI WILMAR LIMITED	ADANI HOUSE, NR. MITHAKHALI CIRCLE NAVRANGPURA,		5,000,000	Cheque No. 928655 Date 25.03.2009 Axis Bank Ltd	FY 08-09	BJP	Adani
24	Vedanta The Madras Aluminium Co Ltd			30000000	1047911CICI Bank	FY 09-10	BJP	Vedanta
25	Vedanta The Madras Aluminium Co Ltd			5000000	1047921CICI Bank	FY 09-10	BJP	Vedanta
26	Sesa Goa Ltd	20 E D Complex Patto Panaji, Goa	AACCS710 1B	5000000	2028311CICI Bank	FY 09-10	BJP	Vedanta
27	WIN MEDICARE P LTD	C/O Modi Group of Industries, 1400-Modi Tower 98- Nehru Place, New Delhi 31J	AAACW06 31J	2500000	316038SBI	FY 09-10	BJP	Part of Modi- Mundipharma.Mundipharma is a Swiss Company
28	SEAS GOA LIMITED	P O BOX 125, SESA GHOR 20 EDC Complex Patto, Panaji Goa - 403001	AACCS710 1B	1000000	227531CICI Bank	FY 09-10	BJP	Vedanta

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P/S

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ANNEXURE - P13

4,139 NGOs lose FCRA licence, most in TN

Shyamlal Yadav Posted online: Fri Aug 10 2012, 03:32 hrs

New Delhi : The government has, over the past one month, prohibited 4,139 NGOs from receiving contributions from sources overseas. The largest block of NGOs who have been shackled — 794, or about 19 per cent of the total — are based in Tamil Nadu, ground zero of the NGO-led protests against the Kudankulam atomic power plant.

The government has published the list of NGOs who have lost their Foreign Contribution Regulation Act (FCRA) registration on the home ministry's web site. FCRA clearance is mandatory for an NGO to receive any contribution from overseas. The registrations were "canceled" because of the "violation" of FCRA between July 2012 and last week, the ministry has said.

Earlier in March, the government had cracked down on four NGOs for allegedly funding the massive protests that had paralysed work at the Kudankulam plant site in Tamil Nadu's Tirunelveli district for weeks, and ordered a freeze on the bank accounts of some other NGOs.

In November 2011, it had frozen the bank accounts of 21 NGOs, and barred another 60 from accepting overseas contributions.

While FCRA clearance is mandatory for all NGOs that accept foreign contributions, the government makes public the names of organisations which receive over Rs 1 crore in overseas contributions in any financial year. According to the home ministry, there were 262 NGOs in this category in 2011-12, a majority of whom were based in Tamil Nadu, Kerala, Maharashtra, Karnataka, Andhra Pradesh and Delhi.

Together, these 262 NGOs received Rs 1,006.58 crore in foreign contributions, says the ministry web site. Major recipients of foreign contributions were SOS Children's Village, Delhi (Rs 67.93 crore), Missionaries of Charity, Kolkata (Rs 62.78 crore), AMG India International, Guntur (Rs 48.13 crore), Sadar Anjuman Ahmedia Quadian, Gurdaspur (Rs 39.22 crore) and Hyderabad Eye Institute, Hyderabad (Rs 33.47 crore).

The number of NGOs whose FCRA clearance has been withdrawn over the past one month — 4,139 — is 9.5 per cent of the total 43,451 registered in India. The largest number of these NGOs are based, after Tamil Nadu, in Andhra Pradesh (670), followed by Kerala (450), West Bengal (384), Maharashtra (352), Delhi (299), Karnataka (296), Orissa (160), and Gujarat (158).

Total foreign contributions to NGOs fell sharply in 2011-12 from Rs 3,463.71 crore in 2010-11. An analysis of foreign receipts by NGOs published in The Indian Express on January 4, 2012 reported that as many as 958 NGOs received contributions of over Rs 1 crore in 2010-11, a little less than four times the number of the next year.

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Section 293A in The Companies Act, 1956

293A. Prohibitions and restrictions regarding political contributions.

(1) Notwithstanding anything contained in any other provision of this Act,-(a) no Government company; and(b) no other company which has been in existence for less than three financial years, shall contribute any amount or amounts, directly or indirectly,-(i) to any political party; or(ii) for any political purpose to any person.(2) A company, not being a company referred to in clause (a) or clause (b) of sub-section (1), may contribute any amount or amounts, directly or indirectly,-(a) to any political party, or(b) for any political purpose to any person: Provided that the amount or, as the case may be, the aggregate of the amounts which may be so contributed by a company in any financial year shall not exceed five per cent. of its average net profits determined in accordance with the provisions of sections 349 and 350 during the three immediately preceding financial years.

Explanation.- Where a portion of a financial year of the company falls before, the commencement of the Companies (Amendment) Act, 1985, and a portion falls after such commencement, the latter portion shall be deemed to be a financial year within the meaning, and for the purposes, of this sub-section: Provided further that no such contribution shall be made by a company unless a resolution authorising the making of such contribution is passed at a meeting of the Board of Directors and such resolution shall, subject to the other provisions of this section, be deemed to be justification in law for the making and the acceptance of the contribution authorised by it.

(3) Without prejudice to the generality of the provisions of sub-sections (1) and (2),-(a) a donation or subscription or payment caused to be given by a company on its behalf or on its account to a person who, to its knowledge, is carrying on any activity which, at the time at which such donation or subscription or payment was given or made, can reasonably be regarded as likely to effect public support for a political party shall also be deemed to be contribution of the amount of such donation, subscription or payment to such person for a political purpose;(b) the amount of expenditure incurred, directly or indirectly, by a company on advertisement in any publication (being a publication in the nature of a souvenir, brochure, tract, pamphlet or the like) by or on behalf of a political party or for its advantage shall also be deemed,-(i) where such publication is by or on behalf of a political party, to be a contribution of such amount to such political party, and(ii) where such publication is not by or on behalf of but for the advantage of a political party, to be a contribution for a political purpose to the person publishing it.(4) Every company shall disclose in its profit and loss account any amount or amounts contributed by it to any political party or for any political purpose to any person during the financial year to which that account relates, giving particulars of the total amount contributed and the name of the party or person to which or to whom such amount has been contributed.(5) If a company makes any contribution in contravention of the provisions of this section,-(a) the company shall be punishable with fine which may extend to three times the amount so contributed; and(b) every officer of the company who is in default shall be punishable with imprisonment for a term which may extend to three years and shall also be liable to fine.True Copy
on

E.A.S.Sarma
14-40-4/1 Gokhale Road
Maharanipeta
Visakhapatnam 530002

ANNEXURE - PIS

105

Shri V. S. Sampath
Chief Election Commissioner
N.Delhi

Shri H. S. Brahma
Electiob Commissioner
N.Delhi

Shri N.A. Zaidi
Electiob Commissioner
N.Delhi

Sir,

Subject:- Annual Reports of Vedanta Group of companies-
Declaration in its Annual Reports that the company donated US\$
8.29 million to political parties since 2003-04- Request for
ordering investigation into illegalities

There is a public perception that several political parties in the country receive funds in significant amounts from private companies in return for illegal favours granted to them when they are in power. The investigations that are presently in progress on spectrum sale, allotment of captive coal blocks, irregularities in iron ore mining and so on have a direct bearing on this.

Against this background, I invite your attention to the enclosed news report (Financial Express dated 26-8-2012) that cited a disclosure made by Vedanta Group of companies in their Annual Reports that they have donated US\$ 8.29 million since 2003-04 to some political parties in India whose names have not been indicated by the company. In its Annual Report for 2011-12 alone, the company disclosed such a donation to the extent of US\$ 2.01 million.

I have extracted the relevant portion of Vedanta's Annual Report (2011-12) below to give you an idea of the exact nature of the disclosure.

"It is the Board's policy that neither Vedanta nor any of its subsidiary companies may, under any circumstances, make donations or contributions to political organisations within the United Kingdom or European Union. In exceptional circumstances, where such political donations or contributions are to be paid in the United Kingdom and European Union, and if deemed necessary for legitimate business reasons, they will not be made without the approval of the Board and the shareholders in the general meeting.

During the year, the Group made political donations in India of US\$2.01 million (2011: US\$0.02 million) either through a trust or directly in respect of the Indian general election. The Board believes that supporting the political process in India will encourage and strengthen the democratic process."

The irony of the disclosure should not be lost sight of. The company is not permitted to make such a dubious contribution in UK and other European countries. However, the company has condescended to contribute to our own political parties for "supporting the political processes.....and encourage and strengthen the democratic process"!!

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Vedanta is known to have violated the law of the land in pursuing its industrial and mining projects in several States and several of its mining operations have involved serious infringements of the human rights of the local communities. The ruling parties at the Centre and in the States have often abetted Vedanta in committing such illegalities. If that is what the company has implied by saying that the donations are intended to "strengthen the democratic process", it is certainly a matter that should worry every right thinking citizen in the country. The Election Commission of India (ECI), in my view, should ponder over this and consider imposing an outright ban on all such contributions, as is the case with the democracies of Europe. Donations to political parties should not amount to blatant corruption and bribery and an affront to the rule of law.

Coming to the specific case of these contributions made by Vedanta in India, I have the following serious concerns.

- i. The Vedanta group is a London-based foreign multinational company and its contributions attract the prohibition envisaged under Sections 3 & 4 of Foreign Contributions (Regulation) Act, 1976 (as amended from time to time). Under Section 3(1)(e), in particular, "no foreign contribution shall be accepted by any political party or office bearer thereof". As such, both Vedanta and those political parties that have received the donations are liable to prosecution under this Act. ECI should quickly consult the Ministry of Home Affairs on the legal aspects involved.
- ii. Sections 29B & 29C of the Representation of the People Act, 1951 requires that the concerned political parties should make a declaration to ECI on the donations received thus from private companies. ECI should ascertain whether the concerned parties have complied with this.
- iii. Section 293A(4) of the Companies Act requires the companies making the donations to political parties to disclose the same with the details explicitly in their respective Profit & Loss Account statements. The Ministry of Corporate Affairs should cause a verification of this and take necessary action in case there is any infringement.

The concern cited at Item (i) above assumes particular relevance in the context of the recent action taken by the Ministry of Home affairs to cancel the sanctions issued to several NGOs under FC RA on the questionable ground that they have expressed dissent against dubious projects such as Kudankulam Nuclear Power Project in Tamil Nadu. It will be the height of irony if the government allows the foreign private companies to openly bribe the political parties on one side to facilitate the violation of the laws and the people's human rights, and on the other side, the same government suppresses the voice of the people against the very same companies' high-handedness! Since you are the custodian of the democratic rights of the citizens, I appeal to you to act firmly and quickly.

Since the ruling party at the Centre may have received a portion of the donations, it is possible that the concerned Ministries of the Central Government will not be allowed to investigate the above in an independent manner. It is widely reported that the UPA government has so far dealt with Vedanta in a lenient manner.

I request ECI to act on the issues I have raised here in an objective manner.

Yours sincerely,

E.A.S.Sarma
Former Secretary to GOI

Visakhapatnam
27-8-2012

107
E.A.S.Sarma
14-40-4/1 Gokhale Road
Maharanipeta, Visakhapatnam 530002

To, Shri V. S. Sampath
Chief Election Commissioner
N.Delhi

Shri H. S. Brahma
Electiob Commissioner
N.Delhi

Shri N.A. Zaidi
Electiob Commissioner
N.Delhi

Sir,

Subject:- Annual Reports of Vedanta Group of companies-
Declaration in its Annual Reports that the company donated US\$
8.29 million to political parties since 2003-04- Request for ordering
investigation into illegalities

Ref.:-

- i. My letter dated 27-8-2012 addressed to you on the subject
- ii. Abstract of donations received by political parties from
companies prepared by Association for Democratic Reforms (ADR)

I am writing this in continuation of my earlier letter 1st cited (enclosed). Under Sections 3 & 4 of Foreign Contributions (Regulation) Act, 1976, political parties are not permitted to accept contributions from foreign companies or companies controlled in India by foreign companies.

As per the information compiled by ADR at reference 2nd cited (enclosed), the following are the details of the contributions received by the political parties from such foreign companies.

BJP received Rs. 1 Crore from Nippon Investment & Finance Pvt. Ltd. (owned by a Japanese company) and Rs.15 lakhs from subsidiaries of Honda Group (Japan) during 2007-08 & 2008-09.

Samajwadi party received Rs.10 lakhs from the Honda Group during these years.

These contributions are clearly illegal. There are other companies which seem to be foreign companies the details of which need to be ascertained by ECI on its own. If there are other foreign companies, political parties would have violated FCRA provisions. They need to be proceeded against.

In addition, under Section 293A(1)(a) of companies Act, political parties cannot receive contributions from government companies. However, during the above period, Indian National Congress (INC) received Rs.2 lakhs from STC and MMTC which are Central PSUs. This is clearly illegal.

I request ECI to investigate expeditiously these statutory violations referred here and in my earlier letter and proceed against both the parties and the companies for these violations. ECI should carry out the investigation transparently so that there may be public accountability.

Yours sincerely,

E.A.S.Sarma
Former Secretary to GOI
1-9-2012

Visakhapatnam

E.A.S.Sarma
14-40-4/1 Gokhale Road
Maharanipeta
Visakhapatnam 530002

108

To, Shri V. S. Sampath
Chief Election Commissioner
N.Delhi

Shri H. S. Brahma
Electiob Commissioner
N.Delhi

Shri N.A. Zaidi
Electiob Commissioner
N.Delhi

Sir,

Subject:- Foreign funding of India's political parties- A threat to democracy and security of the nation

References:-

- i. My letter dated 27-8-2012 addressed to Election Commission of India (ECI)
- ii. My letter dated 1-9-2012 addressed to Election Commission of India (ECI)
- iii. My letter dated 3-9-2012 addressed to Revenue Secretary, Govt. of India
- iv. National Election Watch report dated 3-1-2011 on corporate contributions to political parties
- v. Vedanta Group's Annual Report for 2012
- vi. Goaleaks news report dated 3-2-2012 of Sesa Goa Annual Report for 2010-11

I refer to the correspondence and the reports cited on foreign funding of political parties in India. The list of foreign companies that have given donations and the list of political parties that have received the donations, as indicated by me in my letters cited, are not exhaustive as what I have indicated to you is what I could gather with difficulty from the Annual Reports of the companies divulged abroad and other sources.

Foreign funding to political parties and candidates cuts at the root of India's democratic system and poses a serious threat to the nation's security and integrity. As such, what I have brought to your notice is a serious matter that should not be dealt with in a casual and a routine manner.

Corporate donations to political parties and candidates per se are highly objectionable as no corporate body gives such donations without seeking undue favours from the politicians. We have seen this happening in 2-G spectrum scam, the latest captive coal block scandal and we will perhaps soon know its full magnitude in the larger scam encompassing coal, private power and PSU banks with active support from Coal, Environment and Power Ministries. In principle, the country has compromised its democratic processes by adopting an arrangement that permits private companies donating to political parties and the candidates contesting elections. Foreign funding has added a malignant dimension to this.

I feel distressed that ECI has no way to check the bona fides of the declarations made by the political parties on corporate contributions. Should not ECI have asked the political parties to submit an affidavit that the donations are legal and they do not infringe FCRA? In fact, Sections 3 & 4 of Foreign Contributions (Regulation) Act, 1976 have clearly stipulated that

foreign contributions to political parties and candidates are prohibited. Is ECI unaware of this? Why has ECI not made a public disclosure of the declarations made in this respect by the political parties? This calls for a transparent and independent investigation.

When the government is busy canceling FCRA permissions to NGOs all over the country for opposing the government's point of view, it is ironic that the same government should turn a blind eye to illegal foreign contributions to political parties! It is equally ironic that companies like Vedanta should declare triumphantly at overseas locations that they could not make similar contributions to political parties in Europe but they had no hesitation in funding the political parties in India to "strengthen" the country's democracy! Is it not a matter on which we should feel ashamed about the fragility of our law enforcing institutions? How is it that ECI has not bothered to look at these donations from FCRA point of view? How is it that the Home Ministry has ignored this all along? How is it that the Revenue Department has also remained passive?

It is possible that ECI itself is unaware of the provisions of FCRA and therefore failed to verify the legality of the donations reported by the political parties. It is possible that the political parties have not made full and accurate disclosures. It is possible that the Finance Ministry has not kept adequate tab on the accounts of the foreign companies and their subsidiaries in India.

Against this background, I request ECI to act quickly as follows.

1. Take up a quick review of the contribution reports received from the political parties during the last ten years to verify the legality of the contributions from the FCRA point of view.
2. Request Home Ministry and Finance Ministry to get the accounts of all foreign companies and their subsidiaries in India investigated to ascertain the donations made to political parties and candidates in order to initiate prosecution under the Act against the concerned companies, the political parties and the candidates without any further delay.
3. Introduce a stipulation that all political parties hereafter should certify that the contributions declared are legal under FCRA and Companies Act and they represent an accurate and exhaustive account of the donations received by them and their members
4. Place all such declarations and contribution reports in the public domain
5. Order an internal investigation in ECI as to how this aspect has all along been ignored to the detriment of the democratic traditions of the country.

I hope that ECI will act on this expeditiously.

Kindly take note of the fact that the civil society can and will always help ECI in keeping a vigil on the electoral processes but the primary responsibility for it rests on ECI which has the necessary resources and the wherewithall!

Regards,

Yours sincerely,

E.A.S. Sarma
former Secretary to GOI

Visakhapatnam
5-9-2012

110
E.A.S.Sarma
14-40-4/1 Gokhale Road
Maharanipeta
Visakhapatnam 530002

To, Shri V. S. Sampath
Chief Election Commissioner
N.Delhi

Shri H. S. Brahma
Election Commissioner
N.Delhi

Shri N.A. Zaidi
Election Commissioner
N.Delhi

Sir,

Subject:- Foreign funding of India's political parties- A threat to
democracy and security of the nation

References:-

- i. My letters dated 27-8-2012, 1-9-2012, 3-9-2012, 10-9-2012 & 16-9-2012 addressed to Election Commission of India (ECI)
- ii. ECI's communication No.56/CR/2012 PPEMS dated 29-9-2012

I am grateful to ECI for the prompt response to the letters cited above.

While I appreciate the action initiated by ECI by referring the matter to MHA, as FCRA is within MHA's jurisdiction, I wish to point out that I brought to your attention specific instances of political parties and foreign companies violating FCRA provisions. These are "foreign" companies as defined in FCRA.

I request ECI to ensure (i) that MHA acts expeditiously, (ii) in case the political parties are found to have committed an offence under FCRA, that necessary action is initiated by MHA without any delay and (iii) that MHA also brings to book the errant companies to send a strong message to them that they will not be permitted to tinker with India's democratic institutions. In the interest of furthering the cause of democracy, ECI should monitor the progress on all these three fronts as I apprehend that the political executive will influence MHA's response.

I hope ECI will act firmly and expeditiously. If there are delays, I will not hesitate to seek judicial intervention.

Regards,
Yours sincerely,
E.A.S.Sarma
Former Secretary to GOI

Visakhapatnam
29-9-2012

True copy
PB

E.A.S.Sarma
14-40-4/1 Gokhale Road
Maharanipeta, Visakhapatnam 530002

ANNEXURE - P 16

To, Shri Sumit Bose
Revenue Secretary
Govt. Of India

111

Dear Shri Bose,

Subject:- Illegal for political parties to receive contributions from foreign companies- Contributions prohibited under Foreign Contributions Regulation Act (FCRA)- Political parties cannot claim tax exemption under Section 13A of income Tax Act- Probe called for

References:-

- i. My letter dated 27-8-2012 to Election Commission of India (ECI) on contributions made by Vedanta Group of Companies
- ii. my letter dated 1-9-2012 to Election Commission of India (ECI) on contributions made by other foreign companies

I have enclosed here copies of the two letters cited, addressed to ECI on the subject.

Sections 3 & 4 of Foreign Contributions (Regulation) Act, 1976 prohibit political parties receiving contributions from "foreign" companies. All such companies having predominant foreign equity control and all other companies controlled by foreign companies attract this prohibition.

I find that several political parties have received donations from such foreign companies despite the legal embargo on such donations. My two letters to ECI list out some of such contributions.

Under Section 13A of Income Tax Act, political parties are entitled to seek tax exemption on voluntary contributions received by them from companies subject to certain well defined conditions. Since the parties have clearly ignored the prohibition under FCRA, I suspect that the concerned political parties have also casually claimed tax exemption for such illegal donations and I would not be surprised if the Income Tax Department has unsuspectingly granted tax exemptions to them.

The list of foreign companies I have provided in my two letters to ECI is only illustrative and not exhaustive. CBDT should obtain the particulars of contribution reports of political parties from ECI and ascertain the nature of control exercised by foreign companies in each case. A detailed probe is therefore called for. It may also be necessary to conduct a sample check of the foreign companies that have donated to political parties so that false declarations, if any, on the part of some political parties may be investigated. This seems necessary specifically in the case of Vedanta Group (Sterlite and Sesa Goa are subsidiaries of Vedanta) which has not divulged the names of the political parties to whom it had given donations.

I request you therefore to get this matter investigated and withdraw tax exemptions, if any, granted to political parties in the case of such foreign company donations. Your Department should simultaneously keep the ECI fully in the picture.

Regards,

Yours sincerely,

E.A.S.Sarma
Former Secretary to GOI

2-9-2012

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112
ANNEXURE- P17

ELECTION COMMISSION OF INDIA

Nirvachan Sadan, Ashoka Road, New Delhi-110001

56/CR/2012/PPEMS

Dated: 29th September, 2012

To

Shri E. A. S. Sarma,
14-40-4/1 Gokhale Road,
Maharanipeta
Visakhapatnam- 530002
Andhra Pradesh

Subject: - Contribution recieved by political parties from foreign sources- your letters/correspondences addressed to the Commission on this issue – Regarding.

Sir,

Kindly refer to your correspondences addressed to the Commission on the subject cited. I am directed to inform you with regard to the action taken on the issue of alleged contributions received by the political parties from foreign sources.

The Commission has made a reference to the M/o Home Affairs (being the authority for administrating FCRA, 1976) for verification of donations from foreign sources and necessary action, if any contravention to the said act is detected.

Further, as of now there is no explicit declaration made by political parties in the Form 24A (filed under rule 85B of the Conduct of Elections Rules 1961 read with Section 29C of the Representation of the People Act 1951) for the contributions received by them from foreign Companies or their subsidiaries, persons or sources. Therefore, Commission has also proposed appropriate modifications to the existing Form 24A for inclusion of a clause in the declaration of the political parties to that effect.

The above is for your kind information please.

Yours faithfully,

True Copy
MB

(MALAY MALLICK)
UNDER SECRETARY

113

E.A.S.Sarma
14-40-4/1 Gokhale Road
Maharanipeta
Visakhapatnam 530002
Mobile: 919866021646

To
President of India
Election Commission of India

Secretary
Ministry of Home Affairs
Govt. of India

Secretary
Dept. of Revenue
Ministry of Finance
Govt. of India

Association of Democratic Reforms/ National Election Watch

Other Civil Society Organisations

All others concerned

Sir,

Subject:- Statutory violation by political parties- Need for electoral reform

For quite sometime, I have been corresponding with Election Commission of India (ECI) on the need to improve the format of the affidavits filed by contesting candidates on their financial background and pending criminal cases, so as to secure greater compliance with the citizen's "right to know" under Article 19, as well as on the need to proceed against political parties accepting donations from foreign companies in violation of Foreign Contributions (Regulation) Act (FCRA). I enclose copies of these letters for your ready reference.

In response to my letters, I have received prompt replies from the Commission addressing some of my concerns. I enclose copies of the two communications I have received in this connection from ECI.

As I have stated, ECI's communications have met my concerns only partially. The unanswered concerns are as follows.

Affidavits filed by the contesting candidates:

The format of the candidates' affidavits, despite the improvements now introduced, do not allow the citizen to know the sources of the candidate's income

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or his/ her association with companies and other entities that may have a dubious background. To cite an example, a contesting candidate has not disclosed his/ her association with a private company that has been found to be causing toxic pollution of the river waters that form the source of "protected" water supply for thousands of people living downstream. Also, as now displayed at the websites of the State Election authorities, in some cases, the annexures attached to the affidavit provide the details of the assets of the candidate. While the affidavits are on display, the crucial annexures are not readily accessible to the citizens.

I appeal to the Commission to make such changes in the format of the affidavit that secure greater compliance with the citizen's right to know under Article 19. The greater the citizen's awareness of the candidate's background, the more informed will he/ she be in exercising his/ her right to vote.

Donations made by private companies to political parties:

In several countries having progressive democratic systems, the political parties are not allowed to accept donations from private companies, as such donations can result in quid pro quos leading to political corruption. Limited state funding could provide a better alternative to enable deserving candidates to contest elections. Unfortunately, in our context, both the Representation of the People Act and the Companies Act have been modified to permit the political parties to receive donations from private companies. In 2009, the government went one step further by allowing the political parties to claim tax exemption for such donations! In my view, these are regressive steps taken by the government.

Over the years, the electoral process has become more and more dependent on money-power and this in turn has prompted the political parties to get into an open nexus with unethical private agencies to thwart fairness and equity in elections. Corporate donations have become a part of this unhealthy trend. The private companies have devised several other ways in which they could pass on unholy benefits to the political parties and the influential individuals that play a dominant role in the affairs of such political parties.

As you will observe from my correspondence with ECI, I came across several instances of political parties accepting donations from foreign companies in violation of Foreign Contributions (Regulation) Act under which no political party or a candidate seeking election can accept such donations. Considering that it is the Ministry of Home Affairs (MHA) that administers FCRA, ECI has rightly referred my complaints to that Ministry, as evident from the Commission's communication cited.

In the past, MHA had displayed extraordinary alacrity in canceling the permissions given under FCRA to hundreds of NGOs on the ground that they failed to submit accounts on time. Let us hope that MHA displays the same alacrity in proceeding against the companies and the political parties that have blatantly violated the FCRA provisions. More than anything else, to say the least, FCRA violations by the political parties pose an affront to India's democracy. Such violations pose a threat to national security.

I appeal to MHA to proceed under FCRA against the concerned political parties, as well as the foreign companies, effectively and without any delay. The Finance Ministry (Revenue) should revoke the tax concessions erroneously given to political parties on such illegal donations. The proceedings under FCRA and Income Tax Act should be rendered totally transparent so that there may be public scrutiny and public accountability. I hope that ECI will act as an effective oversight agency to ensure that both MHA and Finance Ministry function transparently and without any procedural and other delays.

On behalf of the civil society, I appeal to the President of India to direct the ECI to initiate a review of the regressive concept of political parties accepting corporate donations, as such a practice erodes the efficacy of our democracy. Corporate donations have introduced a bias among the political parties in favour of the private companies against the public interest. I have evidence to show that some political parties have accepted donations from companies that have blatantly violated the environment laws, bribed the governments and infringed several statutes. Certainly, accepting donations from such errant companies has no sanction from the Constitution and the laws made in accordance with it.

I appeal to all civil society organisations to strengthen the hands of ECI in combating electoral corruption by introducing the kind of reforms that I have cited above.

Yours sincerely,

E.A.S.Sarma

Former Secretary to GOI

Visakhapatnam

18-10-2012

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LAW COMMISSION OF INDIA**ONE HUNDRED SEVENTIETH REPORT (MAY, 1999)****ON REFORM OF THE ELECTORAL LAWS****PART III : Analysis of views and Commission's Conclusions****CHAPTER I : Necessity for providing law relating to internal democracy within political parties**

3.1.1. On a consideration of the various views expressed in the four seminars aforesaid and the vast number of responses received by us, we have come to the conclusion that for successful implementation of any of the aforesaid proposals, or for that matter for bringing a sense of discipline and order into the working of our political system and in the conduct of elections, it is necessary to provide by law for the formation, functioning, income and expenditure and the internal working of the recognised political parties both at the national and State level.

The necessity of such a requirement was stressed by Shri S. Jaipal Reddy, MP (a former Minister for Information and Broadcasting), by Shri Manjit Singh Khera (representing SAD), by Dr. N.L. Mitra, Director, National Law School of India University, and several other participants in the seminars held by the law Commission. To the same effect was the view expressed by Shri Santosh Sharma, IAS (retd.) and president of "People First". As pointed out in chapter four of Part one, the German Constitution, which was enacted practically at the same time as our Constitution, expressly provides for formation and functioning of the political parties. Article 21 which has been set out in the said chapter says that the political parties shall help form the political will of the people, that political parties can be freely established and that their internal organisation shall conform to democratic principles. It further says that the political parties should publicly account for the sources and use of their funds and for their assets. Article 21 further provides that political parties which by reason of their aims or the conduct of their adherents seek to impair or do away with the free democratic basic order or threaten the existence of the Federal Republic of Germany shall be unconstitutional and that the Federal Constitutional Court shall rule upon the question of unconstitutionality. Clause (3) of Article 21 provides that the details in this behalf shall be provided by federal laws. Accordingly, on 24th July 1967, the law on Political Parties was enacted. We have already referred to the relevant provisions of this Law in chapter four of Part One.

3.1.1.1. Shri Rajni Kothari while dealing with powers of internal democracy in the Congress Party, said this:

"The 'Congress system' has to learn to bear more strains and deal with more problems but it has also to become more of a 'system' than it at present is. After March, 1967, it will need to consider further steps towards its own institutionalisation in the resolution of disputes, in the conduct of

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internal elections, in organising party intelligence and research, in policy-decision making, in the party's own federal relations, in party-government communications, and above all in regard to the whole process of selection of candidates for different types of elections and especially for the General Elections." (Centre for the Study of Developing Societies, Context of Electoral Change in India, General Elections, 1967, page3).

3.1.2. With a view to introduce and ensure internal democracy in the functioning of political parties, to make their working transparent and open and to ensure that the political parties become effective instruments of achieving the constitutional goals set out in the Preamble and Parts III and IV of the Constitution of India, it is necessary to regulate by law their formation and functioning. In this connection, reference can be had to the law laid down in the nine-judge Constitution Bench of the Supreme Court in *S.R.Bommai v. Union of India* (1994 (3) SCC1). Explaining the concept of secularism implicit in the constitutional provisions, the Court made the following observations at page 236:

"Inspired by the Indian tradition of tolerance and fraternity, for whose sake, the greatest son of Modern India, Mahatma Gandhi, laid down his life and seeking to redeem the promise of religious neutrality held forth by the Congress Party, the Founding Fathers proceeded to create a State, secular in its outlook and egalitarian in its action... if any party or organisation seeks to fight the elections on the basis of plank which has the proximate effect of eroding the secular philosophy of the Constitution it would certainly be guilty of following an unconstitutional course of action.... if the Constitution requires the State to be secular in thought and action, the same requirement attaches to political parties as well."

3.1.2.1. On the parity of the above reasoning, it must be said that if democracy and accountability constitute the core of our constitutional system, the same concepts must also apply to and bind the political parties which are integral to parliamentary democracy. It is the political parties that form the government, man the Parliament and run the governance of the country. It is therefore, necessary to introduce internal democracy, financial transparency and accountability in the working of the political parties. A political party which does not respect democratic principles in its internal working cannot be expected to respect those principles in the governance of the country. It cannot be dictatorship internally and democratic in its functioning outside.

3.1.3. Conclusion.- Keeping the aforesaid considerations in mind, we recommend that a new part, Part II-A, entitled 'Organisation of Political Parties and matters incidental thereto' be introduced/inserted in the Act, containing the undermentioned sections:

3.1.3.1. In view of reiteration of our proposal to repeal section 11 and 11B of the Representation of People Act, 1951 as stated under paragraphs 6.1.1 and 6.2 of part VI infra, the existing section 11-A entitled "Disqualifications arising out of conviction and corrupt practices" which will fall under Chapter IV, shall be renumbered as Section 11. Consequently, the following sections proposed to be inserted under part II-A shall be numbered as Section 11-A to 11-H.

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IN THE HIGH COURT OF DELHI AT NEW DELHI
 WP (C) NO. _____ OF 2013

Association for Democratic Reforms & Anr.

Plaintiff/Petitioner(s)

VERSUS

Union of India & ors.

Defendant/Respondent(s)

KNOW ALL TO WHOM these presents shall come that

I/we Jagdeep S. Chhokar, founder Trustee
and Secretary, 4th floor, B-35, Gyan Institution
Area, New Delhi - 16

Petitioner(s) - 1 the _____
 do hereby appoint

SHRI PRASHANT BHUSHAN

Advocate

to be my/our Advocate in the above named case and authorize him:

To act, appear and plead in the above named case in this court or in any other court in which the same may be tried or heard and also in the appellate court.

To sign, file, verify and present pleadings, replications, appeals, cross-objections or petitions for execution, review, revision, restoration, withdrawal, compromise, or other petitions, replies objections, and affidavits and other documents as may be deemed necessary and proper for the prosecution of the said case in all its stages.

To file and take back documents.

To withdraw, or compromise the said case, or submit to arbitration any differences or disputes that may arise touching or in any manner relating to the said case.

To take out execution proceedings.

To deposit draw and receive moneys, cheques and grant receipts thereof, and to do such other acts and things which may be necessary to be done for the progress and in the course of the prosecution of the said case.

To appoint and instruct any other legal practitioner authorizing him to exercise the power and authorities hereby conferred upon the above advocate or his substitute in the matter u/s my/our acts as if done by me/us for all intents and purposes.

And I/We undertake that I/We or my duly authorized agent would appear in court on all hearings and will inform the advocates for appearance when the case is called.

And I/We the undersigned do hereby agree not to hold the advocate or his substitute responsible for the result of the said case or any negligence of the said advocate or his substitute.

And I/We the undersigned do hereby agree that in the event of the whole or any part of the fee agreed by me/us to be paid to the Advocate, remaining unpaid, he shall be entitled to withdraw from the prosecution of the said case until the same is paid up.

In witness whereof I/We do herein set my/our hand to these presents the contents of which have been understood by me/us on this the 2nd day of January 2013

Accepted, verified and identified the client.

PRASHANT BHUSHAN

ADVOCATE
301, New Lawyers' Chamber
Supreme Court of India

New Delhi
Phone: 23070301, 9811164068


CLIENT

Prof. Jagdeep S. Chhokar
Founder Trustee and Secretary
Association for Democratic Reforms



WP (C) NO. _____ OF 2013

~~Association for Democratic Reforms~~ Plaintiff/Petitioner(s)

VERSUS

~~Union of India & ors~~ Defendant/Respondent(s)

KNOW ALL TO WHOM these presents shall come that

I/We Dr. E.A.S. Sarma, R/O 14-40-4/1, Gokhale Road
Maharajipeta, the Petitioner-2 do hereby appoint
Visakhapatnam - 530002 (Andhra Pradesh)

SHRI PRASHANT BHUSHAN

Advocate

to be my/our Advocate in the above named case and authorize him:

To act, appear and plead in the above named case in this court or in any other court in which the same may be tried or heard and also in the appellate court.

To sign, file, verify and present pleadings, replications, appeals, cross-objections or petitions for execution, review, revision, restoration, withdrawal, compromise, or other petitions, replies objections, and affidavits and other documents as may be deemed necessary and proper for the prosecution of the said case in all its stages.

To file and take back documents.

To withdraw, or compromise the said case, or submit to arbitration any differences or disputes that may arise touching or in any manner relating to the said case.

To take out execution proceedings.

To deposit draw and receive moneys, cheques and grant receipts thereof, and to do such other acts and things which may be necessary to be done for the progress and in the course of the prosecution of the said case.

To appoint and instruct any other legal practitioner authorizing him to exercise the power and authorities hereby conferred upon the above advocate or his substitute in the matter u/s my/our acts as if done by me/us for all intents and purposes.

And I/We undertake that I/We or my duly authorized agent would appear in court on all hearings and will inform the advocates for appearance when the case is called.

And I/We the undersigned do hereby agree not to hold the advocate or his substitute responsible for the result of the said case or any negligence of the said advocate or his substitute.

And I/We the undersigned do hereby agree that in the event of the whole or any part of the fee agreed by me/us to be paid to the Advocate, remaining unpaid, he shall be entitled to withdraw from the prosecution of the said case until the same is paid up.

In witness whereof I/We do herein set my/our hand to these presents the contents of which have been understood by me/us on this the 5th day of January 2013

Accepted, verified and identified the client.

PRASHANT BHUSHAN

ADVOCATE

301, New Lawyers' Chamber
 Supreme Court of India, New Delhi
 Phone: 23070301, 9811164068

CLIENT

Dr. E A S Sarma