

24th, June 2015

To,

The District Registrar,
Chennai Central Registration District,
Chennai.

Dear Sir,

Sub:- Your Show Cause Notice (the "SCN") – letter no.6994/D2/2015 dated 16 June 2015 – seeking further time to respond.

1. Please note that Notice No. 6994/2/2015 dated 28 May 2015 has not been received by us. All we received was a telephone call from an individual claiming to be from your office, and that she wanted to carry out an inspection on 29 May 2015. Since we had no way of verifying the identity of the caller, we requested a written Notice.
2. On 1st June, 2015 we sent a letter by hand delivery to your office seeking a week's time to enable us to gather the records, some of which were in Delhi in connection with the proceeding in Writ Petition No.W.P.(C) 4887/2015 & CM No. 8846/2015 before the Hon'ble Delhi High Court. Some of the relevant persons were also in Delhi to attend to the case. Your office refused to acknowledge receipt of this letter. Your office also did not respond to this letter. Thereafter, since the relevant persons were able to return to Chennai along with the files by the 2 June 2015 we intimated your office of our readiness for the inspection on 3 June 2015. Clearly this shows our full cooperation and willingness to undergo the Inspection without undue delay. The Inspection was conducted on 3 June 2015.
3. The letter dated 1 June 2015 referred to in your SCN was hand delivered only on 3 June 2015 during the inspection.
4. This is the first time in the 13 years of Greenpeace India Society's existence that an inspection has been conducted by your office. While we appreciate the requirements of accurate record-keeping, you are well aware that our Society has been engaged since the beginning of this year with three separate but related cases before the High Court in Delhi concerning violations of law and constitutional rights by the Ministry of Home Affairs. In addition, since March 2014 the Income Tax authorities have imposed substantial and unprecedented assessments on our Society, which we are actively contesting.
5. The above issues have involved the freezing of our Society's bank accounts, denying our supporters the ability to contribute financially to our work and threatening our very

existence. Two days after the Delhi High Court granted our application to stay the Ministry of Home Affairs Order freezing two of our accounts, we received a telephone call announcing your office's intention to conduct an immediate on-site inspection in Chennai of our entire records for the past 13 years. We facilitated that inspection on 3 June and on 18 June we received your Show Cause Notice requiring us to respond by 25 June.

6. We received your Notice in English and your enquiry Report in Tamil attached thereto on 18 June 2015. It was quite surprising to have a Notice issued in English but to require us to respond to allegations contained in the enquiry Report which was not in English. We are a pan-India organisation and our officers are not familiar with Tamil. Hence we had to first translate the enquiry Report, before attempting to respond to it. We succeeded in obtaining a full translation of the Report yesterday for the first time. Even before receiving the complete translation we have been working to prepare our response to the many detailed issues raised by that Report but we must respectfully request an extension of time to respond for the reasons set out below.
7. We are unable to understand your allegation that our Society is not functioning independently but under control of the Stitching Greenpeace Council (SGC). In the Report you have referred to provisions of the Memorandum of Association to assert that the President / EG is subject to the approval of SGC. However, the Memorandum of Association was duly filed, and as per the Tamil Nadu Societies Registration Act, 1975 it can have effect only if the Registrar of Societies is satisfied that it does not contravene the Act. You did not raise any objection when it was filed, and also registered it. We don't understand how the same provision which you approved and registered has suddenly become illegal. We request that you may kindly consider this, and explain the anomaly so that we can respond appropriately.
8. With respect to the Society's funds, as we have already informed you, the same issue, i.e., incorrect reporting of FCRA receipts is pending consideration before the Hon'ble Delhi High Court in the above mentioned cases. We are happy to share with you all the records of that case, but we are not aware if there would be any contempt by doing so. As you are aware the Hon'ble Delhi High Court is currently on vacation till next week. We request that you may kindly wait for a few days so that we can seek a clarification and revert accordingly.
9. However, we also note that there are severe errors in your calculations. For instance, we have filed our 2005 – 2006 Profit and Loss Account with you which shows the following:

Foreign Grants Received	46681685
Interest Received	179159
Donations received from Local Collections	9223996

Total	56084840

But you have erroneously treated the figure reported as domestic contribution (Rs.92,23,996) to be foreign contribution.

10. Similarly your SCN reports the wrong figures with respect to bank balances for the year 2013 – 2014 which is apparent from reading the bank statement.
11. For each year we can establish that your SCN suffers from such basic errors. We only request you to wait for short period till we can seek clarification on whether making such submissions would offend the Court.
12. With respect to conduct of meetings outside the Registered Office, we request that you may kindly inform us as to which provision of the Act has been violated, as we are unable to understand the objection. We are a pan-India organisation. We are unable to find any provision in the Act that only persons from Tamil Nadu should be members or that meetings must be held only in the Registered Office premises. Kindly clarify so that we may respond.
13. With respect to the allegation that the Bye Laws are not in accordance with the Act and Rules, we submit that we are unable to understand the objection. As per the Act, the Bye Laws cannot be registered unless it is approved by the Registrar of Societies. You have approved the Bye Laws. We don't understand as to how the Bye Laws can be illegal when they have already been approved and registered under your authority.
14. As you will note from the above, there are many areas that require clarification from your office. Its quite understandable that there may be oversights and errors in the Report, since this is the first time in 13 years that your office has conducted an inspection of our Society. The records are voluminous and require detailed study. The inspection was carried out on 3 June 2015 and your officers checked the records for and the Report was speedily drafted and despatched by 16 June 2015, *i.e.*, in a span of hardly 2 weeks.
15. You will appreciate that many of those involved in keeping the records for our Society are also fully engaged with these other issues and they are working under almost impossible pressure.
16. Having regard to the timing of your inspection; to the volume of information that needs to be analysed; to the fact that this is the first (and only) inspection conducted in the 13 years of the Society's existence; to the detailed accounting records that we need to review in order to respond fully and accurately; to the fact that we have already discovered serious calculation errors in your inspector's Report, including inaccurate transcribing and transposing of figures from our accounts; to the significant erroneous factual assumptions we have already noted in your inspector's Report; and to the seriousness of the potential consequences of the action you are contemplating - namely, cancelling our registration under section 37 – we are sure you will agree that the right to due process under our Constitution requires that we be given at least a further 15 days to respond.

17. You will appreciate that we need to consult in detail with our lawyers and chartered accountants on the matter and we will revert to you as soon as possible but in any event no later than 10 July 2015 to submit our response to you.

Yours faithfully,



Ashish Kothari
President,
Greenpeace India Society

