

**GOVERNMENT OF INDIA
HOME AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:364

ANSWERED ON:07.07.2009

FOREIGN FUNDS TO NGOS

Laguri Shri Yashbant Narayan Singh; Vasava Shri Mansukhbhai D.

Will the Minister of HOME AFFAIRS be pleased to state:

- (a) whether the Non-Governmental Organisations (NGOs) working in the country are getting financial assistance from abroad;
- (b) if so, the names of such NGOs receiving more than rupees ten lakh as financial assistance during each of the last three years;
- (c) whether the Government reviews the working of such NGOs to ensure that such funds are used in accordance with the rules and safety norms by the NGOs;
- (d) if so, the details thereof; and
- (e) if not, the reasons therefor?

Answer

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

(a) to (e): A Statement is laid on the Table of the House.

STATEMENT IN REPLY TO PARTS (a) TO (e) TO THE LOK SABHA UNSTARRED QUESTION NO. 364 FOR ANSWER ON 7TH JULY, 2009 REGARDING FOREIGN FUNDS TO NGOS.

(a): Yes, Sir. As per the Foreign Contribution (Regulation) Act, 1976, no Association having a definite cultural, economic, educational, religious or social programme can accept foreign contribution without registration or prior permission from the Central Government under the Act.

(b): As per the information available, the number of Associations, which have received foreign contribution of more than Rs. 10 lakh during the last three years, is given in the table below.

Year	Number of Associations
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2005-2006	5278
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2006-2007	6483
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2007-2008	6653
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(c) to (e): Monitoring of receipt and utilization of foreign contribution by Associations is done through the scrutiny of audited annual returns filed by the Associations. In case of any complaint or adverse inputs indicating violations of the provisions of the Act, an inspection of books of accounts and records of the Associations is carried out and appropriate action is taken.

If any association is found involved in misutilisation/diversion of foreign contribution, action is initiated against the association. Such action includes

- (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.

In case of serious violations, 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 have been prohibited from receiving foreign contribution, 34 Associations have been placed in Prior Permission category, and accounts of 11 Associations have been frozen. 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>). 13 cases have been referred to CBI for detailed investigations of FCRA violations.