



सत्यमेव जयते

The Companies (Donations to National Funds) Act, 1951

[ACT No. 54 OF 1951]

(As on the 2nd November, 2025)

AMENDING ACT
The Repealing and Amending Act, 1957 (36 of 1957),

LIST OF ABBREVIATIONS USED

A.O.	<i>for</i>	Adaptation of Laws Order
S.O.	”	Statutory Orders
Notifn.	„	Notification

THE COMPANIES (DONATIONS TO NATIONAL FUNDS) ACT, 1951

ARRANGEMENT OF SECTIONS

SECTIONS

1. Short title and extent.
2. Definitions.
3. Power of companies to make donations to certain National Funds.
4. Repeal of Act 35 of 1948.

THE COMPANIES (DONATIONS TO NATIONAL FUNDS) ACT, 1951

ACT No. 54 OF 1951¹

[17th October, 1951.]

An Act to enable companies to make donations to National funds.

BE it enacted by Parliament as follows:—

1. Short title and extent.—(1) This Act may be called the Companies (Donations to National Funds) Act, 1951.

(2) It extends to the whole of India except the State of Jammu and Kashmir*.

2. Definitions.—In this Act,—

(a) “company” means a company as defined in section 2 of the companies Act, and includes a company deemed to be incorporated and registered under that Act by virtue of section 2B thereof;

(b) “the Companies Act” means the Indian Companies Act, 1913 (7 of 1913).

3. Power of companies to make donations to certain National Funds.—Any company may, notwithstanding anything contained in the companies Act or in any other law for the time being in force regulating the affairs thereof, and notwithstanding that the memorandum or articles of association of the company do not enable it so to do, by an extraordinary resolution passed in accordance with the provisions contained in section 81 of the Companies Act, authorise the making of donations to the Gandhi National Memorial Fund or the Sardar Vallabhbhai National Memorial Fund, or to any other Fund established for a Charitable purpose which by reason of its national importance has been approved by the Central Government for the purposes of this section.

4. [Repeal of Act 35 of 1948.] *Rep. by the Repealing and Amending Act, 1957 (36 of 1957), s. 2 and Schedule I.*

1. Extended to the Union territory of Pondicherry by Act 26 of 1968, s. 3 and Schedule.

*. *Vide* notifi. No. S.O. 3912(E), dated 30th October, 2019, this Act is made applicable to the Union territory of Jammu and Kashmir and the Union territory of Ladakh.

STATEMENT OF OBJECTS AND REASONS

The Associated Chambers of Commerce and many companies who are desirous of making donations to the Sardar Vallabhbhai National Memorial Fund which has been established for carrying out objects conducive to the general welfare have approached Government to remove the legal difficulty that has arisen owing to the absence of a provision in the articles of association of some companies authorising the making of such donations. Even if the shareholders decide at a special meeting to make a donation, in the absence of any authorising provision in the articles of association they are not legally entitled to do so. Act XXXV of 1948 was passed for the purpose of removing this difficulty in the case of donations to the Gandhi Nations Memorial Fund. It is now proposed that a similar legislation be undertaken to cover donations to the Sardar Vallabhbhai National Memorial Fund and other similar National Funds approved by the Central Government in this behalf. The donations can only be made if the general body of the companies have met at special meeting and approved the making of such gift by the passing of an extraordinary resolution in the manner required by section 81 of the Indian Companies Act, 1913.

As a matter of drafting, the Bill has been framed as a consolidating measure,

NEW DELHI
The 8th September, 1951.

C. RAJAGOPALACHARI