

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 11TH DAY OF AUGUST, 2023

BEFORE

THE HON'BLE MRS. JUSTICE K.S. HEMALEKHA

WRIT PETITION No.6111/2014 (GM-RES)

BETWEEN:

MANASA
CENTRE FOR DEVELOPMENT AND SOCIAL ACTION,
I/F, ANJANAPPA COMPLEX,
35 HENNUR MAIN ROAD,
LAINGARAJAPURAM,
ST. THOMAS TOWN P.O.
BANGALORE – 560 084,
KARNATAKA, INDIA,
REPRESENTED BY ITS SECRETARY
MR. MATHEW PHILIP.

... PETITIONER

(BY SRI SIJI MALAYIL, ADVOCATE)

AND:

1. THE MANAGING DIRECTOR,
THE DEVELOPMENT CREDIT BANK LTD.,
CORPORATE OFFICE,
6TH FLOOR, TOWER 'A',
PENINSULA BUSINESS PARK,
SENAPATI BAPAT MARG,
LOWER PAREL,
MUMBAI – 400 013.
2. THE BRANCH MANAGER,
THE DEVELOPMENT CREDIT BANK,
MG ROAD BRANCH,
NO.31/1, PRESTIGE MEREDIAN ANNEX,
NO.128, M.G. ROAD,
BANGALORE – 560 001.

3. THE REGIONAL DIRECTOR,
RESERVE BANK OF INDIA,
NO.10/3/8, NRUPATHUNGA ROAD
BANGALORE – 560 009.

4. HOME SECRETARY
THE MINISTRY OF HOME AFFAIRS,
GOVERNMENT OF INDIA,
NORTH BLOCK,
NEW DELHI – 110 001.

(AMENDED AS PER THE
V.C.O. DATED 04/09/2015) ... RESPONDENTS

(BY SRI V.K. SREENATH, ADVOCATE FOR R-1 AND R-2;
R-3 IS SERVED;
SRI H. SHANTHI BHUSHAN, DSG FOR R-4)

THIS WRIT PETITION IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA, PRAYING TO DIRECT THE RESPONDENT NO.1 AND 2 TO FOLLOW REPRESENTATION OF THE PETITIONER AT ANNEXURE-L DATED 29.08.2013 AND RELEASE THE FUNDS THAT ARE KEPT ASIDE BY THE RESPONDENT NO.2 BANK BRANCH; DIRECT THE RESPONDENT NO.1 BANK TO COMPENSATE A SUM OF RS.10,00,000/- (RUPEES TEN LAKHS) FOR THE DAMAGES CAUSED TO THE PETITIONER AND ALSO THE INTEREST PAYABLE TO THE SAID AMOUNT.

THIS WRIT PETITION HAVING BEEN HEARD AND RESERVED ON 16/06/2023 FOR ORDERS AND COMING FOR PRONOUNCEMENT OF ORDER THIS DAY, THE COURT PRONOUNCED THE FOLLOWING:

ORDER

The petitioner in this writ petition is seeking the following reliefs:

"a) issue a writ of mandamus or any other writ or order or direction the Respondent No.1 and 2 to follow representation of the Petitioner at Annexure-L dated 29.08.2013 and release the funds that are kept aside by the Respondent No.2 Bank Branch.

b) issue a writ of mandamus or any other writ or order or direction directing the Respondent No.1 Bank to compensate a sum of Rs.10,00,000/- (Rupees Ten Lakhs) for the damages caused to the petitioner and also the interest payable to the said amount.

c) to grant such other relief/s as this Hon'ble court deems fit to grant in the circumstances of the case, in the interest of justice and equity."

2. It is the case of the petitioner - MANSA Centre for Development and Social Action that it is a registered society under the Societies Registration

Act, 1860. The petitioner has obtained permanent registration bearing No.094520845 under the Foreign Contribution (Regulation) Act, 2010 ("the FCR Act, 2010" for short) from the Ministry of Home Affairs, having the designated Savings Bank account with respondent No.2 - Bank branch bearing No.03810900000195, it is stated that even though there was sufficient funds in the aforementioned account, respondent No.2 has dishonoured the cheque citing "insufficient funds" and has rejected certain cheques issued from the above account. On enquiry, respondent No.2, by handing over a letter to the petitioner, has stated that an amount of Rs.29,12,890.96 has been kept aside and that any remittance being received from "Dan Church Aid" can be credited to the petitioner's account only after receiving appropriate approvals/clearance from the Ministry of Home Affairs and as such, the bank was

constrained to freeze the credit in the petitioner's account. It is stated by the petitioner that a representation has been given to respondent No.2 - Branch Manager, that the petitioner organisation has completely utilised the funds received by the "Dan Church Aid" and conducted several programmes and the said project agreement with the "Dan Church Aid" is complete and closed on 31.12.2012 and thereafter, the petitioner has not received any amount from "Dan Church Aid" and the funds in the account were of the other funding agency including from Action Aid and as such the petitioner was entitled for the amount.

3. It is stated in the petition that since the amount has already been utilised and the petitioner's account goes to show that the funds now have been frozen by the respondent - bank is the funds that the petitioner organisation has received from other donors and not the fund of "Dan Church Aid". As such, the

action of respondent No.1 – organisation, freezing the fund is highly arbitrary and high handedness on the part of respondent No.1.

4. Respondent Nos.1 and 2 have filed their statement of objections, *inter alia*, contending that the action on the part of the respondents is in view of the fact that the Government of India, Ministry of Home Affairs, FCRA unit has directed the respondents not to credit the amount received from "Dan Church Aid" into their account till further instructions from the ministry. In view of the instruction issued under Section 46 of the FCR Act, 2010, the same has been followed and further, it is stated that the Reserve Bank of India ("RBI") has directed to withhold the amounts received from "Dan Church Aid" without clearance of Ministry of Home Affairs as per the Regulations 35(A) of the Banking Regulation Act, 1949 and the respondents have withheld the credit amount received from "Dan

Church Aid". It is the contention of the respondents that merely having a permanent registration under the FCR Act, 2010 does not automatically gets amount credited to the designated account, it is subject to the clearance by the Ministry of Home Affairs.

5. Learned counsel for respondent No.4 along with a memo has produced the copy of the letter dated 20.11.2018 issued by the Director (Monitoring Unit), Foreigners Division, (FCRA Wing) Ministry of Home Affairs, Government of India addressed to the ASG of India, the said memo annexed with document is placed on record.

6. Heard Sri Siji Malayil, learned counsel for the petitioner; Sri V.K.Sreenath, learned counsel for respondent Nos.1 and 2 and Sri H.Shanthi Bhushan, learned Deputy Solicitor General for respondent No.4 and perused the entire material on record.

7. This Court has carefully considered the rival contentions urged by the learned counsel for the parties and perused the entire material on record.

8. The Foreign Contribution Regulation Act, 1976 (49 of 1976) was enacted noticing that some of the foreign countries were funding individuals, associations, political parties, candidates for elections, correspondence, columnists, editors, owners, printers or publishers of newspapers and they were extending hospitality. The effects of such funding and hospitality were quite noticeable and to have control over such funding and hospitality and to regulate the acceptance and utilisation of the 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 the said Act was enacted. Since its enactment in 1976, several deficiency had been found and it was proposed to enact a fresh law on the subject by repealing the Act 49 of 1976. Accordingly, the Foreign Contribution (Regulation) Bill was introduced in the Parliament and by the Act 42 of 2010, the Foreign Contribution (Regulation) Bill having been passed by both the Houses of Parliament received the assent of the President on 26.09.2010 and it came on the Statute Book.

9. The object of the FCR Act, 2010 (42 of 2010) that 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 for any activities detrimental to the national interest and for matters connected therewith or incidental thereto. The definition of the Foreign Contribution is mentioned under Section 2(h) of the said Act, which reads as under:

"2(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)."

10. Section 2(m) of the Act defines the "person" which reads as under:

"2(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)"*

11. Relevant sections to be considered in this petition of FCR Act are Sections 3, 4 and 9 of Chapter II and Sections 11 and 12 of Chapter III. Section 3 read as under:

"3. Prohibition to accept foreign contribution. - (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) public servant, 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 sub-section (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).

"4. Persons to whom section 3 shall not apply.-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.

x x x

"9. Power of Central Government to prohibit receipt of foreign contribution, etc., in certain cases.-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.*

The Central Government under Section 9 has
been authorised to:

(i) prohibit any person or
organisation, not specified in section 3,
from accepting any foreign contribution;

(ii) 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;

(iii) require any person or class of
persons not specified in section 11, to
furnish intimation within the specified time
and in the specified manner, as to the

amount of any foreign contribution received by such person or class of persons 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.*"

12. Section 11 of Chapter III states about the registration of certain persons with Central Government which reads as under:

"11. Registration of certain persons with Central Government.-(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 the Central Government, on the basis of any information or report, and after holding a summary inquiry, has reason to believe that a person who has been granted prior permission has contravened any of the provisions of this Act, it may, pending any further inquiry, direct that such person shall not utilise the unutilised foreign contribution or receive the remaining portion of foreign contribution which has not been received or, as

the case may be, any additional foreign contribution, without prior approval of the Central Government:

Provided further that if the person referred to in sub-section (1) or in this sub-section 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."

13. Section 11 envisages that 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.

14. Section 12 speaks about the grant of certificate of registration and the same reads as under:

"12. Grant of certificate of registration.-(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.

(1A) Every person who makes an application under sub-section (1) shall be required to open "FCRA Account" in the manner specified in section 17 and mention details of such account in his application.

(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 there 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 subsection (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."

15. Section 17 of Chapter IV of the FCRA Act reads as under:

"17. Foreign contribution through scheduled bank.-(1) *Every person who has been granted certificate or prior permission under section 12 shall receive foreign contribution only in an account designated as "FCRA Account" by the bank, which shall be opened by him for the purpose of remittances of foreign contribution in such branch of the State Bank of India at New Delhi, as the Central Government may, by notification, specify in this behalf:*

Provided that such person may also open another "FCRA Account" in any of the scheduled bank of his choice for the purpose of keeping or utilising the foreign contribution which has been received from his "FCRA Account" in the specified branch of State Bank of India at New Delhi:

Provided further that such person may also open one or more accounts in one or more scheduled banks of his choice to which he may transfer for utilising any foreign contribution received by him in his "FCRA Account" in the specified branch of the State Bank of India at New Delhi or kept by him in another "FCRA Account" in a scheduled bank of his choice:

Provided also that no funds other than foreign contribution shall be received or deposited in any such account.

(2) The specified branch of the State Bank of India at New Delhi or the branch of the scheduled bank where the person referred to in sub-section (1) has opened his foreign contribution account or the authorised person

in foreign exchange, shall report to such authority as may be specified,-

(a) the 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.”

16. The contention of the petitioner that the petitioner has obtained permanent registration under the FCRA 2010 does not create a right in favour of the petitioner to get the amounts credited to the designated savings bank account and it has to be always subject to the clearance by the Ministry of Home Affairs. Respondent No.4, by way of a memo, has produced document No.1, wherein, the Government of India, Ministry of Home Affairs Foreign Division (FCRA Wing), Monitoring Unit has written a

letter to the ASG on 20.11.2018 wherein at para Nos.2, 3, 4 and 6 has stated as under:

"2. It is stated that based on the feedbacks/inputs of the Field/Security Agencies, the answering respondent takes a decision to place the Foreign Donor(s) into the 'Prior Reference/Permission Category' under the relevant provisions of the Foreign Contribution (Regulation) Act, 2010. The detail(s) of such 'Prior Reference/Permission Category' is/are further communicated to the Reserve Bank of India under section 46 of the FCRA, 2010 for instructing all the Banks and their branches to ensure that any fund flow from any Organisation/ Person/ Agency mentioned in the Prior Reference/ Permission Category to any Bank Account in India will be brought to the notice of the Petitioner so that such funds are allowed to be credited in the accounts of the recipient only after due clearance from the Ministry of Home Affairs.

3. It is stated that the feedbacks/inputs of the Field/Security Agencies is/are explicitly exempted from the purview of the Right to

Information Act, 2005 by virtue of the section 24(1) read with the Second Schedule and is mentioned at the 1st entry of the Second Schedule of the Right to Information Act, 2005. However, same may be produced before the Hon'ble Court in a sealed envelope on demand being "Secret" in nature.

4. In the instant matter, it is stated that on the basis of feedbacks/inputs of the Field/Security Agency "Dan Church Aid" was placed under 'Prior Reference/Permission Category' by the answering respondent and further communicated to Reserve Bank of India, Mumbai vide letter No.11/21022/58 (015)/2013-FCRA (MU) dated 03rd April, 2013 to instruct all the Banks and their Branches to ensure that any fund flow to any individuals/entities so in India from "Dan Church Aid" is brought into the notice of this Ministry for clearance before crediting into the account of the recipient NGOs/associations. The same information was further conveyed to all Banks and their branches by Reserve Bank of India, Mumbai vide its Secret circular

No.DBOD.AML No.1463/14-08-001/2012-13
dated 12th April, 2013 for strict compliance.

x x x

6. *It is stated that DCB Limited, accordingly sought the clearance of this Ministry for crediting of above mentioned inward remittance into the account of Manasa Centre for Development and Social Action, Bangalore. However, keeping in view the adverse inputs/feedback of the Field/Security Agency against the "Dan Church Aid", Development Credit Bank Limited, Mumbai was informed vide this Ministry's letter dated 30th October, 2013 not to credit the above mentioned foreign contribution into the account of Manasa Centre for Development and Social Action, Bangalore till further instructions from this Ministry **(Appendix-A)**. However, the answering respondent also craves leave of this Hon'ble Court to file a counter affidavit in due course of time, if need be."*

(Emphasis supplied)

17. The perusal of the letter issued by the Government of India taking the feedbacks and inputs

from the field/security agency would take a decision to place a foreign donor(s) into the "Prior Reference/Permission Category" under the relevant provisions of the FCRA Act 2010. The details of such "Prior Reference/Permission Category" is/are further communicated to the RBI under Section 46 of the FCR Act, 2010 for instructing all the Banks and their branches to ensure that any fund flow from any organisation/person/agency mentioned in the "Prior Reference/Permission Category" to any bank account in India will be brought to the notice, so that such funds are allowed to be credited in the accounts of the recipient only after due clearance from the Ministry of Home Affairs. The "Prior Reference/Permission Category" by the union was communicated to the RBI and the RBI in the year 2013, in turn, directed all the banks and the branches to ensure that any fund flow to any individuals/entity so in India from "Dan Church

Aid" is brought into notice of this ministry for clearance before crediting into the account of the recipient, NGOs, associations and the same has to be conveyed to all the banks and their branches by the RBI.

18. Since the petitioner received two inwards remittance from the "Dan Church Aid" in their account being operated in the DCB Bank M.G.Road, Bangalore, to the extent of Rs.5,23,549.34 and Rs.23,89,343.62 were credited. Accordingly, the clearance was sought by the DCB Bank from the ministry for crediting of the aforementioned inward remittance into the account of MANASA Centre for Development and Social Action – petitioner herein. Keeping in view the adverse inputs and feedback of the field (Security Agencies) against the "Dan Church Aid" the respondent bank DCB was informed by the Ministry dated 31.10.2013 not to credit the above mentioned foreign contribution into

the account of MANASA Centre for Development and Social Action, Bangalore till further instructions from this Ministry. The said document is at Annexure – R1, which reads as under:

*"Government of India
Ministry of Home Affairs
Foreigners Division
FCRA (Monitoring Unit)*

*A-Wing, Ground Floor,
NOCC-II Building, Jai Singh Road,
Near Jantar Mantar,
New Delhi*

To

*Shri Sachin Patange
Chief Compliance Officer & Principal Officer,
Anti Money Laundering,
Development Credit Bank Limited,
6th Floor, Tower A, Peninsula Business Park,
Senapati Bapat Marg, Lower Parel,
Mumbai – 400 013.*

*Subject:- Foreign Contribution (Regulation) Act,
2010 – inward remittance from 'Dan
Church Aid' – case of Manasa Centre for
Development and Social Action,
Bangalore.*

Sir,

*I am to refer to your letter dated 2nd May, 2013 on the subject mentioned above and to state that the inward remittance received from 'Dan Church Aid' in favour of Manasa Centre for Development and Social Action, Bangalore **may not be credited** into their account till further instruction from this Ministry.*

Yours faithfully,

*Sd/-
(Ashutosh Kumar Sinha)
Director (MU & I)
Ph: 23438176*

Copy for information to The Chief General Manager, Department of Banking Operations & Development, Reserve Bank of India, Central Office, Anti Money Laundering Cell, World Trade Centre, Coffee Parade, Mumbai – 400 005 w.r.t. their letter No.DBOD AML No.18195/14.05.02/2012-13 dated 19th June, 2013.”

19. Thus, mere possession of the permanent registration under the FCRA, 2010 does not permit the petitioner to get the amounts credited to the designated savings bank account, which is always subject to the clearance of the Ministry of Affairs, as

stated supra and also the letter of the Ministry of Home Affairs dated 31.10.2013 clearly instructing the respondent - bank not to credit the amount received from "Dan Church Aid" to the account of the petitioner till further instructions of the Ministry of Home Affairs, unless a clearance has been granted by the ministry, the petitioner is not entitled for the said amount.

20. For the foregoing reasons, this Court is of the considered view that the petition lacks merit and this Court pass the following:

ORDER

Writ petition is ***dismissed as devoid of merit.***

**SD/-
JUDGE**

S*