

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA
UNSTARRED QUESTION NO. 4921
ANSWERED ON FRIDAY, THE 16th DECEMBER, 2016
AGRAHAYANA 25, 1938 (SAKA)**

CONTRIBUTION TO POLITICAL PARTIES

QUESTION

4921. SHRI RAGHAV LAKHANPAL:

**Will the Minister of CORPORATE AFFAIRS
be pleased to state:**

कारपोरेट कार्य मंत्री

- (a) the details of amount that a company can contribute to a political party as per the existing provisions of the law and other statutory directions of the Government along with the time by when these provisions were enacted and last amended;
- (b) whether the Government proposes to review the law with regard to political donations by corporate bodies; and
- (c) the details of provisions in laws by which the foreign companies are permitted to make donations to political parties in the country along with the list of such companies during the last three years and the current year?

ANSWER

**THE MINISTER OF STATE (SHRI ARJUN RAM MEGHWAL)
IN THE MINISTRY OF CORPORATE AFFAIRS (श्री अर्जुन राम मेघवाल)**
कारपोरेट कार्य मंत्रालय में राज्य मंत्री

(a) to (c):- Contributions to political parties are governed by Section 182 of the Companies Act, 2013. A company that is not a Government company and which is in existence for at least last three financial years may contribute up to 7.5% of its average net profits during the last three years to a political party/parties registered under the representation of Peoples Act, 1951. This is subject to further elaborations, disclosures and restrictions in the said section. A company can also make contributions within the above limits and restrictions to 'Electoral Trust

**Companies' and reflect these contributions in their books of accounts.
The provisions of Section 182 are not applicable to foreign companies.**
