

**GOVERNMENT OF INDIA
HOME AFFAIRS
LOK SABHA**

STARRED QUESTION NO:252
ANSWERED ON:21.07.2009
FOREIGN FUNDS TO ORGANISATIONS
Dubey Shri Nishikant

Will the Minister of HOME AFFAIRS be pleased to state:

- (a) the total amount of foreign contributions received by various organisations including Non-governmental Organisations (NGOs) during each of the last three years;
- (b) whether any mechanism exists to monitor and review the activities and working of such organisations;
- (c) if so, the details thereof;
- (d) whether any review has been conducted recently in this regard;
- (e) if so, the details and findings of such review; and
- (f) the follow-up action taken thereon?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI MULLAPPALLY RAMACHANDRAN)

(a) to (f): A statement is laid on the Table of the House.

STATEMENT IN REPLY TO LOK SABHA STARRED QUESTION NO. 252 FOR ANSWER ON 21ST JULY. 2009 REGARDING; 'FOREIGN FUNDS TO ORGANISATIONS' BY SHRI NISHIKANT DUBEY.

(a): As per the information available, the amount of foreign contribution received by Associations registered and Associations granted prior permission under the Foreign Contribution (Regulation) Act, 1976 over 3 years is as under:

Year Amount of foreign contribution
(Rs. in Crore)

2005-06	7877.57
2006-07	12289.63
2007 -08	9663.46#

#provisional

(b) to (f) Monitoring of receipt and utilisation of foreign contribution by Associations is done through scrutiny of audited annual returns filed by Associations. In case of any complaint against an Association indicating violations of the provisions of the Act or any other adverse inputs, an inspection of the books of accounts and records of such Association is carried out and appropriate action is taken under the Act. In cases of violations of a minor nature and where it is found that there is no misutilisation/diversion of foreign contribution for undesirable purposes, action to condone is considered based on a case to case evaluation.

However, if any association is found involved in serious violations, VIZ. misutilisation/diversion of foreign contribution, action is initiated against the association. Such actions include (i) placing the Association in Prior Permission category, (ii) prohibiting it from receiving foreign contribution, (iii) prosecuting it in a court of law and (iv) freezing its bank accounts. Furthermore, in those cases, where it is found that the contribution is being diverted for purposes other than the stated objectives of the association, the matter is referred to Central Bureau of Investigation (CBI) for a detailed investigation and prosecution, if necessary.

On the basis of the complaints received and inquiries made, 41 associations are prohibited from receiving foreign contribution, 34 Associations are placed in Prior Permission category, and accounts of 11 Associations are frozen at present. A list of the associations against which action has been taken for violation of various provisions of the Act, is available on MHA's website: (<http://mha.nic.in/fcra.htm>). Further, at present 13 cases have been referred to CBI for detailed investigations for FCRA violations.