

21 October 2013

To
Mr. Pranjal Yadav,
District Magistrate, Varanasi

Sub: FIR lodged against the Kautilya Society

Dear Sir,

This is regarding an LIU report, dtd 10 Oct 2013 and the FIR, lodged against the Kautilya Society, dtd 13 Oct 2013. The Sections of the Penal Code mentioned on the FIR do not correspond at all to any of the allegations made in the FIR.

We would like to submit that these allegations are based on rumours and inconsistent data. We would like to bring to your kind notice that as per the standard procedures, affected persons would need to be consulted concerning the eventual breach of law before criminal accusations are lodged against them. We notice an excessive precipitation in the lodging of criminal allegations against us which also reveals some form of unconventional hostility.

We infer that the true motivation of this FIR is the intention of harassing the Kautilya Society because it is the Petitioner of a PIL (PIL 31229 of 2005) filed in the Hon'ble High Court of Allahabad where the authority lodging the FIR is the respondent. We, therefore, believe that this FIR might be an unconventional use of power by the local authorities to impede us from being an informer of the Allahabad High Court regarding the above mentioned PIL.

The following are clarifications of the points raised in the LIU report and the FIR mentioned above:

1. We are enclosing herewith the relevant provision in FEMA from where it is clear that **Rule 7** imposes prohibition on the transferee belonging to specific countries (such as Pakistan, Bangladesh, SriLanka, Afghanistan, China, Iran, Nepal, Bhutan) and **Rule 8** puts prohibition on transferor. Since the transferor, who is the undersigned Vrinda Dar, was resident (and also a PIO card holder) in the relevant period and the transferee did not belong to either of the countries specified above in Rule 7, the transfer in question **is not affected by FEMA nor is in any contravention of any provision of FEMA. (See Enclosure 1 with FEMA rules)**
2. We further clarify that the Society does not own any immovable property in India nor in any foreign country. So far as the movable assets are concerned, they are duly scrutinised and checked annually by the Income Tax department and audited accounts are submitted annually as per rules and regulations. The audited accounts of the Society, 2008-2009 until 2012-2013, and the Bank Statement of the Society have already been submitted to your office in June 2013). The Kautilya Society office is housed in a building (located at D-20/21 Munshi Ghat, Varanasi) that belongs to Ms. Vrinda Dar as an individual. The Society looks after the maintenance and repair of the above said building in return for housing its office in the same.

3. Only members of the Kautilya Society are permitted to avail the space on the terrace which is a meeting place for furthering the objectives stated in the bye laws of the organisation, for organising cultural and academic events, cultural dialogue and interaction, exchanging information about local culture. In return for availing the space and services of the Society, as well as refreshments, the members give a donation to the organisation.
4. The points raised with respect to the income of the Society from foreign members and the contravention of FCRA have been examined by the Income Tax Department of the Govt. of India who did not find any irregularity therein. (**See Enclosure 2 with the order of the Income Tax officer in this regard**)
5. We would like to make clear that we are dedicated to cultural and educational projects and intercultural dialogue only, and in this respect the members of the Society having academic and cultural interest stay with us to experience the cultural heritage of Banaras and to understand Hindu philosophy, society and mythology. And therefore the donations in question are being received only in Indian rupees against the said services provided by us as per the bye laws (**Articles 4.1 to 4.16**) of the Kautilya Society and as per the FCRA rules and regulations (as per Clause 2, Explanation 3 of the FCRA Act 2010).
6. Regarding the issue of membership of foreigners, it is submitted that the Society registration Act does not prohibit such membership and foreigners can become members of the Society and subscribe to the Memorandum of Association of a Society, especially a Society created with the object to provide intercultural and educational interaction. Please refer to **Articles 4.1 to 4.16** of the byelaws of the Kautilya Society.
7. It is further relevant that information about every foreign visitor availing of the resource and study centre, library, etc., or availing of sojourn (**as per Article 4.16** of the Kautilya bye laws) in the Society premises is being reported to LIU as per prescribed laws in this regard. We have the entire list of members about whom information has been provided regularly to the LIU, Varanasi.
8. The Kautilya Society was established and has been operating in adherence with all rules and regulations of the Societies Act 1860. Your esteemed office granted the organisation its renewal in 1998 for a period of five years.

We would like to take this opportunity to submit that the Kautilya Society was established and has been operating in adherence with all rules and regulations of the Societies Act 1860 and that the Registrar Societies of Varanasi has also previously granted a renewal to the organisation.

We hope that the documents and explanations given above dispel doubts and rumours. We would like to continue to cooperate and collaborate with your office in a spirit of mutual trust. If you require further clarifications, we would be glad to provide further documentation for the same.

Thanking you,
Yours sincerely,



Vrinda Dar, General Secretary
Cc to Mr. Ajay Mishra, SSP Varanasi