



# Centre Cannot Brand Organisations ‘Political’: SC

## Why in News

The **Supreme Court** recently held that the central government cannot brand an organisation political and deprive it of its right to receive foreign funds for using legitimate forms of dissent to aid a public cause.

## Background

- This move comes in the background of a petition filed by the **Indian Social Action Forum (INSAF)** challenging certain provisions of the **Foreign Contribution Regulation Act (FCRA), 2010** and the **Foreign Contribution (Regulation) Rules of 2011**.
  - The FCRA 2010 prohibited acceptance and utilisation of foreign contribution or foreign hospitality for any activities detrimental to the national interest.
  - Both, the Act and the rules confer the Centre with **‘unguided and uncanalised power’** to brand organisations political and shut down their access to foreign funds.
- **Section 5(1) of the FCRA** was challenged for being vague as it allowed the Centre to decide freely whether a seemingly non-political organisation was actually political in nature. The Court said that the provision was expansive and not vague.
- **Section 5(4) of the FCRA** was also questioned as it did not exactly identify the authority before which an organisation could represent its grievance. This contention was dismissed by the apex court.
- **Various clauses of Rule 3 of the 2011 Rules** were also challenged. This provision identified the various types of ‘political’ activities for which/organisations whose foreign funding could be stopped by the government.

## Key Points

- SC observed that an organisation, which supports the cause of a group of citizens agitating for their rights without a political goal or objective, cannot be penalised by being declared as an organisation of a political nature.
- However, **foreign funding could be stopped** if an organisation took recourse to these forms of protest to **score a political goal**.
  - Organisations with political objectives in their memorandum of association or bye-laws cannot be permitted access to foreign funds because of their clear political nature.
- **Justifications behind the move:**
  - It is to make sure that the **administration is not influenced** by foreign-funded political organisations.
  - A prohibition from receiving direct or indirect foreign aid ensures that the **values of a sovereign democratic republic are protected**.
  - It will also **protect the interests and fundings of voluntary organisations** having no connection with either party politics or active politics.
- Foreign funding can continue for organisations of farmers, workers, students, youth based on caste, community, religion, language, etc as long as they **work for the social and political welfare of society** and **not to further political interests**.

[Source: TH](#)

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