

THE FOREIGN CONTRIBUTION (REGULATION)  
AMENDMENT ACT, 1985

Ng. 1 OF 1985

[31st January, 1985.]

An Act to amend the Foreign Contribution (Regulation) Act, 1976.

Be it enacted by Parliament in the Thirty-fifth Year of the Republic of India as follows:—

1. (1) This Act may be called the Foreign Contribution (Regulation) Amendment Act, 1985.

Short title and Commencement.

(2) The provisions of this Act, other than sections 4 and 6, shall be deemed to have come into force on the 20th day of October, 1984, and sections 4 and 6 shall be deemed to have come into force on the 1st day of January, 1985.

49 of 1976.

2. In section 2 of the Foreign Contribution (Regulation) Act, 1976 (hereinafter referred to as the principal Act), in sub-section (1),—

Amendment of section 2

(a) in clause (c), the following Explanation shall be inserted at the end, namely:—

“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;”

(b) for clause (g), the following clause shall be substituted, namely:—

(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 I to the notification of the Election Commission of India No. 56|J&K|84, dated the 27th September, 1984, as in force for the time being;'

Amendment of section 4.

3. In section 4 of the principal Act, in sub-section (1), in clause (c), for the words "Government servant", the words "Judge, Government servant" shall be substituted.

Amendment of section 6.

4. In section 6 of the principal Act, for sub-section (1), the following sub-sections shall be substituted, namely:—

(1) No association [other than an organisation referred to in sub-section (1) of section 5] having a definite cultural, economic, educational, religious or social programme shall accept foreign contribution unless such association,—

(a) registers itself with the Central Government in accordance with the rules made under this Act; and

(b) agrees to receive such foreign contributions 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 where such association obtains any foreign contribution through any branch 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."

Amendment of section 9.

5. In section 9 of the principal Act, in the opening portion, for the words "Government servant", the words "Judge, Government servant" shall be substituted.

6. In section 10 of the principal Act, in clause (b), for the words and figure "require any association, specified in section 6", the words, brackets and figures "without prejudice to the provisions of sub-section (1) of section 6, require any association specified in that sub-section" shall be substituted.

Amendment of section 14.

7. In section 14 of the principal Act, for the words and figure "class I post", at both the places where they occur, the words and letter "Group A post" shall be substituted.

Amendment of section 14.

8. After section 15 of the principal Act, the following section shall be inserted, namely:—

Insertion of new section 15A.

"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 law or if, after inspection of such returns, the Central Government has any reasonable cause to believe that any provision of this Act has been, or is being, contravened, that Government may, by general or special order, authorise such gazetted officer, holding a Group A post, as it may think fit, to audit any books of account kept or maintained by such 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:

Audit of accounts.

Provided that any information obtained from such audit shall be kept confidential and shall not be disclosed except for the purposes of this Act."

9. After section 25 of the principal Act, the following section shall be inserted, namely:—

Insertion of new section 25A.

"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."

Prohibition of acceptance of foreign contribution.

10. (1) The Foreign Contribution (Regulation) Amendment Ordinance 1984, is hereby repealed.

Repeal and saving.

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act, as amended by the said Ordinance, shall be deemed to have been done or taken under the principal Act, as amended by this Act.