

**GOVERNMENT OF INDIA
HOME AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:3774
ANSWERED ON:18.02.2014
FOREIGN FUNDS TO POLITICAL PARTIES
Upadhyay Seema,Vardhan Shri Harsh

Will the Minister of HOME AFFAIRS be pleased to state:

- (a) Whether the Government has ordered an inquiry into the alleged donations received by some political parties in violation of the Foreign Contributions Regulation Act (FCRA), 1976;
- (b) if so, the details thereof and the present status of the inquiry;
- (c) whether the Supreme Court/Election Commission has asked for a reply from the Government in regard to donations received by some political parties from various foreign organisations and private individuals;
- (d) if so, whether the Government has sent its reply to the Supreme Court/Election Commission in this regard;
- (e) if so, the details thereof and if not, the reasons therefor; and
- (f) the steps taken or being taken by the Government to adopt the same criteria for all political parties in regard to donations received from foreign sources?

Answer

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

(a) to (e): In pursuance of WP(C) No. 131 of 2013 (Association of Democratic Reforms & another VS. Union of India), Government examined the issues raised regarding donations received by Political Parties by calling reports from concerned Ministries etc.

Three affidavits have been filed in the Hon'ble High Court. Copies of the affidavits have been sent to Election Commission of India. Similarly, in response to WP(C) No. 6414 of 2013 filed in the matter of funding of AAP (Aap Aadmi Party), affidavits have been submitted before the Hon'ble High Court of Delhi.

(f): As per Section 3 of Foreign Contribution (Regulation) Act, 2010, which came into force on 01/05/2011, Political Parties are prohibited from receiving foreign contribution.

As a routine matter, Government does not monitor accounts of political parties from FCRA angle. However, banks have a responsibility to ensure that funds are not transferred in violation of Foreign Contribution (Regulation) Act. Further, political parties come under purview of Representation of People Act, 1951. As per Section 29 B of the 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 [now clause (j) of Section 2 of the Foreign Contribution (Regulation) Act, 2010].