



FCRA – Let us look at the recent amendments to the Rules

Foreign Contribution Regulation Act, 2010 (FCRA) regulates receipt of money or any other contribution from any foreign source other than remittances by way of payment for goods and services exported from India and investments and loans flowing into the capital of entities in India which transactions are regulated under another law known as the Foreign Exchange Management Act, 1999.

It is under FCRA, the Government grants registration and prior permission to trusts, societies and NGOs which receive donations from foreign sources. So much so, recently Government introduced a mandatory clause that stipulated all such entities to have a bank account only at the Sansad Marg branch of State Bank India to receive foreign contributions / donations from abroad. FCRA requires several compliances to be done. FCRA is administered in India through the Ministry of Home Affairs.

Let us look at the recent amendments to the FCR Rules 2011 which came into force from 01st July 2022.



Receiving foreign contribution from relatives

If you are receiving foreign contribution from your relatives exceeding a certain specified sum, you need to report to Government within a specified time.

Amended Rule 6 now requires intimation of receipt of foreign contribution from relatives in excess of **₹.10,00,000** or equivalent thereto in a financial year in Form FC-1 within **3 months** from the date of receipt of such contribution. (Approx: \$13,000).

Opening accounts for utilising the foreign contributions received

While it is mandatory to open an account with state Bank of India's Sansad Branch, New Delhi for all foreign contributions to be received, the recipient is entitled to open utilisation accounts with any other banks also. The amended Rule 9 says that for utilising the foreign contribution received, if the recipient of foreign contribution opens one or more accounts in one or more banks, it is necessary for the recipient to intimate about the same in Form 6D to the Secretary, Ministry of Home Affairs, New Delhi within 45 days of the opening of any account. Previously, the time limit for the purpose of this intimation was only 15 days.

No need to place details of foreign contributions received on website

Prior to amendment of Rule 13 of the FCR Rules, 2011, recipients of foreign contributions who has been granted a certificate of registration or prior permission were required to place details of foreign contribution received on the receiver's official website or in the website specified by the Central Government within 15 days mentioning the details of the donors, amount received and date of receipt. Now, this requirement has been done away with.

Information on changes in designated bank account, name, address, objects, key members of the associations

Amended Rule 17A requires every person granted with certificate of registration or prior permission to intimate in electronic form within 45 days, of any change in the following;



- i. name of the association or its address within the State for which registration/prior approval has been granted under the Act in Form FC-6A.
- ii. Its nature, aims, objects and registration with local/relevant authorities in Form FC-6B.
- iii. Bank and/or branch of the bank and/or designated foreign contribution account number in Form FC-6C.
- iv. Bank and/or branch of the bank for the purpose of utilising the foreign contribution received in Form FC-6D.
- v. Office bearers or key functionaries or members mentioned in the application for grant of registration or prior permission or renewal of registration, as the case may be in Form FC-6E.

Prior to the amendment, the time limit for intimation of change has been amended by extending it to **45 days**.

Application for Revision of Orders

Rule 20 prescribes that any application for revision of an order passed by the competent authority shall be made to the Secretary, Ministry of Home Affairs, Government of India, New Delhi with a fee of ₹.3000/- and the revision application shall be in such form and manner, including in electronic form as may be specified by the Central Government. Previously, this was just a plain paper application.

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