



# FCRA

Registration and compliances

# What is FCRA registration number?

- Foreign contribution regulation Act 1976 or FCRA is a law of government of India which manages receipt of foreign contributions or help from outside India to Indian areas. This law is implemented by the ministry of Home affairs, Government of India.

# Why FCRA registration is required?

- Only a small percentage of Indian charities are legally able to receive foreign funding under the Foreign Contributions Regulation Act (FCRA). Under FCRA, which was tightened and revised in 2010, Indian nonprofits of all shapes and sizes must register with the federal government to legally receive foreign funding.

# **FCRA Registration - Eligibility & Application Procedure in India**



# 1. The Objective of FCRA 2010

The Foreign Contribution Regulation Act, 2010 was enacted with a view to:-

- Regulate the acceptance and utilization of foreign contribution or foreign hospitality by certain individual associations or companies.
- Prohibit the acceptance and utilization of foreign hospitality or foreign contribution for any activities unfavourable to national interest and for matters related to therewith or incidental thereto.

## **2. Types of Registration Under FCRA 2010**

Ideally, there are two ways in which an organization can obtain registration as per FCRA 2010:-

- Normal registration
- Prior permission

# 3. Eligibility Criteria

- 1. Normal Registration:** In order to be eligible for the normal registration, there are a few prerequisites:-
- The applicant must be registered under the Societies Registration Act, 1860 or the Indian Trusts Act, 1882 or registered as Section 8 Company as per the Companies Act, 2013 or any such Act as may be required.
  - Must have made reasonable contributions by undertaking activities in its chosen field for the benefit of society.
  - Must have spent a minimum of Rs. 10,00,000 in the last 3 years towards achieving its objectives (Excludes administrative expenditure).
  - Must submit the copies of the financial statements of the last 3 years that are duly audited (**after 12AA registration certificate**) by qualified Chartered Accountants.
  - If a newly registered entity likes to get foreign contributions, then an approval for a specific purpose, specific activity, and from a specific source can be made to the Ministry of Home Affairs via the Prior Permission (PP) method.

**2. Prior Permission Registration:** The Prior Permission route is ideally suited for those organizations which are newly registered and would like to receive foreign contributions. This is granted for receipt of a specific amount from a specific donor for carrying out specific activities/projects.

The association must:-

Be registered under the Societies Registration Act, 1860 or the Indian Trusts Act, 1882 or registered as Section 8 Company as per the Companies Act, 2013 or any such Act as may be required.

Submit a specific commitment letter from the donor to the Ministry of Home Affairs which indicates:-

- Amount of contribution given
- Purpose for which it is proposed to be given

Where the Indian recipient organization and foreign donor organization have common members, the following conditions need to be met:-

- The Chief Functionary of the Indian organization can't be part of the donor organization.
- At least 51% of the members/office-bearers of the governing body of the Indian recipient organization should not be employees/members of the foreign donor organization.
- Where the foreign donor is an individual:
  1. He cannot be the Chief Functionary of the Indian organization.
  2. At least 51% office bearers/members of the governing body of the recipient organization should not be the family members and close relatives of the donor.



# Applying for FCRA Registration

Application for FCRA registration can be made using Form FC-3. Along with the application, the following documents must be submitted:

Self-certified copy of registration certificate/Trust deed etc., of the association

Self-certified copy of relevant pages of Memorandum of Association/ Article of Association showing aim and objects of the association.

Activity Report indicating details of activities during the last three years;

Copies of relevant audited statement of accounts for the past three years (Balance sheet, Receipt and Payment Account, Income and Expenditure Account) clearly reflecting expenditure incurred on aims and objects of the association and on administrative expenditure;

## »» Online FCRA Registration process:

Step 1: Go to FCRA online portal. (<https://fcraonline.nic.in>)

Step 2: Click on 'FCRA online forms' to register in FCRA.

Step 3: In the next screen select application for FCRA registration link. The link will redirect to next page.

Step 4: Click on 'Click to apply online' button to apply for FC3 (Registration).

Step 5: You need to sign up into FCRA, select sign-up option. The link will move to next page.

Step 6: Enter all mandatory details and click on save.

Step 7: On clicking on save a message will be shown in the screen 'User ID successfully created and Your user ID is:'



Step 8: Login into the portal using this User ID and password.

Step 9: You can see an option 'I am applying for' select FCRA registration from drop-down menu. Click on Apply online.

Step 10: To proceed registration 'click here to Proceed New Registration'

Step 11: Click on FC3 Menu in title bar for proceedings step by step registration.

Step 12: Select Association Details from the menu. The association detail form will be displayed. Enter all below mentioned mandatory details.

- Niti Aayog Registration/Darpan ID(Optional)
- Address of Association
- Registration number
- Place of registration
- Date of registration
- Nature of association
- Main aim of the association

Step 13: Click on submit button to save data



Step 14: Now go to Executive Committee Form by clicking on Executive Committee option from menu bar.

Step 16: Enter all details about Executive Committee.

Step 17: Select 'Add details of Key Functionary', you can now edit/delete/add Details of Information of Executive Committee.

Step 18: To add further foreigner details, select checkbox of the record which one you want and click on Add/View button.(In the case of Prior Permission)

Step 19: New screen will be displayed, add related foreigner details. You can able to Edit/Delete Record by clicking on the appropriate option.

Step 20: You need to fill EC details and others. Select this option from the menu list.

Step 21: Click on save after entering all mandatory details of EC.



Step 22: In this section provide your bank details such as Bank Name, IFSC code, Account Number, Address of the bank.

Step 23: Click on Other Details option from the menu to provide all other information.

Step 24: You need to upload all relevant documents in PDF format.

Step 25: After clicking on Make Online Payment button from menu bar, the payment screen will be displayed.

Step 26: Click on Continue for Payment button in this screen, a screen will be pop up on the screen. Select the payment gateway and click on payment.

### **Final Submission**

Step 27: Click on final submission from the menu bar. You have to declare the application form, enter place and date and click on final submit.

**NOTE : After final submission you can't modify anything.**



## MAJOR FCRA COMPLIANCES

| Form Number      | Purpose  | Nature        | Due date of filling  |
|------------------|--|---------------|--|
| FC-1<br>(Part-A) | Intimation of receipt of foreign contribution by way of gift/as Articles/ Securities/ by candidate for Election. | Intimation    | Within 30 days of receipt/31ST Dec of the year/Within 45 days of being nominated |
| FC-2             | Application for seeking prior permission of the Central Government to accept foreign hospitality(FC-2)           | Permission    | 14 days in advance   |
| FC-3             | FCRA Registration/Prior Permission/Renewal   | Permission    | NA (Generally takes 4 to 6 months to get registered)                             |
| FC-4             | Annual Return  | Annual Return | 31st December Following the end of the year.                                     |
| FC-5             | Application for seeking permission for transfer of foreign contribution to other un-registered persons (FC-5)    | Permission    | Before transferring such contribution  |
| FC-6             | Modifications/Utilisation of funds   | Intimation    | Within 15 days of change   |

» **Thank You**

For further queries please contact:

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