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SANGATH ONLINE TRAINING PROGRAMME

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MODULE I

FCRA COMPLIANCE & REPORTING

Contents

Introduction & Background	5
About the Resource Material	5
1. Key Definitions under FCRA.....	6
2. Key Critical and Operational Aspects under FCRA	8
2.1. Applicability	8
2.2. Who Can Receive FC	8
2.3. Pre Requisite to Receive FC	8
2.4. Who cannot Receive FC	8
2.5. Registration, Prior permission and Renewal under FCRA	9
2.5.1. Eligibility Criteria for Registration	9
2.5.2. Procedure for Registration	10
2.5.3. Prior Permission	10
2.5.4. Eligibility Criteria.....	10
2.5.5. Procedure for Prior Permission	10
2.5.6. Renewal of Registration.....	11
2.5.7. Procedure for Renewal	11
2.5.8. Renewal Fee.....	11
2.5.9. Documents Required	11
2.5.10. Common Conditions to Be Met Under Registration, Prior Permission and, Renewal	12
2.6. Suspension of Registration	13
2.7. Cancellation of Registration	13
2.8. Management of FC after Cancellation	14
2.9. Surrender of Certificate	14
2.10. Transfer of FC.....	14
2.11. Accounts, Assets and Investment Management as per FCRA Provisions	14
2.11.1. Method of Accounting.....	14
2.11.2. Maintenance of Books of Account.....	15
2.11.3. Preservation of Books of Accounts	15
2.11.4. FCRA Asset	15
2.11.5. Income from Fixed Assets	15
2.11.6. Sale of FC Fixed Asset	15
2.11.7. Disclosure Requirement	16
2.11.8. Investments	16

2.11.9.	Interest Income on Investments	16
2.11.10.	Disclosure requirement of Investments	16
2.12.	Other Important Aspects	17
2.12.1.	Administrative Expenditure	17
2.12.2.	Accounting Treatment and Disclosure Requirements	18
2.12.3.	Cash payments under FCRA.....	18
2.12.4.	Advances to Staff	19
2.12.5.	Bank Account Management.....	19
3.	Compliance and Submissions under FCRA	20
3.1.	E-Signature and Online Payment	20
3.2.	List of New Forms	20
3.3.	Compulsory Annual Uploading Of Financial Information without Any Financial Limit	21
3.4.	Quarterly Returns	21
3.5.	Details to be filled under Quarterly Returns	21
3.6.	Time Limit for Quarterly Return	21
3.7.	Annual Returns	22
3.8.	Documents Required To Be Filed With Annual Return.....	22
3.9.	Declaration and Authentication	22
3.10.	Certificate from Chartered Accountant	22
3.11.	Changes in Form FC-4	23
3.12.	Delay in Filing Annual Report.....	23
3.13.	No Requirement to Enclose Documents in Case of Nil Filling	23
3.14.	Change in Name and Address	24
3.14.1.	Procedure	24
3.14.2.	Intimation or Approval	24
3.14.3.	Documents Required To Be Uploaded	24
3.15.	Change in Designated Bank Account	25
3.15.1.	Procedure	25
3.15.2.	Intimation or Approval	25
3.15.3.	Documents required to be uploaded	25
3.16.	Intimation of opening of FCRA utilization account	26
3.16.1.	Procedure	26
3.16.2.	Separate Bank Account for separate Donor	26
3.17.	Change in Board Members	26
3.17.1.	Documents required to be uploaded	27
4.	Annexures	28

4.1	Definition of Public Servant under section 21 of IPC.....	28
4.2	Frequently Asked Questions (FAQs) for disclosure regarding Covid-19 Response:.....	29

Introduction & Background

The Foreign Contribution (Regulation) Act was enacted in 1976 by the Indira Gandhi-led government during the Emergency. The Foreign Contribution (Regulation) Act 2010 and The Foreign Contribution (Regulation) Rules 2011 have been enacted w.e.f. 01.05.2011 and the old FCR Act and Rules, 1976 have been repealed.

Further, in 2015 and 2019 there were major changes in the FCRA Rules 2011 through its amendments. Recently new FCR (Amendment) Act 2020 has been enforced; this amended act came into force with effect from 29th September 2020.

About the Resource Material

In this Resource Materials, we would discuss about the key aspects of FCRA Law and its applicability, compliance and reporting.

We will cover the following topics in this resource material: -

- a) Key Definitions under FCRA*
- b) Key critical issues and operational aspects under FCRA*
- c) Compliances and submissions under FCRA*

1. Key Definitions under FCRA

Foreign Contribution (FC): The term ‘Foreign Contribution’ (hereinafter referred as ‘FC’) has been given a specified definition in FCRA in Section 2(1)(h) which is as follows:

“Foreign Contribution” means the donation, delivery or transfer made by any **Foreign Source:**

- of any article, not being an article given to a person as a gift for his personal use, if the market value, in India, of such article, on the date of such gift, is not more than such sum as may be specified from time to time, by the Central Government by the rules made by it in this behalf;
- of any currency, whether Indian or foreign;
- of any security as defined in clause (h) of section 2 of the Securities Contracts (Regulation) Act, 1956 and includes any foreign security as defined in clause (o) of section 2 of the Foreign Exchange Management Act, 1999

Foreign Contribution includes all kind of transfers from foreign sources and includes any kind of transfer, delivery or donation of currency, article or securities but does not include commercial receipts. In other words, an NGO can receive consultancy or other commercial receipt from foreign sources even without having FC registrations. FC registered NGOs should receive all the commercial receipt in their domestic account and such receipt are not required to be reported to the FCRA department.

Foreign Contribution Regulation Act (FCRA) 2010 further clarifies that the following Inclusions (income/receipts) and specific exclusions from foreign contribution

FC received as subsequent receiver: Any FC received from any person who has received it from any foreign source, either directly or indirectly shall also be deemed to be FC. In other words, any foreign contribution received as subsequent receiver shall also be treated as foreign contribution and shall be subject to FCRA. **However, as per the recent amendments such subsequent receipts from FCRA funds are prohibited prospectively from 29th September 2020.**

Any Income from FC funds or Assets or Project: Any interest or income generated from FC or foreign assets or FC projects shall also be treated as a part of FC. In other words, all income from FC assets and FC funds should be considered as a part of FC and be reported accordingly.

Commercial Receipts: Explanation 3 to Section 2(1)(h) of FCRA, 2010 provides that all commercial receipts received from foreign sources shall be excluded from the purview of FCRA. It specifically provides that any amount received, by any person from any foreign source in India, by way of fee (including fees charged by an educational institution in India from foreign student) or towards cost in lieu of goods or services rendered by such person in the ordinary course of his business, trade or commerce whether within India or outside India or any contribution received from an agent of a foreign source towards such fee or cost shall be excluded from the definition of foreign contribution.

Foreign Security: Any kind of foreign security received would be termed as FC as per the above definition of Foreign Contribution. The term ‘foreign security’ has been defined under Section 2(h) of Securities Contract (Regulation) Act, 1956 and section 2(o) of the Foreign Exchange Management Act, 1999.

As per section 2(o) Foreign Security includes:

The term Foreign Security has been defined to mean any security, in the form of shares, stocks, bonds, debentures or any other instrument denominated or expressed in foreign currency and includes securities expressed in foreign currency but where redemption or any form of return such as interest or dividend is payable in Indian currency.

Section 2(h) of Securities Contract (Regulation) Act, 1956 defines “Securities” include:

- Shares, scrips, stocks, bonds, debentures, debenture stock or other marketable securities of a like nature in or of any incorporated company or other body corporate;
 - Derivative
 - Units or any other instrument issued by any collective investment scheme to the investors in such schemes;
 - Security receipt as defined in clause (zg) of section 2 of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002.
 - Units or any other such instrument issued to the investors under any mutual fund scheme.
- Government securities
 - such other instruments as may be

declared by the Central Government to be securities; and

- Rights or interest in securities;

Foreign hospitality: Foreign Hospitality means any offer, not being a purely casual one, made in cash or kind by a foreign source for providing a person with the costs of travel to any foreign country or territory or with free board, lodging, transport or medical treatment.

Person: The section 2(m) of FCR Act 2010 gives an inclusive definition of the person and it includes

- An individual;
- A Hindu undivided family;
- An Association;
- A company registered under section 8 of the Companies Act 2013

Foreign Source: As per Section 2(1)(j) of FCRA, ‘foreign source’ is defined as follows
Foreign source” includes, —

- i. The Government of any foreign country or territory and any agency of such Government;
- ii. any international agency, not being the United Nations or any of its specialized agencies, the World Bank, International Monetary Fund or such other agency as the Central Government may, by notification, specify in this behalf;
- iii. A foreign company;
- iv. A corporation, not being a foreign company, incorporated in a foreign country or territory;
- v. a multi-national corporation referred to in sub-clause (iv) of clause (g);
- vi. a company within the meaning of the Companies Act, 2013, and more than one-half of the nominal value of its

share capital is held, either singly or in the aggregate, by one or more of the following, namely:—

- a) The Government of a foreign country or territory;
- b) The citizens of a foreign country or territory;
- c) Corporations incorporated in a foreign country or territory;
- d) Trusts, societies or other associations of individuals (whether incorporated or not), formed or registered in a foreign country or territory;
- e) Foreign company;
“Provided that where the nominal value of share capital is within the limits specified for foreign investment under the Foreign Exchange Management Act, 1999, or the rules or regulations made there under, then, notwithstanding the nominal value of share capital of a company being more than one-half of such value at the time of making the contribution, such company shall not be a foreign source;”.(Inserted through Finance Act, 2016).
- vii. A trade union in any foreign country or territory, whether or not registered in such foreign country or territory;
- viii. A society, club or other association
- ix. of individuals formed or registered outside India;
- x. A citizen of a foreign country;

FCRA law will not apply even if the nominal value of share capital of a company held by foreigners exceeds 50 per cent at the time of making contributions provided the foreign investment is within the limit specified under the Foreign Exchange Management Act, 1999 or the rules or regulations made there under. Therefore, for all practical purposes, Indian Companies where more than 50 percent of shareholdings by a foreign source

will be exempted from definition of “Foreign Source” as all Indian Companies have to comply with the limits set by FEMA for foreign investment.

2. Key Critical and Operational Aspects under FCRA

2.1. Applicability

As per the FCRA 2010, the law applies to whole of India including Indian ‘persons’ domiciled outside India. The specific section for the applicability of FCRA is reproduced as under: section 1(2) it extends to the whole of India, and it shall also apply to— (a) citizens of India outside India; and (b) associate branches or subsidiaries, outside India.

2.2. Who Can Receive FC

It is worthwhile to note that Section 11(1) of FCRA 2010 provides any ‘person’ as defined in the Act having a definite cultural economic, educational, religious or social program shall receive FC only after registration or prior permission. Therefore having a definite program is a key ingredient of FCRA.

2.3. Pre Requisite to Receive FC

- It must have a definite cultural, economic, educational, religious or social program
- It must obtain the FCRA registration / prior permission from the Central Government
- It must not be prohibited under Section 3 of FCRA, 2010.

2.4. Who cannot Receive FC

The FCRA law has specifically debarred some person to receive FC under section 3(1) of the

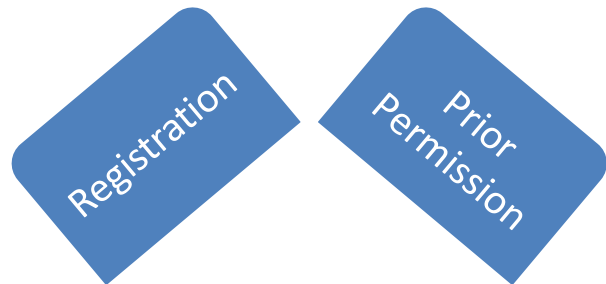
FCR Act 2010, the list of exclusively prohibited person as follows:

- a) candidate for election;
- b) correspondent, columnist, cartoonist, editor, owner, printer or publisher of a registered newspaper
- c) **public servant (Amended by FCR Amendment Act 2020)**, Judge, Government servant or employee of any corporation or any other body controlled or owned by the Government;
- d) member of any legislature
- e) political party or office bearer thereof;
- f) organization of a political nature as may be specified under sub-section (1) of Section 5 by the Central Government
- g) association or company engaged in the production or broadcast of audio news or audio visual news or current affairs program through any electronic mode, or any other electronic form as defined in clause (r) of sub-section (1) of Section 2 of the Information Technology Act, 2000 or any other mode of mass communication;
- h) Correspondent or columnist, cartoonist, editor, owner of the association or company referred to in point (g).

It is to be noted that for the purpose of clause (c) of section 3(1) above, “public servant means a public servant as defined in section 21 of the Indian Penal Code. The section 21 of IPC has been provided in Annexure 1

2.5. Registration, Prior permission and Renewal under FCRA

There are two ways in which an association can apply to the Central Government for permission to receive FC under FCRA Registration:



An organization having a definite cultural, economic, educational, religious or social program accepts foreign contribution, only after such organization obtains a certificate of registration from the Central Government.

2.5.1. Eligibility Criteria for Registration

In order to be eligible to apply for proper FCRA registration following minimum requirements must be met with:

- Be registered under the Society Registration Act, 1860 or the India Trusts Act, 1882 or section 8 of the companies Act, 2013 etc.
- An association should have spent at least Rs.10 00,000/- over the last 3 years on its aims and objects, excluding administrative expenditure.
- Normally be in existence for at least three years and has undertaken reasonable activity in its chosen field for the benefit of the society for which the foreign contribution is proposed to be utilized.

2.5.2. Procedure for Registration

All registrations applications have to be made online in Form **FC-3A** in the FCRA portal. In other words, there is no requirement of sending hard copies to the FCRA department. All the forms and the related documents have to be uploaded with the said application form.



The applications are required to be e-signed or the scanned signatures with the seal of the organization. All payments can be made online electronically through payment gateway at the same FCRA portal.

2.5.3. Prior Permission

Any person, if it is not registered with the Central Government, can accept foreign contribution only after obtaining the prior permission of the Central Government and such prior permission shall be valid for the specific purpose for which it is obtained and from the specific source.

2.5.4. Eligibility Criteria

- Be registered under an existing statute like the Society Registration Act, 1860 or the Indian Trusts Act, 1882 or section 8 of the Companies Act, 2013 etc.
- Submit a specific commitment letter from the donor indicating the amount of foreign contribution and the purpose for which it is proposed to be given.
- For Indian recipient organizations and foreign donor organizations having

common members, FCRA Prior Permission shall be granted to the Indian recipient organizations subject to its satisfying the following:

- The Chief Functionary of the recipient Indian organization should not be a part of the donor organization.
- At least 75% of the office-bearers/ members of the Governing body of the Indian recipient organization should not be members/employees of the foreign donor organization.
- In case of foreign donor organization being a single person/individual that person should not be the Chief Functionary or office bearer of the recipient Indian organization.
- In case of a single foreign donor, at least 75% office bearers/members of the governing body of the recipient organization should not be the family members and close relatives of the donor.

2.5.5. Procedure for Prior Permission

All prior permission applications have to be made online in Form **FC-3B**. In other words, there is no requirement of sending hard copies to the FCRA department. Now all forms have to be submitted online with no provision for sending hard copies. The procedures for the application of Period Permission are the same as mentioned in point number 3.5.2 & 3.5.3.

The applications are required to be digitally signed or the scanned signatures and the seal of the organisation can also be uploaded. All payments can be made online electronically

through payment gateway as may be specified by the Central Government.

Applicant seeking prior permission for foreign contribution for more than Rs.50,00,000/- (Fifty Lakh rupees) shall enclose audited statements of accounts and activity report of the association for the last three years from the date of submission of application.

Power of Central Government to restrict utilization of funds: The FCR Amendment 2020 has inserted proviso to section 11(2) and gave power to CG to conduct inquiry and restrict the utilization of unutilized FC or receive remaining portion of FC by a person who has been granted prior permission and, the GC has reason to believe that such person has contravened any of the provisions of the Act.

The abovementioned power can be exercised on the basis of receiving information and after conducting a short enquiry and even in cases where enquiry is still pending.

2.5.6. Renewal of Registration

The registration once granted will remain valid for the period of the period of 5 years, and shall be renewed afterwards.



The validity of the registration certificate issued on the 1st November, 2016 shall be deemed to have lapsed with effect from the close of the day on 31st October, 2021

The existing registration under FCRA, 2010, will cease from the date of completion of the period of five years from the date of grant of registration and will not be eligible for receiving of foreign contribution. In such a case, the association has to apply afresh for grant of registration.

2.5.7. Procedure for Renewal

All NGOs have to apply in Form **FC-3C** six months before the expiry of their existing registrations i.e on or before 30th April 2021. All organisations have to file the renewal application electronically at the website <https://fcraonline.nic.in>. (Rule 12 of FCRR, 2011)

In case an NGO fails to apply for renewal within the due date, its registration shall cease to remain valid. However, the department may condone the delay if satisfactory reasons for not submitting the renewal application are provided. A delayed application for renewal can be filed **upto 1** year from the date of the expiry of the FCRA Certificate.

2.5.8. Renewal Fee

An application made for the renewal of the registration shall be accompanied by a fee of Rs. 1500 (Fifteen hundred only) and a delayed renewal application shall be accompanied by a fee of Rs. 5000 (Five thousand only).

2.5.9. Documents Required

Following documents are necessary for the renewal of FCRA registration:

- Image of signature of Chief Functionary
- Image of seal of the Association.

- Registration certificate of the Association
- Memorandum of Association/ Trust Deed.
- FCRA Registration Certificate of Association issued by MHA.
- An association has to upload affidavit of each key functionary.
- the Aadhaar number of all its office bearers or Directors or other key functionaries,
- or a copy of the Passport or Overseas Citizen of India Card

2.5.10. Common Conditions to Be Met Under Registration, Prior Permission and, Renewal

Sec.12 (4) of FCRA, 2010 provides for certain conditions that to be met for the grant of registration and prior permission. **However, as per the recent amendments such conditions are to be met for the grant of renewal of registration also. In other words, the FCRA department may conduct such enquiry and satisfy itself about the fulfillment of the below mentioned conditions before granting the renewal of FCRA registration.**

- The 'person' making an application for registration or grant of prior permission-
 - Is not fictitious or benami;
 - Has not been prosecuted or convicted for indulging in activities aimed at conversion through inducement or force, either directly or indirectly, from one religious faith to another;
 - Has not been prosecuted or convicted for creating communal tension or disharmony in any specified district or



- any other part of the country;
- Has not been found guilty of diversion or mis-utilization of its funds;
- Is not engaged or likely to engage in propagation of sedition or advocate violent methods to achieve its ends;
- Is not likely to use the foreign contribution for personal gains or divert it for undesirable purposes;
- Has not contravened any of the provisions of this Act;
- Has not been prohibited from accepting foreign contribution;
- The person being an individual, such individual has neither been convicted under any law for the time being in force nor any prosecution for any offence pending against him.
- The person being other than an individual, any of its directors or office bearers has neither been convicted under any law for the time being in force nor any prosecution for any offence pending against him.
- The acceptance of foreign contribution by the association/ person is not likely to affect prejudicially –
 - The sovereignty and integrity of India;
 - The security, strategic, scientific or economic interest of the State;
 - The public interest;
 - Freedom or fairness of election to any Legislature;
 - Friendly relation with any foreign State;
 - Harmony between religious, racial, social, linguistic, regional groups, castes or communities.
- The acceptance of foreign contribution-

- Shall not lead to incitement of an offence;
- Shall not endanger the life or physical safety of any person.

2.6. Suspension of Registration

The Central Government, for reasons to be recorded in writing, may temporarily suspend the registration pending such cancellation, **for a period of one hundred and eighty days, or such further period, not exceeding one hundred and eighty days, as may be specified. (As amended by FCR Amendment Act 2020)**

Earlier the suspension cannot exceed one hundred and eighty (180) days but now a further suspension for a period one hundred and eighty (180) days can also be given under the order.

In case the certificate of registration is suspended, then up to twenty-five per cent of the unutilized amount may be spent, with the prior approval of the FCRA department, for the declared aims and objects for which the foreign contribution was received.

The certificate of registration can be suspended as per the provisions of section 13 of the FCRA, 2010 for a period not exceeding one hundred and eighty days, but before giving order of suspension the authority should write and notify the grounds of suspension. It to be noted that, suspension is ordered as when the registration certificate is under consideration for cancellation.

2.7. Cancellation of Registration

Section 14 of the FCR Act 2010 gave power to the CG to cancel the registration certificate. The Government can issue such order only after making such enquiry as it deem fit and after giving a reasonable opportunity of being heard to concerned person. The cancellation order can be given in below mentioned conditions:

- The registered person has made a statement which is incorrect or misleading while filing for the registration or renewal.
- The registered person has violated any of the terms and conditions of the certificate or renewal thereof; or
- in the opinion of the CG it is necessary in the public interest to cancel the certificate; or
- The registered person has violated any of the provisions of this Act or rules.
- If the registered person has not been engaged in any of activity in its chosen field for the benefit of the society for two consecutive years or has become defunct.

In all abovementioned the CG has power to cancel the registration of the person under FCRA.

Any person whose certificate has been cancelled under this section shall not be eligible for registration or grant of prior permission for a period of three years from the date of cancellation of such certificate.

2.8. Management of FC after Cancellation

The FC and assets created out of the FC of the person whose certificate has been cancelled shall vest in prescribed authority. The authority, if it considers necessary and in public interest, manage the activities of the person for such period and in such manner, as the FCRA department may direct and such authority may utilize the FC or dispose of the assets created out of it in case adequate funds are not available for running such activity. The FC and FC assets will be returned to the person, if such person is subsequently registered under this Act.

2.9. Surrender of Certificate

The FCR Amendment Act 2020 has notified provisions related to surrender of certificate by inserting section 14A under the Act. As per the provisions of this section, any person registered under FCRA can surrender its FCRA certificate. A request shall be made to the CG for surrendering of the certificate and, the CG may permit such surrender after satisfying itself about the compliance of the provisions under the Act.

Further, the foreign contribution and assets created out of the foreign contribution in the custody of every person whose certificate has been cancelled under section 14 [or surrendered under section 14A] shall vest in such authority as may be prescribed. (Newly inserted section 15)

2.10. Transfer of FC

Earlier, there was no restriction on transfer of funds to another FC registered organization

or an organisation which has prior permission under FCRA provided that the recipient has not been proceeded against under FCRA.

However, the FCR (Amendment) Act 2020 amended the section 7 of the Act and prohibited the transfer of FC funds by FC registered organization or an organisation which has prior permission under FCRA to any other person.

In simpler words, as per the amended Section 7 of the Act, sub-granting of FC funds has been disallowed. Hence, no sub-granting can be done to another NGO, whether registered or unregistered under FCRA, on or after 29th September, 2020. Further, sub-granting of FC funds are not allowed irrespective of the contractual obligations made under the Grant Agreements.

2.11. Accounts, Assets and Investment Management as per FCRA Provisions

2.11.1. Method of Accounting

FCR Act 2010 and FCRR, 2011 do not prescribe any specific method of accounting. Therefore, technically speaking, any legally consistent and otherwise acceptable method of accounting can be used for maintaining books of account under FCRA.

However, looking at the current structure and the requirements of the revised FC-4 form, it is always advisable that cash basis of accounting should be followed while filing the Annual Returns since information such as Administrative expenditures, Transfers to other association etc. needs to be filed on cash basis only.

FCRA does not prescribe any method of accounting, however the form FC-4 requires to be filled on cash basis hence it is advisable to follow cash basis of accounting for FCRA Books of Accounts.

2.11.2. Maintenance of Books of Account

Every person who has been granted registration or prior permission under the Act shall maintain a separate set of accounts and records, exclusively, for the FC received and utilized. The Act requires filing of Income and Expenditure account annually; therefore, Books of Accounts should be maintained as per the requirement of the form FC-4. The following statements can be prepared for the purpose of FCRA:

- Receipts and Payment Account
- Income and Expenditure Account
- Balance Sheet
- Certificate from a Chartered Accountant.

2.11.3. Preservation of Books of Accounts

FCRA 2011 provides that the financial statements should be preserved up to **six years**. However, as per Income Tax Act, 1961, an Assessing Officer may call for documents or scrutiny even after 8 years from the assessment year. Therefore, for all practical purposes, the books of accounts and other related documents shall be preserved for a period of **8 years** from the particular assessment year.

2.11.4. FCRA Asset

Any asset created out of foreign funds should be recorded in the FC books of account only. A FC asset will continue to remain an FC asset irrespective of time factor or closure of the

project. Under practical circumstances, it may so happen that a portion of the asset is funded from domestic sources. In such cases, the asset cost related to domestic funds should be reflected in the domestic books of account and the cost of asset related to FC funds should be shown in the FC books of account. Further, the consolidated statement will show the total cost of asset.

2.11.5. Income from Fixed Assets

The Act provides that any income like interest accrued, from FC shall also be treated as foreign contribution. When fixed assets are purchased (in the name of the organization) it is shown as utilized and as a result the FC balance is also reduced to that extent. In other words, once a FA is utilized it does not remain a part of the foreign contribution balance.

However, the title of the fixed asset remains with the organization at a nil value for FCRA purposes. As the title of the asset is with the organization, irrespective of the accounting value, it should be considered as a part of foreign contribution. Based on the aforesaid analogy, **all income generated from all FC assets should be considered as a part of FC contribution and should be reflected in the FC-4 annual returns accordingly.**

2.11.6. Sale of FC Fixed Asset

When an asset purchased out of FCRA funds is sold then the amount received on sales of such asset should be shown as FC receipts. There might be circumstances where assets are created out of both FCRA as well as domestic funds. In such cases, apportionment of the sale receipts should be made on a suitable and reasonable basis out of the sale consideration receipt and the amount, pertaining to foreign contribution portion of the asset should be

considered as FC receipts.

2.11.7. Disclosure Requirement

Following Information regarding Assets are required to be given in the Annual Return (FC-4):

- Total purchase of fresh assets
- Details of Land and Buildings remained unutilized for more than two years.

It should be noted that creation of asset and income from assets incurred by the association needs to be disclosed separately while filing the Annual Returns in the form FC-4. Therefore, it becomes important that while maintaining FCRA Books of Accounts, Creation of Asset and income from Assets is recorded separately in such accounting procedures.

2.11.8. Investments

As per the income tax norms, surplus fund of the charitable entities may be invested as per forms and modes prescribed u/s 11(5) of Income Tax Act. Similarly, as per the FCRA norms the organisation should not invest in speculative activities. Speculative activities or investment are those investments where there is risk of any depreciation in the value of the funds. Rule 4 of FCRR 2011 provides that FC cannot be invested in any kind of risk prone investment. It prohibits investments in following:

- Equity linked mutual funds or shares
- Any investment which has element of risk with gain or loss
- Participation in any scheme related with chit fund, land etc. which promises high return and is not related to the objectives

However, land purchase for the construction of field office shall be not considered as speculative investment since it is for the

achievement of the objectives.

In simpler words, the organisations should invest their FC funds only in fixed deposits.

2.11.9. Interest Income on Investments

It may be noted that the interest earned on investments is considered as FC receipts; such interest earned should be deposited in the designated FC Bank account and should be reported under the Interest Column in the FCRA Annual Returns. Rule 4 of FCRR 2011 provides that all persons shall maintain separate register of investment made out of FC funds.

2.11.10. Disclosure requirement of Investments

Every association shall maintain a separate register of investments. Every register of investments maintained under the Act shall be submitted for audit to a Chartered Accountant.

An organization that wants to borrow money and is registered under FCRA needs to ensure that it is not engaged in speculative activities and is abiding by the compliance requirement under the Foreign Contribution (Regulation) Rules, 2011. Further, FDs made out of FC Funds needs to be disclosed in the FCRA Annual Returns and hence, the organization should maintain necessary records for such compliance and reporting purposes. The following details need to be disclosed:

- Opening Balance of FDs
- FDs made during the year
- FDs realized during the year
- Closing Balance of FDs
- Interest received from FDs

2.12. Other Important Aspects

2.12.1. Administrative Expenditure

The FCR (Amendment) Act 2020 amended the section 8 of the Act and reduced the permissible limit of the administrative expenses from 50% to 20% of the FC funds received in that year (with effect from 29th September 2020). However, the administrative expenses may exceed this limit of 20% with prior approval of Central Government.

In simpler words, a FC registered organization cannot spend more than 20% of the FC received in that particular year on administrative expenses. It's a prospective amendment and will be applicable from 29th September 2020. Hence during FY 2020-21, the organisation can spend up to 50% on administrative expenses up to 28.09.2020 and from 29.09.2020 the limit of 20% on administrative expenses shall apply.

Further, administrative expenditure in excess of 20% without prior approval of Central Government shall constitute non-compliance under FCRA 2010.

Further, for the purpose of determining the administrative expenditure, Rule 5 of FCRR 2011 defines and provides the list of expenditure which shall be treated as administrative in nature. The administrative expenses constitute the following:

- Salaries, wages, travel expenses or any remuneration realized by the Members of the Executive Committee or Governing Council of the person;

- All expenses towards hiring of personnel for management of the activities of the person and salaries, wages or any kind of remuneration paid, including cost of travel, to such personnel.
- All expenses related to consumables like electricity and water charges, telephone charges, postal charges, repairs to premise(s) from where the organization or Association is functioning, stationery and printing charges, transport and travel charges by the Members of the Executive Committee or Governing Council and expenditure on office equipment.
- Cost of accounting for and administering funds
- Expenses towards running and maintenance of vehicles
- Cost of writing and filing reports.
- Legal and professional charges; and
- Rent of premises, repairs to premises and expenses on other utilities;

It is important to note that the expenses incurred directly in implementation of the programme shall be excluded from the administrative expenses such as salaries to doctors of hospital, salaries to teachers of school etc.

Similarly, the expenditure incurred for the management of the program shall be considered as administrative expenditures.

The definition of administrative expenses includes various expenses such as rent, vehicles maintenance etc. which may also be incurred for program purposes, Therefore, the scope of the Rule is more important than the traditional understanding of administrative expenses. In other words, some expenditure may be related with the programs but for the purpose of FCRA 2010 they shall be treated as administrative expenditure if such expenditure fall under the list of expenditures defined in the Rule above.

From the above definition of administrative expenses, the following expenditures may be carefully ascertained:

All kinds of vehicle expenditure have been considered as administrative in nature. However, the last proviso provides that expenses for furtherance of activity shall be excluded. Therefore, all direct programs related vehicle expenses and other expenditures are excluded from calculation of administrative expenses. All vehicle expenditure other than those which could be established as 'directly incurred on activities' shall be treated as administrative expenses.

The Rule includes the salaries of persons engaged in management of activity and at the same time the proviso as discussed above also applies. Therefore, salaries paid to all the staff directly engaged in implementation of the programs shall be treated as program expenditure. However, salary of senior management persons shall be treated as administrative expenses.

2.12.2. Accounting Treatment and Disclosure Requirements

It is not necessary to maintain separate set of books of account showing the administrative expenditure as per FCRR 2011. However, the organization should be in a position to clearly segregate the expenditure, which is administrative in nature, in the Books of Account. The organisation should maintain details and the supporting accounts to justify the percentage of administrative expenditure for the purposes of audit and reporting, if necessary.

The administrative expenditure is required to be reported to the FCRA authorities under a separate column in Form FC 4. The FCRA department may also call for such information and records with regard to administrative expenses.

2.12.3. Cash payments under FCRA

As per the Do and Don'ts issued by the FCRA department for the FCRA Registered associations, it has been noted that the cash expenses and withdrawals is limited up to Rs.2,000 in a single day. Such measures have been imposed in order to restrict the cash transactions in an FCRA registered association. Therefore, it is advised to follow the respective guidelines strictly in order to avoid any unnecessary scrutiny from the statutory authorities.

2.12.4. Advances to Staff

Salary Advance and Reimbursements:

Transfers of salary advances or travel reimbursement to the bank account of employees are legally permissible since it denotes end utilization of the funds.

Program Advance: It is not permissible to transfer FC program funds to the bank account of the staff. Many organizations follow this practice for transferring project funds to remote places. However such practices may not be legally consistent.

Handling money or funds as a part of employment contract is permissible but accepting a fund for definite purpose in fiduciary capacity is not permissible. When an employee is handling the cash he/she is not a trustee to the fund, he/she is just an extended arm of the organization.

For example, if an employee is withdrawing cash from the bank Account of the organization; the organization can take transit insurance and if there is a theft then the FIR (First Information Report) can also be filed in the name of the organization. However, if the employee is withdrawing cash from his/her personal Bank account, the organization cannot take transit insurance and if there is theft the FIR cannot be filed in the name of organisation.

Further, if some amount remains unutilized in the personal bank account of the staff at the end of the year, then such amount cannot be treated as a part of the FC closing Balance of the organization, but the cash in hand with the employee is always be treated as a part of the FC closing balance of the organization.

2.12.5. Bank Account Management

Earlier as per the FCRA norms, the FC should be received only in the exclusive single FC account of any schedule Bank (also called designated FC account), as mentioned in the order for registration or prior permission granted, which should be integrated with PFMS.

As per the FCR Amendment Act 2020, all the FC funds should be received only in the FCRA bank account maintained with **SBI, Sansad Marg Branch New Delhi** (also called designated FC account) and, should be separately maintained by the association. However, the FCRA authorities have provided time till 31st March 2021 to open their accounts in the designated branch. In other words, the organisations can continue to receive FC funds in their existing FCRA bank accounts till

- 31st March 2021 or,
 - the date on which SBI account is opened
- Whichever is earlier.**

However, apart from the above account the organisation can also maintain the following accounts:

- **Another FCRA account** may be opened in any scheduled bank by the association for keeping or utilizing the FC funds after it has been received in the designated FCRA bank account, provided that no funds other than that FC shall be received or deposited in such account or accounts. This account may be called “**Defacto Designated Account**”
- The association may also open one or more accounts in one or more scheduled banks of his choice to which he may transfer for utilising any foreign contribution received by him in his FCRA account in the specified branch of the SBI, New Delhi or kept by him in **another FCRA Account** in a scheduled bank of his choice.
- Transfer of funds is allowed from the designated FC account to the multiple account or accounts opened for its utilization. However, no funds other than the funds (FC) received in the designated FC account shall be received or deposited in such multiple account or accounts.
- With respect to opening of the Utilization

account, an online intimation is to be given in Form **FC-6D** within 15 days of such change.

- Further, there is no bar in transferring FC between the utilization accounts. However, any person should preferably avoid such practice for keeping the accounting process simple.

3. Compliance and Submissions under FCRA

3.1. E-Signature and Online Payment

With effect from 14.12.2015 all submissions have become online. In other words, there is no requirement of sending hard copies to the FCRA department. Earlier some forms were required to be filed online followed by hard copies and some forms were filed in hard copies only. Now onwards all forms have to be submitted online with no provision for sending hard copies.

The applications are required to be digitally signed or the scanned signatures and the seal of the organisation can also be uploaded. All payments can be made online electronically through payment gateway as may be specified by the CG.

3.2. List of New Forms

The list of new forms and their purposes is provided as under:

- Form FC-1 Intimation for gift received from relative by an individual or FC received by candidates for election.
- Form FC-2 Prior permission to accept Foreign Hospitality
- Form FC-3A- Application for Registration
- Form FC-3B: Application for Prior Permission

- Form FC-3C: Application for Renewal
- Form FC-4: Annual Return
- Form FC-5: Transfer to unregistered Organisations/Persons
- Form FC-6A: Change of name/address within the state
- Form FC-6C: Change of designated bank account,
- Form FC-6D: Opening of FC-utilisation account.
- Form FC- 6E: Change in Key members

3.3. Compulsory Annual Uploading Of Financial Information without Any Financial Limit

All persons / organisations who have been granted registration or prior permission shall have to upload their financial information such as Receipt and Payment Account, Income and Expenditure Account, Annual Financial Statement, Annual Report etc. on their website or on the website as may be specified by the Central Government. It may be noted that earlier, only those organisations, who had received more than One Crore Rupees in a year were required to upload the financial information in public domain. After the amended law, all organisations without any financial limit shall have to upload financial information in public domain.

3.4. Quarterly Returns

As per the FCRR 2015, any person receiving FC in a financial year has to intimate quarterly receipt of FC to the MHA. Therefore, all persons / organizations that have been granted registration or prior permission shall have to upload their financial information pertaining to the donor and the detail of grants received on quarterly basis.

All registered organizations without any financial limit shall have to upload financial information in their website or fill the requisite Form at the FCRA website. Association receiving FC can intimate quarterly receipt of foreign contribution on:

- Organizational website or
- FCRA Portal i.e. fcraonline.nic.in.

3.5. Details to be filled under Quarterly Returns

The below-mentioned information is required to be filled in the quarterly returns:

- Name of the Donor
- Status of the donor i.e. Individual/Association.
- Address, City and Country of the Donor.
- Website/Email Id of the Donor.
- Amount of FC Received
- Purpose for Which the FC received i.e. Educational, Social, Religious, Cultural and Economic.

3.6. Time Limit for Quarterly Return

Intimation shall be done within fifteen days following the last day of the quarter in which it has been received. The quarters and the respective due dates have been provided in the table below:

Quarter	Due Date of Intimation
Q1 (Apr to June)	15th July
Q2 (July to Sep)	15th Oct
Q3 (Oct to Dec)	15th Jan
Q4 (Jan to March)	15th Apr

3.7. Annual Returns

Every NGO registered under FCRA has to submit an Annual Return in form **FC-4** on or before 31st December for its foreign fund receipts for the previous financial year. Also if FCRA registered NGOs do not receive FC; filing a nil return is mandatory.

These annual returns are available online for anyone to read or download at the website of FCRA, year-wise, since 2006.

FCRR, 2015 provides that the annual return accompanied by Income and Expenditure statement, Receipt and Payment Account and Balance Sheet shall be submitted by 31st of December of subsequent year.

3.8. Documents Required To Be Filed With Annual Return

- Duly signed and seal Chartered Accountant Certificate (with C.A registration number).
- Declaration Certificate of Chief Functionary.
- Audited Statement of Accounts (It should contain Payment Account, Income and Expenditure Statement, and Balance Sheet).
- Bank Statement of FCRA Designated Bank certified by the officer of such bank.
- Image of chief functionary signature
- Seal of the Association

All documents are to be filed in PDF format except image of CF, signature and seal of association; these two are to be filed in JPEG format.

The Term “Chief Functionary” has not been defined in the FCRA Act or Rules. Normally the head of the organization should be construed as the Chief Functionary. The organization may also designate any office bearer as the Chief Functionary through a General Body/Governing Body resolution, for the purposes of filing the FCRA returns, Forms etc.

3.9. Declaration and Authentication

The FC-4 form is required to be signed by the CF of the organization. Further, a declaration needs to be signed and uploaded by the CF of the association stating that FCRA funds have not been used against national interest and sovereignty of the country.

3.10. Certificate from Chartered Accountant

Every organization receiving foreign contributions is required to furnish a certificate from a chartered accountant. The Performa of the certificate to be given by the chartered accountant is provided in Form FC-4. The CA has to certify the following:

- The brought forward balance of the foreign contribution at the beginning of the year.
- The FC received during the year
- Interest Accrued on FC and other income derived from foreign contribution by the trust during the financial trust.
- The unutilized balance of FC at the end of the year
- Certify that the association has maintained the account of FC and records relating thereto in the manner specified in the FCRA, 2010.
- The information furnished in the certificate and in the enclosed balance sheet, income & expenditure statement and statement of receipt

and payment is correct.

- The Trust has utilized the FC received for the purpose it is registered/granted prior permission /registration under FCRA Act, 2010.

3.11. Changes in Form FC-4

The Form FC-4 which is used for filing the Annual FC return as undergone considerable changes, which are as under:

- Amended FC-4 requires further details of individual donor wise contribution, activities/projects for which FC was utilized, purchase of assets (including details of movable & immovable), as well as FC transfer to other organizations.
- A new requirement is to provide details of other receipts from projects or activities. Here number of details like name and location of the project/activity, year of project assets and other such project income would have to be reported. It may be noted that under explanation 2 to section 2(h) of FCRA 2010 any other income derived out of foreign contribution including interest is also treated as foreign contribution.
- The donor wise details of foreign fund received require additional requirement to specify the specific activity/project for which such contributions are received.
- Details of utilization are required to be given under four different sub-heads: commencement is required to be provided. Here income out of FC
 - a) Details on the basis of each project/activity with its address & location and bifurcating the receipts in between cash and in kind and also as previous balance, received during the year, utilized & balance.
 - b) Amount of utilization as per aim & object & on Admin expenses.
 - c) Utilisation on purchase of assets with details of movable & immovable

assets with purpose & amount.

- d) Details of FC transferred to other associations with date & purpose.
- Details of unutilized foreign contribution is required to be bifurcated into Fixed deposit, cash in hand, balance in FC designated bank a/c & in utilization bank a/c.
 - Earlier details were required only for foreigners working but the amended Rules provides for information on foreigners as a key functionary, working & associated.
 - Additional information is required for land & building remains unused for more than two years with reason for un-utilisation.
 - Details of bank account requires further information i.e. phone no, email id of the concerned bank a/c as well as date of opening of bank a/c.

3.12. Delay in Filing Annual Report

Delay in filing of FC-4 by an FCRA registered organization is a punishable offence under the FCRA Rules. However, on payment of the compounding penalty of an offence, such return may be filed in a delayed manner. Such payment of penalty has to be paid at the FCRA portal while filing the delayed returns.

3.13. No Requirement to Enclose Documents in Case of Nil Filing

Such organisations where foreign contribution has not been received or utilised during a financial year, it shall not be required to enclose:

- Certificate from Chartered Accountant,
- Income and Expenditure Statement,
- Receipt and Payment Account
- Balance Sheet

In other words only a nil Form FC-4 is required to be filed.

3.14. Change in Name and Address

The Rules 17A as Amended by FCRR, 2015 allows for change in the Name/Address of the organization.

3.14.1. Procedure

When a change in name or registered address of the organisation is effected the following things should be kept in mind:

- The changes should be made in compliance with the statute under which such organisation is registered. Such approval of change in Name/address needs to be uploaded while filing the online intimation. It may be noted that such changes may not be possible in case of a trust unless such change is empowered by the Trust deed.
- As per the rules, an online intimation is required to be filed electronically in Form FC-6E within 15 days of such change.
- The online intimation in Form 6A provides a declaration that a Governing Body resolution has been passed to such effect. A Resolution of Governing Body for proposed change name/ address should be passed. This resolution is not required to be reported. However, the new rule allows change in the address of the organisation within the State. As stated above, for change in the address of the organisation, intimation is required to be sent to the FCRA Department.

However, if there is change of Address outside the state, there is a requirement to file a fresh application for registration, since the FCRA Registration number is allotted State-wise in which the organization is registered.

3.14.2. Intimation or Approval

As per the rule 17A of the FCRA (Amendment) 2015, an online intimation is required to be filed electronically online in Form FC 6A within 15 days of such change.

However, it has been noted that, after filing the online intimation in the FCRA Website, the portal reflects that an approval is pending with the FCRA department with regard to such change. The approval for such change would be received through an e-mail in the registered e-mail id of the organization, which is digitally signed by the relevant authority in this regard. Therefore, even though such interpretation may not be consistent with the rules, it is suggested to wait for the approval for such change by MHA before effecting such change in the organization.

3.14.3. Documents Required To Be Uploaded

SI. No	Document Name	Type of document	Maximum Size
1	Self-certified copy of amendment approved by local/relevant authority.	PDF	1 MB
2	Images of Chief	JPEG	50 KB

	Functionary signature		
3	Seal of the Association	JPEG	100 KB

3.15. Change in Designated Bank Account

The Rules 17A as Amended by FCRR, 2015 allows for change in the designated bank account of the organization.

3.15.1. Procedure

When a change of FCRA Designated bank account becomes a necessity by virtue of relevant and justifiable reasons the following procedure may be followed:

- A new local bank account should be opened by depositing the minimum amount required for opening of the account
- The resolution of the governing body should be passed for proposing the changes.
- Intimation of change in FCRA designated bank account in form FC-6C within 15 days of such change.
- After receiving approval from the FCRA Department, the entire balance from the old designated FC account should be transferred to the new account. It should be noted that no other amount should be deposited in such Account till such approval is received from the relevant authority in this regard.
- It is not legally necessary to close the old account. Therefore, the organization may use the old account as a domestic account. But it is desirable to close the old account, to ensure that even by mistake the foreign funds are not credited to the old account.

As per the recent amendments all the organisations are required to open their

designated bank account in the **SBI, Sansad Marg**. Therefore the organisation should file Form FC-6C after opening their designated bank accounts.

3.15.2. Intimation or Approval

As per the rule 17A of the FCRA (Amendment) 2015, an online intimation is required to be filed electronically online in Form FC 6C within 15 days of such change.

However, it has been noted that, after filing the online intimation in the FCRA website, the portal reflects that an approval is pending with the FCRA department with regard to such change. The approval for such change would be received through an e-mail in the registered e-mail id of the organization, which is digitally signed by the relevant authority in this regard. Therefore, even though such interpretation may not be consistent with the rules, it is suggested to wait for the approval for such change by MHA before the organization starts operating the new account.

3.15.3. Documents required to be uploaded

SI. No	Document Name	Type of document	Maximum Size
1	Self-certified copies of letter from the existing bank and the new bank regarding the change.	PDF	1 MB
2	Images of Chief Functionary signature	JPEG	50 KB

3	Seal of the Association	JPEG	100 KB
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Further, the form also includes a declaration with effect to the following and therefore, should be ensured while filing online intimation:

- The resolution of the governing body has been passed before effecting the changes;
- The Bank authorities have been duly informed about change in the designated FC receipt-cum-utilization bank account.

3.16. Intimation of opening of FCRA utilization account

Rule 9(1) (e) of FCRR 2011 as amended* by Foreign Contribution Regulation Rule, 2015 specifically provides that multiple bank accounts can be opened after the registration is granted.

3.16.1. Procedure

When a change of FCRA Designated bank account becomes a necessity by virtue of relevant and justifiable reasons the following procedure may be followed:

- A new local bank account should be opened by depositing the minimum amount required for opening of the account
- The resolution of the governing body should be passed for proposing the changes.
- Intimation of change in FCRA designated bank account in form FC-6C within 15 days of such change.
- After receiving approval from the FCRA Department, the new Account can be operated for FCRA purposes. It should be

noted that no other amount apart from the FCRA Designated Bank Account should be deposited in such Account even after the approval is received from the relevant authority in this regard.

3.16.2. Separate Bank Account for separate Donor

It has been seen that some donors insist of maintenance of separate bank account specifically for their grant and utilisation thereof. As discussed earlier in this chapter, multiple bank accounts are permitted under FCRA, 2010 for the purpose of utilisation only. It should be noted that all grants from all donors should be received in the designated FC bank account only. Separate bank accounts for the donors can be opened for utilisation purposes only. In other words, the amount received from the donor should first come to the designated bank account and then the amount can be transferred to the specific bank account opened for the donor for utilisation only. It is advisable to open multiple bank account(s) in the same bank though there is no legal bar in opening multiple bank account(s) with other banks.

3.17. Change in Board Members

The new rule allows change of Board Members or Key Personnel without prior approval. It may be noted that earlier, in certain cases, for change of more than 50% in the Board or the Governing Body, prior approval of the FCRA Department was necessary.

It should be noted that change in more than 50% of the Board members in the organization from the date when such Board members were reported in the application for FCRA

Registration/Prior Permission/ Renewal, whichever is later, need to be intimated in Form **FC 6E** within 15 days of such change.

Board Members shall submit a sworn and notarised affidavit at the time of renewal of registration. This affidavit is to be executed by each office bearer and key functionary and member individually on non-judicial stamp paper of Rs.10/- and attested by a Notary Public or 1st Class Magistrate.

3.17.1. Documents required to be uploaded

SI . No	Document Name	Type of document	Maximum Size
1	Self-certified copy of amendment approved by local/relevant authority.	PDF	1 MB
2	Affidavit from each Key functionaries	PDF	1 MB
3	Images of Chief Functionary signature	JPEG	50 KB
4	Seal of the Association	JPEG	100 KB

4. Annexures

4.1 Definition of Public Servant under section 21 of IPC

- Every Commissioned Officer in the Military, Naval or Air Forces of India;
- Every Judge including any person empowered by law to discharge, whether by himself or as a member of any body of persons. any adjudicatory functions;
- Every officer of a Court of Justice (including a liquidator, receiver or commissioner) whose duty it is, as such officer, to investigate or report on any matter of law or fact, or to make, authenticate, or keep any document, or to take charge or dispose of any property, or to execute any judicial process, or to administer any oath, or to interpret, or to preserve order in the Court, and every person specially authorized by a Court of Justice to perform any of such duties;
- Every juryman, assessor, or member of a panchayat assisting a Court of Justice or public servant;
- Every arbitrator or other person to whom any cause or matter has been referred for decision or report by any Court of Justice, or by any other competent public authority;
- Every person who holds any office by virtue of which he is empowered to place or keep any person in confinement;
- Every officer of the Government whose duty it is, as such officer, to prevent offences, to give information of offences, to bring offenders to justice, or to protect the public health, safety or convenience;
- Every officer whose duty it is as such officer, to take, receive, keep or expend any property on behalf of the Government, or to make any survey, assessment or contract on behalf of the Government, or to execute any revenue process, or to investigate, or to report, on any matter affecting the pecuniary interests of the Government, or to make authenticate or keep any document relating to the pecuniary interests of the Government, or to prevent the infraction of any law for the protection of the pecuniary interests of the Government;
- Every officer whose duty it is, as such officer, to take, receive, keep or expend any property, to make any survey or assessment or to levy any rate or tax for any secular common purpose of any village, town or district, or to make, authenticate or keep any document for the ascertaining of the rights of the people of any village, town or district;
- Every person who holds any office in virtue of which he is empowered to prepare, publish, maintain or revise an electoral roll or to conduct an election or part of an election;
- Every person:
 - in the service or pay of the Government or remunerated by fees or commission for the performance of any public duty by the Government;
 - in the service or pay of a local authority, a corporation established by or under a Central, Provincial or State Act or a Government company as defined in Companies Act, 2013

4.2 Frequently Asked Questions (FAQs) for disclosure regarding Covid-19 Response:

Q1. Whether it is compulsory to submit such reports?

Ans. It can be inferred that such reporting is not compulsory for any organization. It is more in the nature of appeal. However, it is advised to report the support related to COVID-19 in the said format and be actively involved in the process.

Q2. What if our organization has not provided any support?

Ans. As mentioned above, this is not a compulsory reporting and hence, may be avoided if no support is being provided by the organization.

Q3. whether such reporting/non-reporting is linked to FCRA renewal of our organization.

Ans. In our opinion, the notice and the reporting formats do not suggest any linkage with FCRA Renewal. On the other hand, in case your organization is not reporting, it does not hamper your FCRA renewals due in 2021. However, it is advised that the Organizations support and engage actively in this pandemic of such magnitude.

Q4. Our organization has not received the notice in our registered e-mail id. Can we still report the relief support that is being provided?

Ans. Yes, the form is available online at the website fcraonline.nic.in under the “Services under FCRA” tab. You can submit the said reports in the designated formats by logging in from the FCRA User ID irrespective of whether you have received the notice in the registered mail ID.

Q5. Whether we need to report FC funded support or all the support that is provided?

Ans. Upon review of the Form, it clearly mentions to report that all the support provided till date needs to be mentioned. It does not differentiate between FC funds or local funds and hence, it is advised all the cumulative support provided till date (whether from FC Funds or Local funds) should be reported in this form. In such case, you can disclose the fact that the support is being provided from Local and FCRA Funds. The relevant text in the format has been reproduced as under

“At the time of updation, the latest details and figures (inclusive of all support provided till date) should be entered. In other words, cumulative total support provided should be entered as on date during each updation”

Q6. Do I need to report if our organization has been engaged in in-kind distribution and not spending cash directly?

Ans. Yes, the reporting format includes the type of support that is being provided. Therefore, in case your organization is engaged in in-kind distribution, such as distribution of food, clothes,

sanitizers, soaps etc, then the same should be reported as well. Further, an estimated value of goods distributed needs to be mentioned in the amount column in the said format.

Q7. Our organization has planned for distribution in the upcoming days; however, we have not provided any support till date. Do I need to report the planned activities?

Ans. The earlier format provided that the planned activities and the estimated amount needs to be reported.

However, the form has been revised subsequently. Now, the reporting format suggests that the organization needs to report the actual support provided till date and not the planned activities. The organization can report through the online portal by the 15th of every month regarding the activities completed till such reporting date.

Q8. There is a list of activities mentioned in the Notice. Do we need to confine our reporting only to such activities?

Ans. No, you can report any kind of support that is being provided by your organization. The lists of activities are only suggestive in nature and not exhaustive. You can mention the type of support that is being provided in the reporting format irrespective of whether such support is being included in the notice or not. Further, an estimated value of such support in monetary terms can be mentioned in the space provided for such information.

Q9. Can I update the support related information once it has been filed at the online portal?

Ans. Yes, it should be noted here that the reporting format requires to ‘save and update’ and there is no option for upload. This implies that we can update the information multiple times as and when required. However, as suggested in the notice, we should update the information prior to 15th of every month at the online portal.

Q10. Can we provide funds to other organization who is in relief work related to COVID-19 and report it hereof.

Ans. Yes, technically this is possible, since funds have been provided for COVID-19 response. However, the donor organization should take care of the following things while reporting such support

- ❖ Donor Organization should state in writing about the support related to COVID-19 to the recipient organization in its donation letter
- ❖ In case, FC funds are being provided, the recipient organization should have a valid FCRA registration and 12A registration to receive FC Funds
- ❖ In case, local funds are provided, the recipient organization should have a valid 12A registration to receive tax-free donations