

F. No. II/21022/23(88)/2015-FCRA-III
Government of India
Ministry of Home Affairs
Foreigners Division
(FCRA Wing)
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NDCC-II Building, (Opposite Jantar Mantar),
Jai Singh Road, New Delhi
Dated 21st December 2015

Circular

Subject: Suggestions on draft amendment to Foreign Contribution (Regulation) Act, 2010

In order to bring harmony in the meaning of foreign source as contained in the Foreign Contribution (Regulation) Act, 2010 (FCRA, 2010), Companies Act 2013 and FDI Policy of Government of India, it is proposed to amend FCRA, 2010 by inserting the following proviso below sub-clause (vi) of clause (j) of sub-section (1) of Section 2:

"provided that if the nominal value of share capital is within the foreign investment limits prescribed under the relevant rules and regulations issued under Foreign Exchange Management Act, 1999, then notwithstanding the nominal value of share capital being more than one-half at the time of making the contribution, such company shall deemed to be, and shall always deemed to have been not a foreign source"

2. The suggestions/ comments on the proposed amendment from the public and other stakeholders are solicited within one month and the same may be sent to the undersigned (address: Ministry of Home Affairs, Foreigners Division, FCRA Wing, 1st Floor, NDCC-II Building, Jai Singh Road, New Delhi-110001). The suggestion may also be sent on e-mail: ak.dhyani@nic.in or may be faxed (at 011-23438042).
3. This issues with the approval of Competent Authority.



(A. K. Dhyani)

Under Secretary to the Government of India
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